

# Independent Limited Assurance Report to the Management and Directors of Telstra Group Limited

## Our Conclusion:

Ernst & Young ('EY', 'we') were engaged by Telstra Group Limited ('Telstra') to undertake a limited assurance engagement as defined by Australian Auditing Standards, hereafter referred to as a 'review', over the Subject Matter within Telstra's Bigger Picture 2023 Sustainability Report and online data tables ('Report'). Our review covered the following:

- ▶ Telstra's approach to identifying, prioritising, and disclosing material topics; and
- ▶ Selected disclosures detailed in the table below.

Based on the work we performed, nothing came to our attention that caused us to believe that Telstra's approach to materiality was not consistent with the Global Reporting Initiative's (GRI) materiality principles and that the selected sustainability performance disclosures have not been prepared and presented fairly, in all material respects, in accordance with the criteria defined below.

## What our review covered

For the year ended 30 June 2023 we reviewed Telstra's materiality process including the way Telstra identified material topics and the appropriate disclosure of these material topics in the report.

We also reviewed a selection of performance disclosures, as shown in the table below:

Chapter(s)	Performance disclosure
Doing business responsibly Creating a better digital world	<ul style="list-style-type: none"> <li>• Progress against target to help keep 1 million customers in vulnerable circumstances connected each year from FY22 - FY25 ('CIVC')*</li> </ul>
Sustaining our planet	<ul style="list-style-type: none"> <li>• Total greenhouse gas emissions ('GHG') (scope 1, scope 2 and scope 3 emissions) (t.CO<sub>2</sub>-e)</li> <li>• Total energy consumed (GJ)</li> <li>• Progress against target to decrease absolute scope 1 and scope 2 GHG emissions (t.CO<sub>2</sub>-e) by at least 50% by 2030 (%)*</li> <li>• Progress against target to decrease absolute scope 3 GHG emissions (t.CO<sub>2</sub>-e) by at least 50% by 2030 (%)*</li> <li>• Progress against target to enable renewable energy generation equivalent to 100% of consumption by 2025*</li> <li>• Target to ensure 100% of Telstra branded packaging is made of renewable or recycled material and is fully recyclable by 2022 (%)</li> </ul>

\*Assurance relates to Telstra's performance against the respective targets for the year ended 30 June 2023.

## Criteria applied by Telstra

In preparing the materiality approach, Telstra applied the Global Reporting Initiative (GRI) Sustainability Reporting Standards – Principle of Materiality 2021 for defining report content for materiality.

In preparing the selected material topics and associated disclosures and performance metrics for assurance, Telstra applied criteria as detailed in the glossary of the Bigger Picture 2023 Sustainability Report available [here](#).

## EY's responsibility and independence

Our responsibility is to express a conclusion on Telstra's materiality process and selected performance metrics based on our review.

We have complied with the independence and relevant ethical requirements, which are founded on fundamental principles of integrity, objectivity, professional competence, and due care, confidentiality, and professional behaviour.

The firm applies Auditing Standard ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related*

*Services Engagements*, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

## Telstra's responsibility

Telstra's management is responsible for selecting the Criteria, and for presenting the materiality process and selected material topics and associated disclosures in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records, and making estimates that are relevant to the preparation of the subject matter, such that it is free from material misstatement, whether due to fraud or error.

## Our approach to conducting the review

We conducted this review in accordance with the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information (ISAE 3000), Assurance Engagements on Greenhouse Gas Statements (ASAE 3410) and the terms of reference for this engagement as agreed with Telstra in the engagement letter, dated 19 April 2023 for Telstra's environmental performance disclosures, and 23 May 2023 for Telstra's materiality process and CIVC performance disclosures. These standards require that we plan and perform our engagement to express a conclusion on whether anything has come to our attention that causes us to believe that the Subject Matter is not prepared, in all material respects, in accordance with the Criteria, and to issue a report.

## Summary of review procedures performed

A review consists of making enquiries, primarily of persons responsible for preparing the materiality process and associated disclosures and related information and applying analytical and other review procedures.

The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risk of material misstatement, whether due to fraud or error. The procedures we performed included, but were not limited to:

- ▶ Conducting interviews with personnel to understand the business, reporting processes and systems for collecting and collating data.
- ▶ Evaluating the approach for determining material topics which included a review of media coverage, peer reporting and documentation supporting the materiality process.
- ▶ Undertaking analytical review procedures to support the reasonableness of the data supporting the disclosures.
- ▶ Testing, on a sample basis, underlying source information to inspect the accuracy of the data.
- ▶ Evaluating that the calculation criteria have been correctly applied in accordance with the methodologies outlined in the criteria.
- ▶ Identifying and testing underlying assumptions related to selected performance disclosure.
- ▶ Evaluating the appropriateness of the presentation of selected performance disclosures and materiality in the report.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our review conclusion.

#### **Inherent limitations**

Procedures performed in a review engagement vary in nature and timing, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a review engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

While we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to assessing aggregation or calculation of data within IT systems.

The GHG quantification process is subject to scientific uncertainty, which arises because of incomplete scientific knowledge about the measurement of GHGs. Additionally, GHG procedures are subject to estimation and measurement uncertainty resulting from the measurement and calculation processes used to quantify emissions within the bounds of existing scientific knowledge.

#### **Other matters**

We have not performed assurance procedures in respect of any information relating to prior reporting periods, including those presented in the Subject Matter. Our report does not extend to any disclosures or assertions made by Telstra relating to future performance plans and/or strategies disclosed in Telstra's Bigger Picture 2023 Sustainability Report.

#### **Use of our Assurance Report**

We disclaim any assumption of responsibility for any reliance on this assurance report to any persons other than management and the Directors of Telstra, or for any purpose other than that for which it was prepared.

Our review included web-based information that was available via web links as of the date of this statement. We provide no assurance over changes to the content of this web-based information after the date of this assurance statement.



Ernst & Young  
Melbourne, Australia  
Patrick Miller  
30 August 2023