



Bigger Picture

2026 Report

Acknowledgement of Country

We recognise and acknowledge the existing, original and ancient connection Aboriginal and Torres Strait Islander peoples have to the lands, waterways and sky country across the Australian continent. We pay our respects to their Elders and Ancestors.

At Telstra, we are enriched by Aboriginal and Torres Strait Islander peoples' contribution to our organisation and we commit to working together to build a prosperous and inclusive Australia.

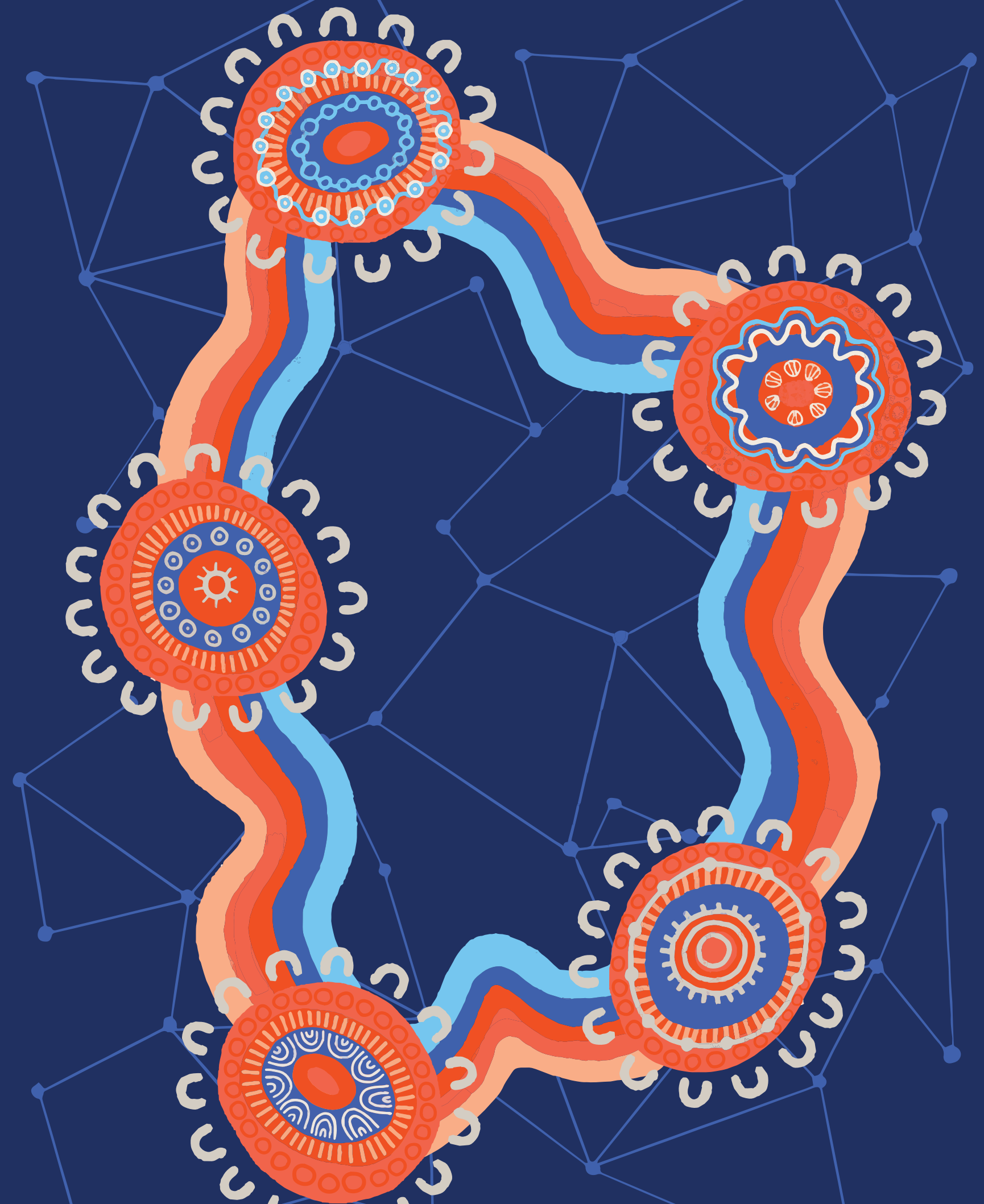


About the artwork 'Connection'

Created by Bobbi Lockyer, a passionate Aboriginal artist hailing from Kariyarra Country in Port Hedland. This artwork represents Telstra's commitment to its customers, community, and the power of connection. The artwork combines the hand painting storytelling and symbols of the oldest continuous culture in the world with the modern digital graphic design of the satellite sky.

Terms used

Throughout our 2026 Bigger Picture Report, the terms Aboriginal and Torres Strait Islander and First Nations are used interchangeably to reference Australia's First Peoples. The term Indigenous is used where it relates to a program name or is a preferred term.

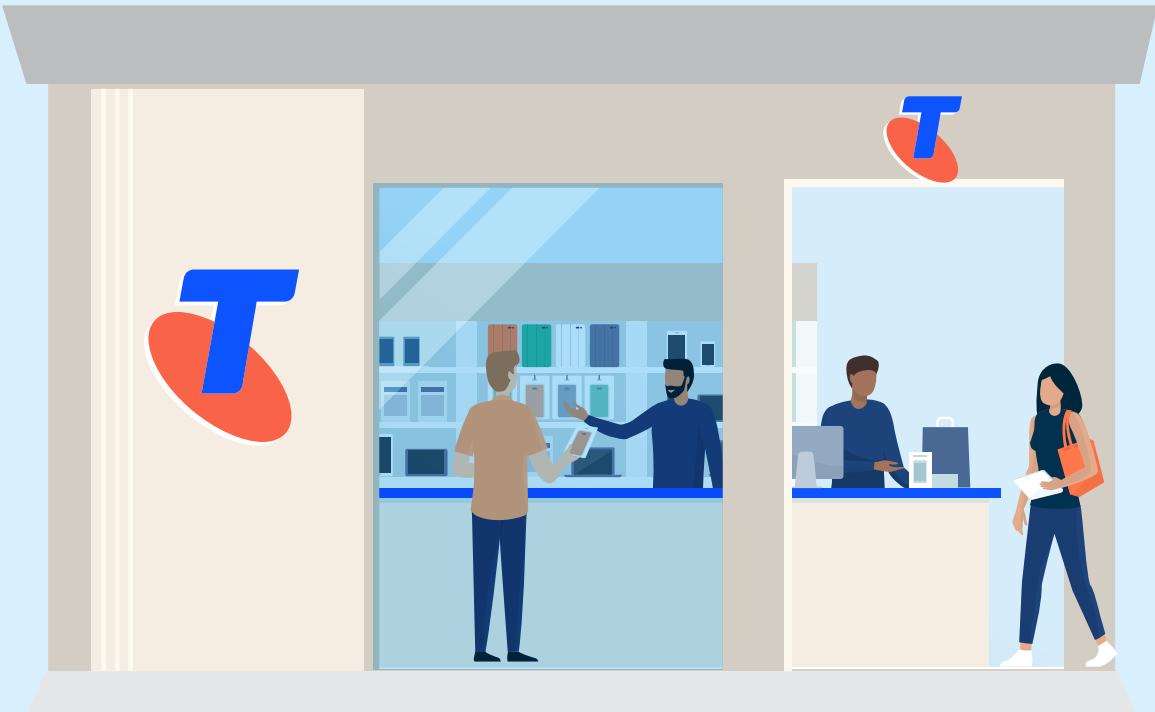


About Telstra

Telstra is Australia’s leading telecommunications company.

We offer a full range of products and services across a customer base that includes consumers, small businesses, large enterprises and government organisations.

We have around
260 stores in Australia



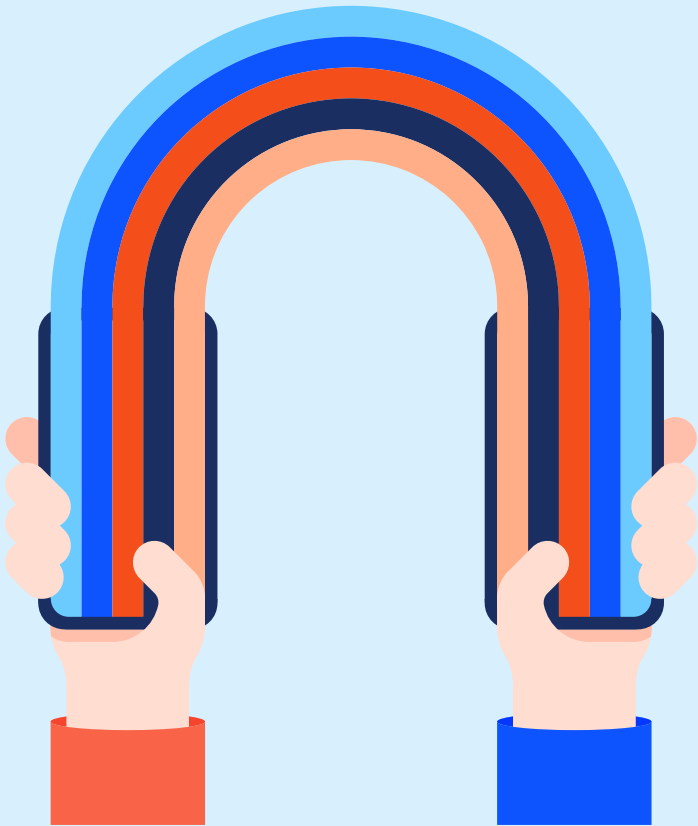
For millions of Australians, our networks underpin **daily life** – from staying in touch with family, to running a business, to calling for help in an emergency.

We take seriously the trust that comes with operating infrastructure that communities rely on every day.

We provide around
26 million
retail mobile services

and around
3.1 million
consumer and small business
bundle and data services

As of 30 June 2026



We connect to points
of presence in close to
**200 countries
& territories**
around the world



About this report

Our annual reporting suite

Our reporting suite for 1 July 2025 to 30 June 2026 (FY26) includes the documents below and is available on our website	
2026 Annual Report	Describes our strategy, financial performance and remuneration practices for FY26. It also includes our mandatory Sustainability Report - Climate Statements for FY26 prepared to the Australian Accounting Standards Board climate standard (Australian Sustainability Reporting Standard S2)
2026 Bigger Picture Report (<i>this report</i>)	Provides an in-depth look at our approach and performance in relation to our most material sustainability impacts
2026 Corporate Governance Statement	Provides information about governance at Telstra
2026 Modern Slavery Act Statement	Explains how we identify, manage and mitigate the specific risks of modern slavery in our operations and supply chains
Our Approach to Nature Action	Provides information on our nature-related dependencies, impacts, risks and opportunities and is guided by the recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD)
2026 Data Pack	Provides more information on the data presented in the Bigger Picture Report and our climate- and nature-related disclosures
2026 Content Index	Maps information in our sustainability-related reporting to frameworks including Australian Sustainability Reporting Standards (ASRS), Global Reporting Initiative (GRI), United Nations Global Compact (UNGC), Sustainable Development Goals (SDGs) and TNFD
2026 Glossary	Provides definitions of terms used throughout our Bigger Picture Report and our Approach to Nature Action
2026 In Focus: Sustainability at Telstra	Offers further details on impact materiality, strategy, alignment with the SDGs, stakeholder engagement and partnerships

Reporting scope

This report covers the activities of Telstra Group Limited and its controlled entities (together referred to as we, us, our, Telstra, the Telstra Group or the Group) for the FY26 financial year unless otherwise stated. Information regarding the controlled entities in the Telstra Group can be found in the Consolidated Entity Disclosure Statement in our 2026 Annual Report.

Digicel Pacific Limited and its controlled entities (Digicel Pacific) are excluded from our reporting unless specifically stated otherwise. Digicel Pacific emissions can be found in our 2026 Data Pack.¹

Where possible and relevant, we have extended the scope of this report to include discussion of broader impacts across our value chain.

Responsible use of artificial intelligence

Some of this content was created with the support of artificial intelligence (AI). We used human judgement and our established governance and assurance processes to verify and confirm the content.

1. We plan to include Digicel Pacific emissions in Telstra Group’s 2030 emissions reduction targets no earlier than FY28.

Forward-looking statement

This report includes forward-looking statements. The forward-looking statements are based on assumptions and information known by Telstra as at the date of this report, are provided as a general guide only and are not guarantees or predictions of future performance. Telstra believes the expectations reflected in the forward-looking statements are reasonable as at the date of this report, but acknowledges they involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Telstra, which may cause Telstra’s actual results, performance and achievements to differ materially from those expressed in, or implied by, the forward-looking statements. These factors include: general economic conditions in Australia; increased competition; the continuing growth in the markets in which Telstra operates; the implications of legal and regulatory risks in the businesses of Telstra; sustained technological change; future changes to Telstra’s products and services; the risk of cyber and data security issues; geopolitical instability and macroeconomic pressures; supply chain disruption; exchange rates; the extent, nature and location of physical impacts of climate change and their impacts on our assets, network and service continuity, supply chain reliability and responsible sourcing; responsible AI scaling; network and energy resilience; electricity grid decarbonisation; and changes to forecast supply chain emissions including but not limited to failure of third parties to achieve contractual environmental targets or milestones that have direct or indirect impact on our environmental modelling.

Due to the inherent uncertainty and limitations in measuring or quantifying greenhouse gas (GHG) emissions under the calculation methodologies used in the preparation of such data, all GHG emissions data or references to GHG emissions volumes (including ratios or percentages) in this report are estimates. The accuracy of Telstra’s GHG emissions data and other metrics

may be impacted by various factors, including inconsistent data availability, a lack of common definitions and standards for reporting climate-related information, quality of historical emissions data, reliance on assumptions and changes in market practice. These factors may impact Telstra’s ability to meet commitments and targets or cause Telstra’s results to differ materially from those expressed or implied in this report. There may also be differences in the manner that third parties calculate or report GHG emissions data compared to Telstra which means that third-party data may not be comparable to our data.

Readers should not place undue reliance on the forward-looking statements. To the maximum extent permitted by law, Telstra gives no representation, warranty, or other assurance in connection with, and disclaims all responsibility for, the currency, accuracy, reliability and completeness of any forward-looking statements, whether as a result of new information, future events or otherwise. Telstra assumes no obligation to update any forward-looking statements, and to the maximum extent permitted by law, disclaims any obligation or undertaking to release any updates or revisions to the information contained in this report to reflect any change in expectations or assumptions.

Assurance

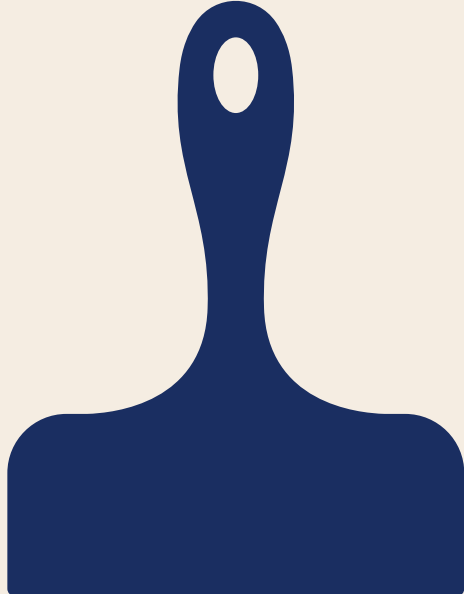
Deloitte Touche Tohmatsu (Deloitte) provides limited assurance in accordance with ASSA 5000 over selected sustainability data in our 2026 Bigger Picture Report, including GHG emissions results and disclosures within the Modern Slavery Act Statement.



For an overview of the metrics that underwent assurance this year, see **Deloitte’s Assurance Statements** on our [website](#).



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For more on our business and Connected Future 30 strategy, see our **2026 Annual Report** on our [website](#).



We welcome feedback or questions regarding this report at sustainability@team.telstra.com

Statement from our Chair and CEO

We are pleased to present our 2026 Bigger Picture Report

This year marked the first year of our Connected Future 30 strategy — a five year strategy to double down on connectivity and radically innovate in the core of our business. Operating sustainably is fundamental to how we deliver this strategy, from safe operations and resilient infrastructure to climate action, digital inclusion and responsible technology.

Amid economic uncertainty, geopolitical tensions and rapid technological change, our role as a leading telecommunications provider and an operator of critical national infrastructure has never been more important. As reliance on connectivity deepens, we see a significant opportunity to help build a prosperous and inclusive digital future for Australia.

Strengthening trust and learning from challenges

Building and maintaining trust is foundational to Telstra's relationships with our people, our customers, the communities we serve and our investors. We believe trust is earned over time through our actions, delivering consistently on our commitments and being transparent when we fall short.

We deeply value the relationships we have with a wide range of stakeholders. Over the past 12 months, we have further strengthened these relationships through direct and meaningful engagement to better understand lived experiences, emerging issues and priority needs. This has included working with consumer advocates, community organisations and sector stakeholders to shape our approach to affordability and support for customers experiencing financial stress. On digital inclusion, we engaged with governments, universities, non-governmental organisations (NGO) and partners to better understand their views on topics

including barriers to accessibility, digital participation, human rights and AI adoption. We also consulted with communities and regional leaders such as those from western Queensland, Tasmania and the Tiwi Islands to inform our approach to regional connectivity.

As reliance on connectivity continues to grow, expectations of Telstra and the wider telecommunications industry have increased. We invest significantly in improving and strengthening the resilience of our network. We also invest in bringing new services to our customers, like satellite messaging, which complement and extend regional and remote connectivity. In June, we introduced new coverage maps in line with updated Australian Communications and Media Authority (ACMA) regulations, giving customers a more consistent way to compare coverage across providers. Under the new national standard, a more conservative signal strength threshold is used to determine predicted coverage, meaning some areas that previously appeared as covered must now be shown as “no coverage” on maps. While the colours and shapes on our maps have changed, the strength and reach of our network remains the same.

Trust in Telstra is also shaped by how we conduct our business. During the year, we maintained a strong focus on the foundations of responsible conduct and strengthened governance and risk management within our business. We maintained strong completion rates for our ethics and conduct training, while



continuing to embed human rights considerations into the way we operate and work with our suppliers. We also progressed our commitments to reconciliation by advancing our Stretch Reconciliation Action Plan (RAP) initiatives and launched our FY27-FY29 Accessibility and Inclusion Action Plan (AIAP).

Our people

As technology reshapes our business, supporting our people to adapt, build new skills and deliver in a changing environment remains a priority. We invest in our people to build the skills, confidence and support to adapt as technology changes, and continue to deliver for customers safely and responsibly. This includes expanding learning opportunities through our Data & AI (D&AI) Academy, which provides clear learning pathways and responsible AI training to help our people use data and AI confidently and appropriately in their everyday work. We also invest in leadership capability through programs such as Lead 30, which brought together 2,600 leaders from across Telstra to grow the skills and mindset needed to lead through change and deliver our Connected Future 30 strategy. These investments are helping build a future-ready workforce that can adapt to new technologies while continuing to deliver for customers.

Alongside capability, we have continued to strengthen the systems, tools and culture that support safe, accountable

and high-performing teams. During the year, we launched our Safety Connected Vision, reinforcing our commitment to creating a workplace where everyone feels empowered to speak up, take action and work safely. We also introduced a generative AI-enabled safety agent to help our people access timely health, safety and wellbeing guidance, supporting safer decisions and a stronger safety culture across the business.

Tragically, a valued member of our Field Services team lost his life during the year while being transported in the course of undertaking work for Telstra. This was a devastating loss, felt across the organisation, and our thoughts remain with his family, friends and colleagues. It underscores our ongoing focus on the safety and wellbeing of our people.

Supporting a more inclusive digital world

Cost-of-living pressures continue to weigh on many Australians. The Australian Digital Inclusion Index (ADII) helps us see more clearly where barriers to access, affordability and digital ability are most acute, so support can be directed where it can have the most impact. In response, we have sharpened our focus on those three barriers, strengthening our support for people most at risk of digital exclusion.

This year, we expanded our Telstra Top Up program by growing our network of community partners, who provide free Pre-Paid mobile recharge vouchers to people experiencing financial hardship. In FY26, we provided over \$4 million of value through Telstra Top Ups to customers in vulnerable circumstances. We supported over 1.4 million customers in vulnerable circumstances to stay connected this year. We also broadened our concession discount, giving eligible customers greater flexibility to select plans that better align to their needs.

We continued to invest in digital ability, helping people build the confidence and skills to participate safely in an increasingly digital world. Through programs delivered with community and industry partners, we are supporting more Australians to understand and use new technologies. We are helping more Australians participate confidently in the digital economy

and stay connected when it matters by addressing barriers to access, affordability and digital ability.

Together, these efforts strengthened both access and capability, enabling more Australians to participate in the digital economy with confidence, while protecting safety and trust.

Delivering resilient and sustainable connectivity

Our long-term success is closely linked to the resilience and sustainability of our operations. We remain focused on delivering our financial commitments and long-term value creation, while operating in a way that supports our communities and environment. In FY26, we made meaningful progress against our climate and sustainability goals as part of our pathway to net zero by 2050. During FY26 we also completed our target to enable renewable energy generation equivalent to more than 100 per cent of our electricity consumption, working with solar and wind farm developers to increase renewable energy in Australia’s electricity grid. We also expanded our device recycling and circular economy initiatives, moving closer to our ambition to reuse, recycle, repair or donate one smart device for every two devices sold, by FY30.

As the frequency of severe weather events increases, we have continued to invest in the resilience of our network and infrastructure to support customers during power disruption. Over the year, we invested in backup power and disaster preparedness at critical network sites, helping to maintain connectivity through bushfires, storms and floods. Working in partnership with federal and state governments on co-investment programs to improve mobile coverage in regional and remote areas, we have expanded access to essential connectivity in communities that are often most exposed to disruption.

We take any disruption to our customers and Australians extremely seriously. We invest significantly in the resilience of our network to minimise issues and see that the right safeguards and controls are in place. We also work with customers to identify critical use cases so they can consider what additional redundancy and safeguards they can put in place.

When things do go wrong, our first priority is to give people clear information and fix the issue as quickly as possible. Our second priority is to learn from what happened to further strengthen our network resilience, our controls and the way we support customers and communities.

On 8 July 2026, after the period covered by this report, Telstra experienced a major network outage which impacted customers and had significant flow-on impacts to the community. We have already taken action to further strengthen our network as a result of the incident. We expect further improvements will be made once we receive the findings of the external expert review currently underway. We have also started to provide payments which comprise credits/refunds/ex gratia and compensation and other outcomes like bonus data to customers who let us know they were impacted.

Looking ahead

We believe the future will be more digital than anything we’ve known before and the importance of secure and reliable connectivity will only grow. Connectivity must not only be fast and reliable but also trusted, inclusive and sustainable. Against this backdrop, our priorities remain clear: strengthening network resilience, reducing environmental impact, expanding digital inclusion and nurturing the trust placed in us as we progress our Connected Future 30 strategy. We enter FY27 with a disciplined focus on staying true to our purpose. We are confident in our team, our strategy and our ability to deliver long-term value for our customers, communities and shareholders, while helping build a connected future where everyone can thrive.



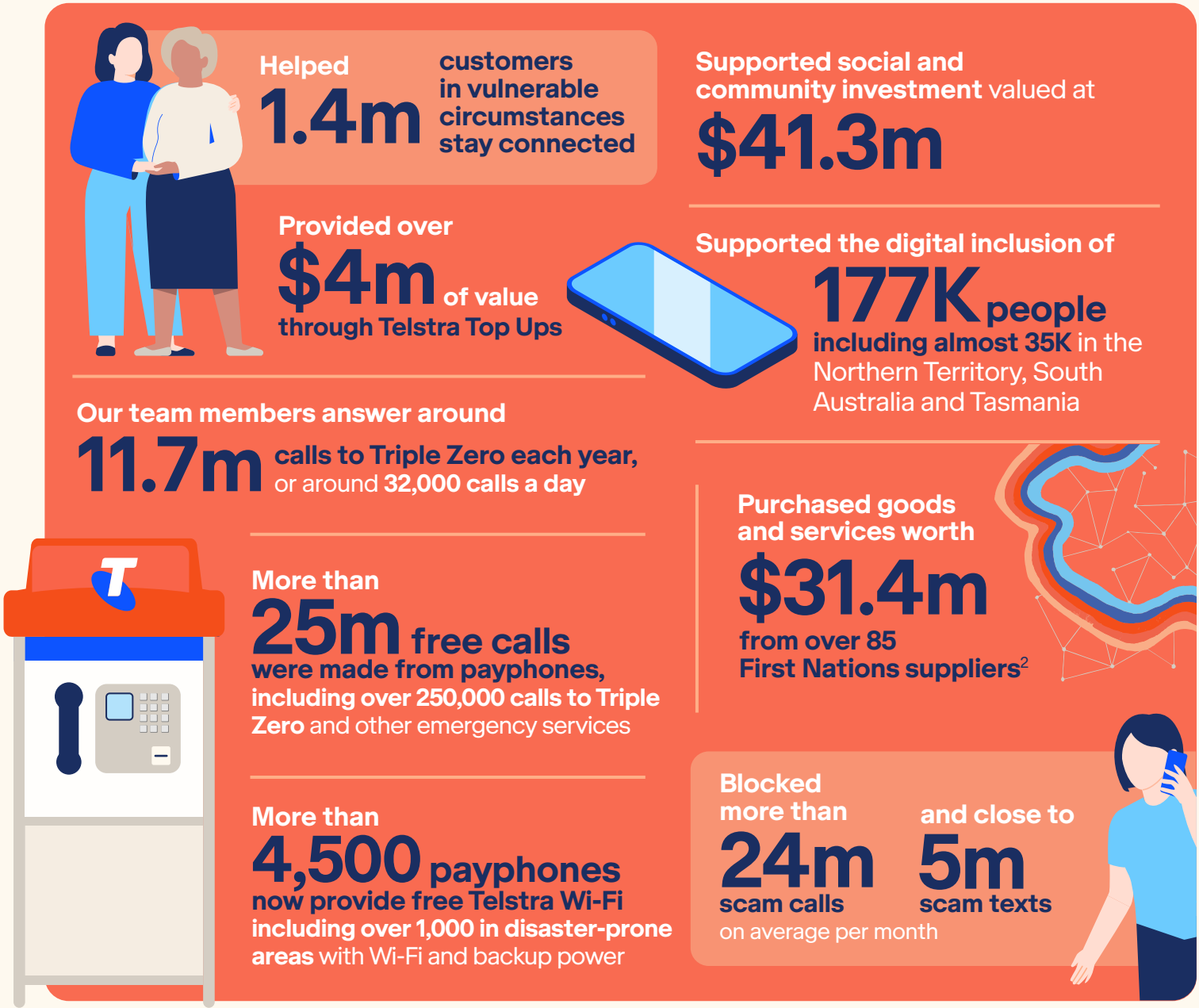
Craig Dunn – Chair



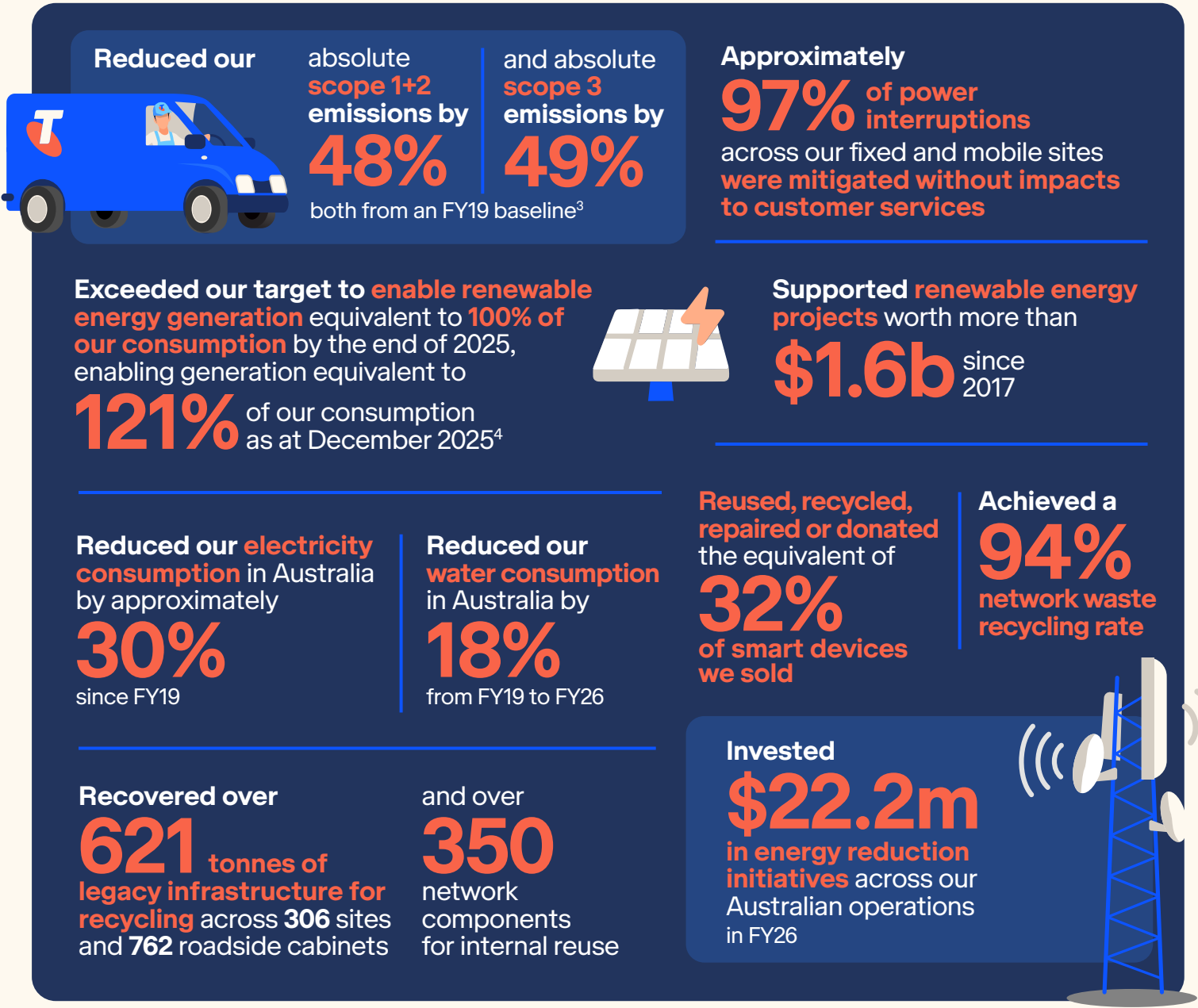
Vicki Brady – CEO and Managing Director

FY26 sustainability highlights

Community



Environment



2. Spend total includes both direct (Tier 1) spend and indirect (Tier 2) spend. Tier 2 figures are based on reports received from 11 targeted suppliers and therefore represent reported spend only as at the close of the reporting period.
3. Excluding Digicel Pacific. We plan to include Digicel Pacific emissions in Telstra Group's 2030 emissions reduction targets no earlier than FY28.
4. Our progress towards our renewable energy enablement target is calculated by comparing the volume of renewable electricity generated under Power Purchase Agreements (PPAs) with the total electricity consumption across Telstra's operations.

Leadership

In FY26, our sustainability progress continued to be recognised:

- Telstra and its partner Justice Connect **won the community engagement category of the Australian Financial Review (AFR) AI Awards 2026** for the Smart Assist program
- The AI for Good program, in partnership with Good Things Australia, was listed as a **finalist in the AFR AI Awards 2026**
- **Awarded CommsDay Edison award** for best national mobile network initiative or partnership for our satellite-to-mobile messaging service in collaboration with Starlink
- **Listed as a top performer** in the Australian Disability Network's Access and Inclusion Index 2025
- **Awarded an A- rating for Climate Change** from CDP
- **Awarded an A rating in the Supplier Engagement Assessment** from CDP, the only Australian-based company to be recognised on the leaderboard every year since 2021
- Named **number four on LinkedIn's 2026 Top Companies list** in Australia
- **Ranked in the Top 100** in developed markets for **gender equality** by Equileap
- **FTSE4Good Index Series** constituent 2026
- Listed in TIME Magazine's **World's Most Sustainable Companies 2026** list.



Our strategy

Our purpose is to build a connected future so everyone can thrive

Operating sustainably is essential to achieving our purpose and to delivering Connected Future 30. It strengthens long-term value for our business and supports positive outcomes for our stakeholders, communities and the environment.

Our stakeholders include our people, our customers, the communities we operate in and our investors.

We use technology to create a better digital world and to reduce our environmental impact and we help our customers, our suppliers and Australia do the same.

We stay engaged with our customers and community stakeholders to understand the challenges they face and support communities to become more resilient.

We help our people to continuously learn and adapt so we have the right skills, capabilities and behaviours for the future alongside a workplace that values inclusivity, wellbeing and high performance.



Sustainability is embedded across Connected Future 30



Our layers

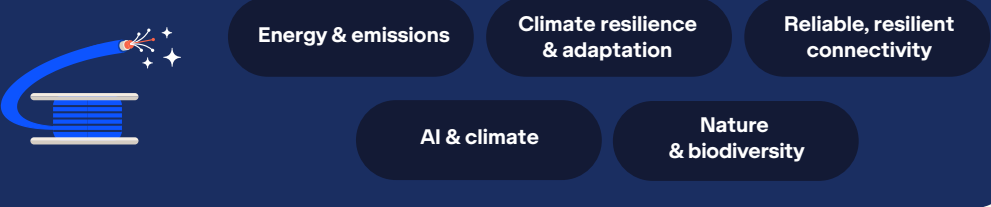
Customer Engagement



Network as a Product



Digital Infrastructure



Our enablers



We support financial discipline by reducing energy consumption, assessing climate-related risks and implementing adaptation measures. We also reduce waste by reusing materials through our circular economy and waste programs.

We strengthen customer engagement by improving digital inclusion. This includes work to improve access, digital skills and affordability, so more people can participate confidently in the digital world.

We advance our technology leadership by applying AI to deliver our strategy. We consider its long-term social and environmental impacts, with a focus on safe and responsible use, from design and governance through to deployment. This includes building trust and supporting the skills and confidence people need to engage with these technologies over time.



For more on our sustainability approach and stakeholder engagement, see our **In Focus: Sustainability at Telstra** paper and other associated reports on our [website](#).



For more on our climate-related disclosures, see the ‘Sustainability Report - Climate Statements for FY26’ section in our **2026 Annual Report** on our [website](#).



For more on our Connected Future 30 strategy, see the **2026 Annual Report** on our [website](#).

FY26 progress against metrics and targets

- On track for delivery
- Progress made*
- Not on track
- Completed

	Focus area	Target	SDG	Progress	More info
Doing business responsibly	Responsible supply chains	Continue to conduct independent third-party supply chain audits	SDG 8	52 sites across 23 suppliers audited using the Joint Alliance for Corporate Social Responsibility (JAC) guidelines. Closed 151 corrective actions relating to priority and major findings identified in this or previous years’ audits, including 85, or 45%, of corrective actions relating to priority and major findings identified in FY26 audits	2026 Modern Slavery Act Statement
		Achieve 100% annual completion of Business Essentials refresher conduct training course	SDG 16	97.7% of our total target audience completed the mandatory refresher training	Page 18
	Our people	Maintain top quartile employee engagement	SDG 8	Employee engagement score of 81 – improved 2 points on FY25 and in top quartile globally	Page 28
		Achieve 40:40:20 gender balance by 2030 across our executive leadership and the global workforce	SDG 5 SDG 10	By the end of FY26, women made up 40% of the CEO team (including CEO), which is on track to target. Women made up 37.4% of the global workforce, where more work is required to achieve the 2030 target	Page 28
		Total Recordable Injury and Illness Frequency Rate (TRIFR) at or below the prior year	SDG 8	TRIFR has reduced to 3.66 (from 3.72) due to reduction in recordable illnesses	Page 33
Creating a better digital world	Building responsible tech skills	Support digital inclusion of 1 million people by FY30 with at least 200,000 of those people in NT, SA or TAS	SDG 9	In FY26, we supported the digital inclusion of 176,941 people across Australia including 34,499 people across the Northern Territory, South Australia and Tasmania	Page 36
		Achieve 100% completion of Responsible AI training for all licensed users of Copilot		100% of all licensed Copilot users have completed Responsible AI training, including our Board, CEO and Executives	Page 50
Sustaining our planet	Taking climate action ⁵	Reduce our absolute scope 1+2 emissions by at least 70% by 2030 (from a FY19 baseline)	SDG 13	Reduced our absolute scope 1+2 emissions by 48% from a FY19 baseline	Page 54
		Reduce our absolute scope 3 emissions by at least 50% by 2030 (from a FY19 baseline)		Reduced our absolute scope 3 emissions by 49% from a FY19 baseline	Page 56
		Enable renewable energy generation equivalent to 100% of our consumption by 2025 ⁶		Enabled renewable energy generation equivalent to 121% of our electricity consumption as at December 2025	Page 58
		Net-zero GHG emissions by 2050 ⁷		Reduced our combined scope 1, 2 and 3 emissions by 48% from a FY19 baseline	Page 53
	Progressing a circular economy ⁸	Reuse, recycle, repair, or donate one smart device for every two sold, by FY30	SDG 12	In FY26, we reused, recycled, repaired or donated the equivalent of 32% of smart devices we sold	Page 60

*Progress made: this status is used when there is medium confidence in achieving the target, recognising that the strategy is in its first year.

5. Excludes Digicel Pacific. We plan to include Digicel Pacific emissions in Telstra Group’s 2030 emissions reduction targets no earlier than FY28.

6. Our progress towards our renewable energy enablement target is calculated by comparing the volume of renewable electricity generated under Power Purchase Agreements (PPAs) with the total electricity consumption across Telstra’s operations. The target is absolute in nature. In December 2025 we achieved our target of enabling renewable energy generation equivalent to 100% of our consumption. This was a fixed, rather than enduring target. However, many of the PPAs we have in place will continue to at least 2030 and their generation equivalent to our consumption will continue to be tracked as a metric in the [2026 Data Pack](#)

7. Our net-zero target is validated by the Science Based Targets initiative (SBTi) as aligning to their [Corporate Net-Zero Standard](#)

8. Telstra’s circular economy commitments and reporting apply to Australian operations only.

Impact materiality

We consider the impact we have on people and the environment with an impact materiality assessment.⁹ This informs the content of the Bigger Picture Report and shapes how we evolve our sustainability ambition in relation to the Connected Future 30 strategy.

Our finance and risk processes assess risks and opportunities that may affect Telstra’s financial position and inform our Annual Report (financial materiality).

These assessments are done separately but together form our double materiality assessment. This enables better identification of risk and opportunities, more informed decision-making and credible reporting.

Our impact materiality assessment examines how our activities affect customers, communities and the environment across our value chain, both positively and negatively. The assessment uses internal and external stakeholder input, internal metrics, industry reports, peer analysis and regulatory guidance. It assesses the severity, scale and likelihood of impacts on people and the environment using a rating system.

We align this assessment with enterprise processes so our material topics are decision useful and integrated into how we manage the business. The assessment is updated annually to reflect changes in our operating context and stakeholder expectations.

The assessment helps us prioritise short-term sustainability actions. For example, customers and community stakeholders rely on connectivity in our increasingly digital world. Some of our highest-rated material topics are network resilience, energy usage and digital inclusion. One of the most significant components of

operating a resilient network is access to a reliable, affordable energy supply. For a country like Australia this should mean predominantly renewable energy, backed by batteries. Our network resilience also relates to strengthening our network to withstand climate-related events and future climate impacts. In addition, our digital inclusion initiatives recognise that people need digital skills, access to reliable connectivity and affordable options to participate in the modern digital world.

This impact assessment is an input into this report’s content. We consider additional inputs, such as our purpose and our Connected Future 30 Strategy, to inform our strategic sustainability initiatives. This includes additional focus topics aside from those rated highest, to identify emerging risks and opportunities for medium- and long-term value creation and impact.

For example, while water ranked low in our assessment, we recognise water risks in Australia are prominent and consider the sector-specific risks. Additionally, while First Nations is not a reporting priority for many global peers, in Australia there are higher expectations of corporates and established frameworks such as the RAP. First Nations communities in remote areas also have some of the highest levels of digital exclusion. Making a meaningful difference in these communities supports our purpose.



For more on our financial materiality assessment, see our **2026 Annual Report** on our [website](#).



For more on our approach to water, see **Our Approach to Nature Action** on our [website](#).



For more on our First Nations approach, see the [Supporting First Nations](#) section of this report.



9. As per GRI standards.



The highest-rated topics from this FY26 impact materiality assessment are shown in the infographic below.

Top impact materiality topics	Definition	Section(s)
 Cyber security, privacy and data protection	Enable cybersecurity, data protection and privacy across services and operations such as collection, retention and use of sensitive data	<i>Advancing online safety and privacy</i>
 Consumer health, safety and welfare	Addressing health, safety and wellbeing across the lifecycle of our products and services and adhering to customer health and safety regulations and voluntary codes	<i>Fair and transparent products and services</i>
 Safety and wellbeing of our workers	Occupational health, safety and wellbeing of our employees and supply chain workers	<i>Promoting health, safety and wellbeing</i>
 Network resilience	Ability to maintain or rapidly restore critical connectivity services in the face of disruption, minimising customer impact and protecting trust, safety and commercial value	<i>Building resilient connectivity</i>
 Energy usage	Reduce our energy use and enable renewable energy	<i>Decarbonise Telstra and Decarbonise the grid</i>
 Emissions	Reduce our greenhouse gas emissions	<i>Taking climate action</i>
 Responsible sales and service	Responsible selling to customers including helping keep our products inclusive, priced fairly, and processes fair and flexible to customers	<i>Fair and transparent products and services</i>
 Digital inclusion	Enabling access, affordability and digital ability for technology	<i>Supporting digital inclusion</i>
 Responsible AI	Governance for ethical use of AI and impacts to customers and communities	<i>Responsible AI</i>



For more on definitions on our material impacts, see our **2026 Report Glossary** on our [website](#).



For more on stakeholder engagement, see our **In Focus: Sustainability at Telstra** paper and **2026 Content Index** on our [website](#).

Management approach and governance

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



For more on our corporate governance see our **2026 Corporate Governance Statement** on our [website](#).



For more on our climate- and nature-related governance, see the ‘Sustainability Report - Climate Statements for FY26’ section in our **2026 Annual Report** on our [website](#).



For more on our sustainability governance and how we are contributing to the SDGs, see our **In Focus: Sustainability at Telstra** paper on our [website](#).



For more on our human rights governance and how we are contributing to the SDGs, see the **2026 Modern Slavery Act Statement** on our [website](#).





Doing business responsibly



Approach

How we do business responsibly

We know our long-term success relies on the trust of our people, our customers, the communities we operate in and our investors. We work to build that trust by acting lawfully, ethically and responsibly. Our Connected Future 30 strategy reinforces how we can deliver for these stakeholders and invest in the future.

We embed responsible business practices across our operations to:

- reinforce our responsible sales practices
- maintain the safety and wellbeing of our customers and communities
- improve our products and services to help support sustainable and inclusive outcomes
- strengthen transparency across our supply chain and uphold the highest standards of human rights
- conduct business fairly and transparently to maintain trust with our people, our customers, the communities we operate in and our investors
- create a diverse, inclusive, safe and flexible workplace where our people can perform at their best.

Alignment to Connected Future 30 layers and enablers





Training

Mandatory Business Essentials training supports our commitment to acting ethically and responsibly. All Telstra team members, including contingent workers and partners, must complete Business Essentials each year. The training covers key obligations under our Code and Group Policies.

In FY26, we achieved a completion rate of 97.7 per cent across the organisation (100 per cent of internal employees and 94.2 per cent of external team members). This participation strengthens our ability to prevent misconduct, protect our customers and partners as well as uphold consistent standards across our workforce.

Leading conduct and governance

We promote a fair and responsible culture through the [Telstra Group Code of Conduct](#), [Group Policies](#) and mandatory compliance training. Our Code of Conduct is our global approach to ethical and compliance issues. These standards, supported by our ‘Big Three’ behaviours and habits, set clear expectations for our people and partners to act lawfully, ethically and responsibly.

Our Code of Conduct defines and guides the way we make decisions. It underpins how we operate as a responsible business. It requires each of us to be fair, unbiased and ethical in our decision making, and to hold each other accountable to those principles.

We understand the importance of creating meaningful and positive contributions to our communities. We engage with our external stakeholders in a manner that is fair, ethical and complies with the law. We consider and adapt to the impacts of a changing climate to protect our ability to serve our people, our customers, the communities we operate in and our investors, now and into the future.



For more on our ‘Big Three’ behaviours and habits, visit our [website](#).



For more on our approach to ethical conduct, see the ‘Acting lawfully, ethically and responsibly’ section in our **2026 Corporate Governance Statement** on our [website](#).



For more on supply chain governance, see our **2026 Modern Slavery Act Statement** on our [website](#).

Whistleblowing

We encourage our people to speak up about concerns through safe, confidential and accessible channels. Our Code reinforces this expectation and supports our people to raise concerns with confidence.

We provide clear ways to raise concerns through various channels including Telstra’s Whistleblowing Policy. Our Whistleblowing Policy sets out a confidential and anonymous process that protects eligible persons who speak up about illegal, unethical or improper conduct at Telstra. It is supported by our Whistleblowing Service and associated guidance documents and professional investigators and case managers who investigate eligible reports. The Whistleblowing Committee, chaired by the Group Company Secretary, oversees disclosures, investigations and outcomes.

We received 172 whistleblowing reports in FY26, a decrease of 21 per cent compared with FY25. Of these, 117 were eligible whistleblowing disclosures. We completed 123 investigations into eligible disclosures (including some received in FY25). Allegations were substantiated in whole or in part for 49 reports. A single report may cover multiple matters and the issues raised may vary in seriousness.

The matters reported in eligible whistleblowing disclosures relate to:

- people and workplace culture issues (42 per cent)
- ethical behaviour (39 per cent)
- misuse of systems (7 per cent)
- a small number of reports on other issues such as fraud and theft or financial reporting and expenses.



To report a matter, visit [Telstra’s Whistleblowing Service](#).

Fair and transparent products and services

Our processes help us detect problems early and address them transparently. When we identify a significant issue, we proactively self-report to regulators in line with our obligations and community expectations.

The same principle applies to our network. Outages will occur, including from loss of power, extreme weather, network damage, and equipment or process failure. Keeping customers connected is our highest priority and we work year-round to understand and respond to these risks, focusing on improving the reliability and resilience of the network to reduce the number and duration of outages. When outages do occur, we work to restore services as quickly as possible and provide temporary connectivity solutions where we can.

To support Australians’ ability to connect to Triple Zero we work across the industry and government to support cross-network capabilities such as emergency camp-on which can be used to carry a call in the event the customer’s network is unavailable and another mobile network is available.

We work with emergency services and relevant authorities to prioritise critical services and support communications to keep the community informed.



For more on network resilience and how we support customers during climate disasters, see the [Building resilient connectivity](#) section of this report.

Product and service design

Since 2020 our Customer Experience (CX) Design Standards have provided a solid foundation for the design of our products and services, supporting our efforts to make them fair, accessible and easy to use.

As customer expectations evolve and technology advances, we continue to refine these CX Standards to address emerging needs and risks. This year, we undertook a major review and relaunched our CX Standards to better reflect what matters most to customers today, while also addressing emerging areas such as responsible AI and cyber safety.

This relaunch extended the CX Standards beyond design, enabling earlier and more consistent decision-making across the organisation. In doing so, they help us meet customer needs now and into the future, while supporting our Connected Future 30 strategy.



Simplifying our customer experience

This year, we made substantial progress in simplifying how customers interact with us. We completed the final phase of one of the largest customer migrations in our history – a multi-year program. There are now close to 8.1 million Consumer and Small Business customers on our modern digital platform.

Migrated customers are benefiting from a more seamless experience, with fewer handoffs, less friction, and faster solutions. Importantly, customers on our new digital platform recorded a materially higher average Net Promoter Score (NPS) than those on legacy systems, demonstrating that our investments in experience, reliability and service are translating into stronger customer outcomes and advocacy.



In FY26, we completed an employee accessibility assessment to better understand the workplace experiences of employees with disability. The Driving Accessible Employee Experience project is a multi-year program strengthening Telstra’s employee experience by embedding accessibility into governance, capability and experience design. The program delivers practical improvements that enhance inclusion, support compliance and enable more employees with disability to participate and thrive at work.

Additionally, we completed the Australian Disability Network’s Access and Inclusion Index to evaluate our progress against an FY22 baseline. This work is reflected in our FY27-FY29 AIAP.

The accessibility of our digital assets is assessed using an internal Accessibility Maturity Score, which is aligned to the international Accessibility Guidelines (WCAG). This year, we uplifted our score to the latest version of WCAG 2.2 level AA, improving accessibility across digital experiences and marketing materials.

MyTelstra app improvements include uplifting the experience to work in both portrait and landscape mode for users that require devices to be positioned horizontally. We also added labels in the App Store to help users understand which accessibility features are available before downloading.

We continue our work with the Disability Enquiry Hotline, Directory Assistance Helpline and Disability Equipment Program.



For more on our accessibility actions and timelines, see the **FY27-FY29 AIAP** on our [website](#).



For more on the Disability Equipment Program see the [Konnekt Captioning Videophone](#) section of this report.



For more on our accessible products and services, visit our [website](#).

Design and accessibility excellence

We are committed to improving the customer experience for Australians living with disability as part of our purpose to build a more connected future so everyone can thrive. In June 2026, we launched our FY27-FY29 AIAP.

It includes targets:

- That new consumer digital tools and content continue to meet or exceed the latest international standards for accessibility
- To include customer accessibility needs in design, development and implementation of our agentic AI across Telstra websites, apps and online services
- To uplift the accessibility of priority employee tools and technology.



Telstra Touch and Track

Since announcing the development of a prototype in 2022, we’ve worked with Champion Data, Field of Vision, the AFL and Marvel Stadium to bring the Telstra Touch and Track to life. The tablet device enables blind and low vision fans to follow live AFL games through touch, offering a more immersive way to experience the action.

A first-of-its-kind for Australia, the Telstra Touch and Track uses the speed and low latency of our network to translate real-time ball movement into a tactile experience via a Wi-Fi enabled tablet. As the ball moves on field a magnetic ring moves across the surface of the device, allowing fans to follow the flow of play through their fingertips.

With over 450,000 people in Australia who are blind or have low vision, we are proud to partner with the AFL to lead the way in making the game more accessible. Innovations like Telstra Touch and Track are an important step forward in creating more inclusive experiences and enabling fans to connect with the game in meaningful ways.



For more on the Telstra Touch and Track device and to book, visit our [website](#).



Mobile health and communications

The safe deployment of mobile technology remained a priority in FY26. We expanded our 5G network and introduced new technologies while maintaining strong community safeguards. We continued real-world testing to confirm compliance with Electromagnetic Energy (EME) safety standards. We also published results to support transparency. This included live EME testing at new mobile facilities. We also tested 5G connectivity and conducted EME surveys across more than 200 antennas at the Sydney Opera House.

We contribute to national and international EME testing programs and support the Australian Government’s mobile network deployment and EME compliance priorities. With the introduction of new equipment, including satellite technology, we carried out testing to demonstrate the safety and performance of satellite direct-to-handset messaging services in regional locations across Australia.

-  For more on our Sydney Opera House EME testing, visit our [website](#).
-  For more information on EME safety and satellites, visit our [website](#).
-  For more on wireless connectivity and EME, visit the [Australian Government’s resources](#).

Trust and reputation

Trust remains a core driver of our reputation and we use the RepTrak platform to track perceptions among customers and the community. Trust and reputation are closely linked but not the same: trust reflects the emotional confidence people have in a company, while reputation captures the broader combination of what people think, feel and are likely to do as a result. In RepTrak, trust is one of the core emotional measures that contributes to overall reputation, informed by underlying drivers such as conduct, performance and citizenship. Changes in our reputation score help us understand how our actions resonate with the people and communities we serve.

In FY26, we increased our RepTrak reputation score by two points to 66.8 points for a total uplift of 5.5 points from our FY21 baseline of 61.3.

Responsible selling

We reinforce our responsible sales practices by addressing customer concerns, listening to feedback and monitoring sales behaviour. To maintain consistent standards across our channels, we give our frontline employees clear guidance and tools to support customers. These employees participate in mandatory training, with checks in place to help us track it is completed to the required standard and on time.

We offer a range of service plans and devices at different price points so customers have the flexibility to choose options that meet their needs and budget. We assess credit risk and ask customers for information to help us understand whether our services are affordable for them. We then communicate the affordability of various service plan offerings.

-  For more on affordability and how we support customers in vulnerable circumstances, see the [Affordability](#) section of this report.

When we don't get it right

We aim to treat our customers fairly and offer them products and services that are safe, easy to understand and meet their underlying needs. When we identify a significant issue, we proactively self-report to regulators in line with our obligations and community expectations.

On 3 October 2025, the Federal Court ordered Telstra to pay an agreed penalty of \$18 million plus \$300,000 in costs for false or misleading representations relating to upload speeds for many Belong customers that occurred in 2020.



In FY26, we received one Prosecution Notice from the Western Australian Department of Planning, Lands and Heritage (DPLH) relating to fibre construction works. It is alleged that the works did not meet the approval conditions, causing potential unauthorised alteration of the site. We are working with the relevant authorities to respond to this notice.

These matters reinforce the importance of continuously strengthening our compliance framework and using lessons learned to improve how we identify, prevent and respond to compliance risks.

We continue to strengthen compliance across the group. We:

- apply a consistent approach to reviewing all material compliance breaches, including by conducting root-cause analyses and end-to-end process reviews where appropriate
- address underlying causes and share lessons learned to reduce the likelihood of similar breaches reoccurring
- improve the timely detection of breaches to enable quicker remediation and minimise customer impact
- uplift compliance tools with the aim of ensuring new products, services and processes meet regulatory requirements at launch
- proactively prepare for emerging regulatory change and mature our processes ahead of change to meet future obligations.

Our Risk Management Policy and framework helps us navigate emerging challenges and align our approach to our behaviours and habits and the ISO 31000 Risk Management Standard 2018.



For more on environmental compliance, see the [Environmental compliance](#) section of this report.

Future of our remediation program

For more than five years, Telstra has run a large-scale remediation and compensation program for First Nations customers affected by historic mis-selling, which largely related to conduct that occurred between 2016 and 2018.

This has included significant work to identify, reach and remediate affected customers, fund financial counsellors and encourage people to come forward through sustained advertising and outreach. We have also made extensive changes to our operations to address the conditions that allowed improper sales practices to occur, fundamentally strengthening our controls, oversight and accountability.

Beyond FY26, Telstra will continue to accept claims and remediate customers where wrongdoing occurred, and where there is reasonable information to support those claims in line with our normal business processes. These changes are about making sure remediation reaches customers who have experienced harm caused by Telstra due to improper sales conduct, as well as supporting customers who have not been impacted by any wrongdoing but may be experiencing financial hardship by directing them to the support that is most appropriate to their needs.

Telstra remains deeply committed to First Nations customers and to remediating any substantiated claims of mis-selling.



We have three national emergency call centres located in Melbourne, Sydney and Adelaide. Our team members answer around 11.7 million calls to Triple Zero each year, or around 32,000 calls a day. We also monitor for failed or dropped emergency calls and initiate follow-up actions, including call-backs and welfare checks where appropriate.

Telstra, along with all telecommunications carriers, has clear obligations to carry emergency calling through our networks and infrastructure support. Calls to Triple Zero can be made from both landlines and mobile phones. If someone is trying to call from a mobile phone but their carrier’s network is unavailable, the phone will automatically attempt to connect to another available carrier’s network through a process known as emergency camp-on, helping maximise access to Triple Zero when it is needed most.

Triple Zero is a complex, end-to-end ecosystem. Every emergency call relies on each part of the system operating effectively and much has been done in recent years by the Government and the industry to strengthen the system. Telstra’s central role requires us to work closely with industry, government, regulators and emergency service organisations to support the system’s resilience, reliability and effective coordination.

Domestic, family and sexual violence

Support for customers experiencing domestic, family and sexual violence (DFSV) remains a priority for Telstra, as does compliance with the related [ACMA industry standard](#). This is enabled through a coordinated, trauma-informed approach that prioritises customer safety, privacy and continuity of telecommunications services.

Our dedicated Enhanced Care team is trained to provide tailored support to customers experiencing DFSV.

We can:

- review and update account access and contact details
- transfer services
- remove unnecessary services
- establish new accounts or services where a fresh start is required
- offer flexible payment assistance options including pre-paid recharges
- escalate and investigate privacy concerns
- advise customers on external support services available to help address broader, non-Telstra-specific needs.

Where services have been restricted, suspended or disconnected, and safety concerns are present, mechanisms are in place to support urgent reconnection and maintain access to telecommunications services.

These measures are supported by policies, procedures and controls developed in consultation with external specialist services to align with best-practice, survivor-centred responses.

Our governance, reporting and monitoring framework supports continuous improvement and oversees compliance and risk. We engage externally with specialist organisations including peak bodies, frontline services and community-based organisations. These organisations are grounded in lived experience, trauma-informed practice and Safety by Design principles to inform and strengthen our processes for supporting DFSV victim-survivors. Telstra has also developed a forward-looking roadmap of planned improvements to strengthen capability and customer safety.

Our role in Australia’s Triple Zero service

Telstra plays a central role in Australia’s emergency call system, both as a telecommunications provider and as the Federal Government’s contracted Emergency Call Person (ECP).

As the ECP, our operators answer each call to Triple Zero, confirm which service is needed (fire, police or ambulance) and connect the caller to that service in the relevant State or Territory. We have performed this role since 1961.

As the first point of contact in Australia’s emergency call system, we’re focused on speed, accuracy and reliability.

Human rights

Human rights shape how we operate and make decisions across our business.

Our Human Rights Policy sets out our commitment to respect and support human rights as defined by the International Bill of Human Rights and the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work. We are also committed to respecting the United Nations Guiding Principles on Business and Human Rights (UNGPs) and implementing the ten principles of the UN Global Compact.

In FY24, we refreshed our assessment of Telstra’s salient human rights issues. We work with external experts to review these issues on a regular basis. The assessment identifies risk across our value chain and tests their saliency using the UNGPs framework. These insights guide our actions, our approach to due diligence and how we work with partners and suppliers.

 For more on our salient human rights issues and indicators, see our **2026 Content Index** on our [website](#).

 For more on our human rights work, see the **2026 Modern Slavery Act Statement** on our [website](#).

The table below summarises the salient human rights issues identified through this assessment and the related areas of focus.

Telstra’s salient human rights issues		
Salient human rights issue		Description
	Labour rights in the supply chain	Identifying and addressing labour rights risks in our supply chain and engaging our suppliers to help make sure they meet our standards
	Fair and inclusive workplace	Providing a fair and inclusive workplace free from discrimination and harassment, where all people can bring their best selves to work
	Health, safety and environment	Ensuring the health and safety of our people and communities and minimising our impact on the planet
	Indigenous peoples’ rights	Preventing impacts on land and cultural heritage rights of indigenous people
	Digital and customer rights	Connecting people to information, services and each other, building digital inclusion, supporting customers in vulnerable circumstances and advancing online safety
	Freedom of expression	Protecting customers’ freedom of expression and access to information from unacceptable restriction, surveillance or interference
	Privacy and data protection	Respecting the privacy of employees and customers, and keeping personal information safe and data secure

Responsible supply chain

We play an active role in improving human rights across our supply chain. We expect our suppliers to meet the same standards we set for ourselves. We work with them to identify and address risks across our value chain.

We work with a range of organisations and partners to gain insights, identify opportunities and strengthen our processes. These relationships help us improve how we manage risks across our supply chain.

Telstra is a member of the JAC, a global alliance of over 30 telecommunications companies. Through the JAC, we assess, verify and improve corporate social responsibility in the global supply chain. This includes sharing resources and best practice to support long-term supply chain sustainability.

 For more information about our sustainability partnerships, see our **In Focus: Sustainability at Telstra** paper on our [website](#).

 For more on First Nations suppliers, see the [Supporting First Nations Australians](#) section of this report.

 For more information on how we manage labour rights in our supply chain, see our **2026 Modern Slavery Act Statement** on our [website](#).

Supporting First Nations Australians

Our work with First Nations people is guided by our First Nations Strategy, which sets out how we meaningfully engage with and support First Nations people and communities across Australia.

The strategy is founded upon five guiding principles:

- inclusive consultation
- recognising multiple First Nations
- operating at the speed of trust
- listening and learning
- acknowledging the environment is dynamic.

The strategy focuses on three pillars:

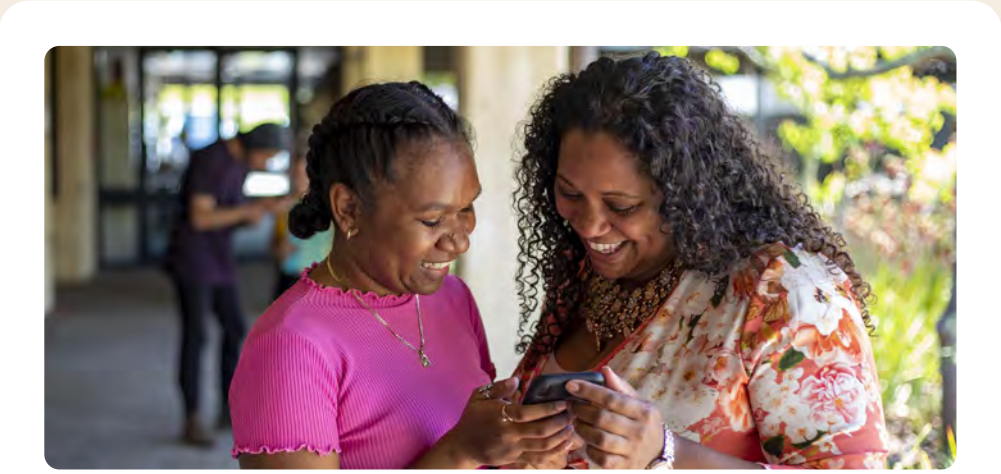
- supporting First Nations customers, including bridging the digital divide
- supporting First Nations communities through economic participation initiatives such as procurement and employment
- building a culturally responsive organisation.

It is supported by strong governance, including external First Nations expert leadership and internal executive accountability, so that our commitments continue to be guided by First Nations voices and embedded across Telstra.

We continue to support First Nations customers. This includes our First Nations Connect contact centre, Pre-Paid Community Mobile Plan and our Telstra check-in program which visits remote communities across the Northern Territory.

Our approach to reconciliation is delivered through our RAP. The RAP provides a clear framework for advancing our reconciliation commitments and supporting our vision for reconciliation: an inclusive Australia where Aboriginal and Torres Strait Islander peoples are connected and empowered to thrive.

In July 2026, we launched our FY26-28 Stretch RAP. This outlines ambitious work to enhance telecommunications infrastructure, drive First Nations employment outcomes, lift procurement with First Nations businesses and improve digital inclusion for First Nations communities.



Supporting our First Nations customers

Telstra’s dedicated First Nations Connect team provides culturally appropriate sales and service support for First Nations customers. Based in Darwin, the service is led by First Nations agents, who bring cultural understanding and local insight. During peak periods, trained non-First Nations agents support call handling to maintain timely service. Interpreter services cover around 50 different First Nations languages and dialects, supporting customers who speak English as a second or third language. The service can be contacted even when customers do not have prepaid credit.

FY26 RAP Year 1 report highlights

Increased our **First Nations representation to 1.49%** of Telstra’s Australian direct workforce against our RAP target of 1.5 per cent

Delivered instructor-led **Racism at Work training**, achieving a **31.8% increase in confidence to discuss racism** and a 27 per cent increase in confidence to take action, amongst participants

Partnered with the National Communications Museum and First Nations creative agency Garuwa to produce The Truth about the Telegraph receiving international acclaim including a **Best First Nations Film** award at the Underdog Film Festival and selection for screening at the **Beyond Borders Film Festival** in Greece

Purchased goods and services worth **\$31.4m** from over **85 First Nations Suppliers**¹⁰

Partnered with the Australian Research Council (ARC) Centre of Excellence for Automated Decision Making and Society (ADM+S) to launch the **Mapping the Digital Gap (MtDG) 2025 Outcomes Report**

- For more on our commitment and action supporting First Nations Australians, visit our [website](#).
- For more on our Pre-Paid Community Mobile Plan, see the [Our affordability programs](#) section of this report.
- For more information on MtDG, see the [Australian Digital Inclusion Index](#) section of this report.

10. Spend total includes both direct (Tier 1) spend and indirect (Tier 2) spend. Tier 2 figures are based on reports received from 11 targeted suppliers and therefore represent reported spend only as at the close of the reporting period.



Economic participation through the Telstra NATSIAA

For more than three decades, Telstra has proudly supported the National Aboriginal and Torres Strait Islander Art Awards (NATSIAA), a partnership grounded in respect for culture and the enduring power of storytelling through art. In its 42nd year, the Awards celebrate both emerging and established Aboriginal and Torres Strait Islander artists, showcasing powerful works that speak to identity, Country, culture and resilience. The 2025 Telstra Art Award winner Gaypalani Waṇambi, a Yolṇu woman from Yirrkala in the Northern Territory, won the major prize with *Burwu, blossoms 2025*. Funded by Telstra, the Telstra NATSIAA prize pool provides financial support that many artists reinvest into their creative practice, their families and communities. While the Awards are first and foremost a celebration of cultural excellence, they also play an important economic role – strengthening the capacity of First Nations artists and, through them, the cultural continuity and community resilience that sustains Country.

For more on Telstra NATSIAA and to view the virtual gallery, visit our [website](#).

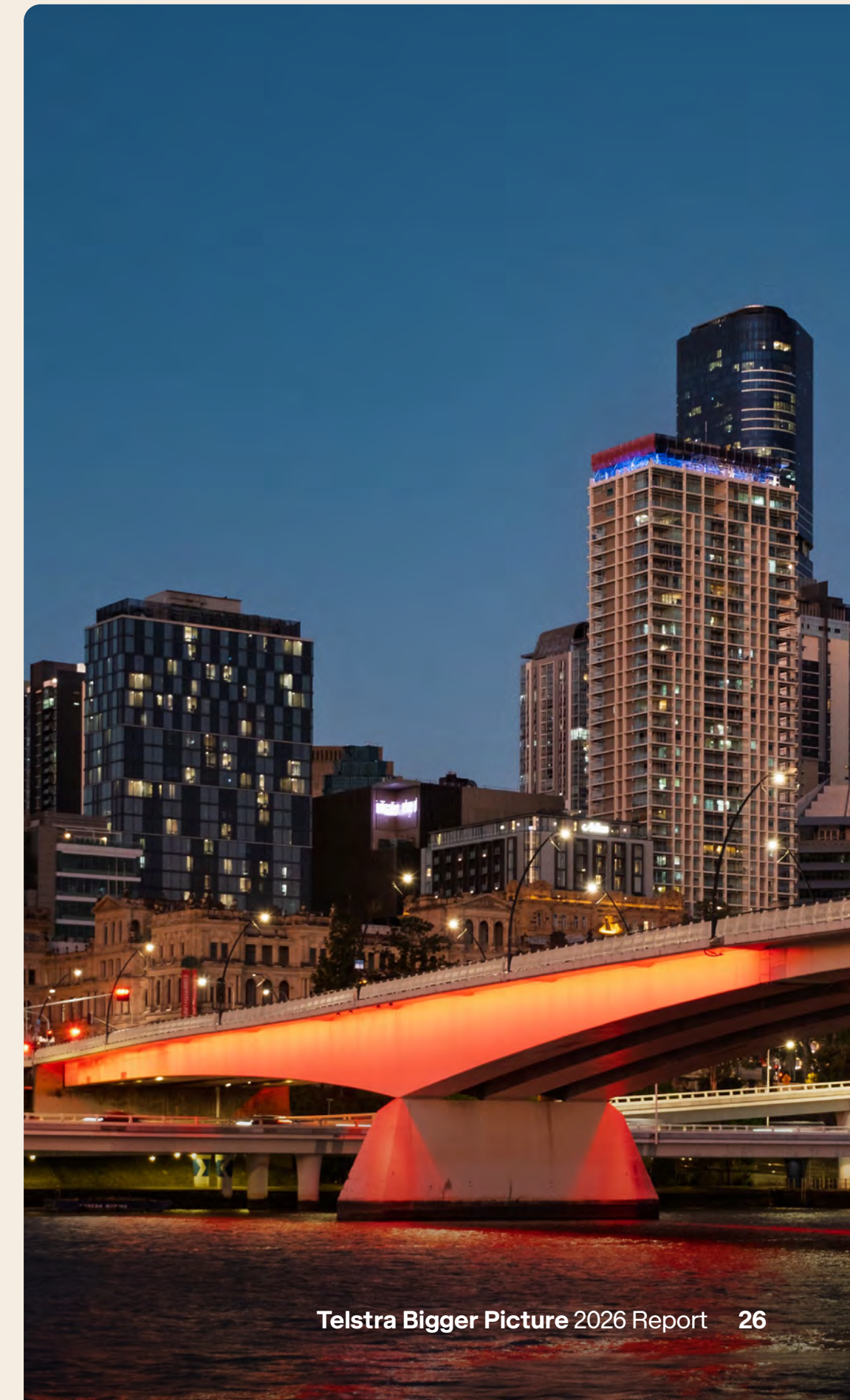


Investing in cultural heritage

As part of the Aura Network Melbourne-Sydney coastal fibre route build, the Gunaikurnai Land & Waters Aboriginal Corporation (GLWAC), together with a registered archaeologist, carried out a cultural heritage survey along a 180km route between Toongabbie and Orbost in Victoria. The survey identified 21 new culturally significant sites, which were then able to be registered with Victoria's First Peoples State Relations.

During construction, and under approved Cultural Heritage Management Plans, thousands of additional subsurface artefacts were uncovered and salvaged through ongoing GLWAC monitoring. Although the fibre route was completed on 30 June 2026, Telstra continued to fund cultural heritage salvage work. This enabled further assessment of the area's history and the long-standing occupation of the land by the Gunaikurnai people.

Artefacts recovered through this work have been preserved at the Krowathunkooloong Keeping Place, a cultural space that supports the living and continuing culture of the Gunaikurnai people, the Traditional Custodians of East Gippsland.



Land access and cultural heritage

Respectful management of land access and cultural heritage is central to how we build and maintain our network. We work with First Nations communities and complete cultural heritage assessments to protect culturally significant places. In FY26, we completed 790 environmental and cultural surveys as part of the Aura Network build. This approach also helps us build enduring relationships with First Nations people and contributes to broader social and environmental outcomes.

As part of the Aura Network build, we have engaged with more than 200 stakeholders, including Traditional Owners. This engagement helps us carry out construction in environmentally-sensitive and culturally-significant areas appropriately and with minimal disturbance to cultural and environmental sites.

There are times where we – or those who are working on our behalf – don’t get it right. If issues arise, we work closely with relevant stakeholders to investigate the incident, minimise or seek to repair harm (where possible) and incorporate insights and learnings to reduce the risk of reoccurrence.

During FY26, we were alerted to a potential issue with a contractor who was responsible for the build of our Aura Network on the Nullarbor in South Australia. In this area, the Alinytjara Wilurara Landscape Board (AW Landscape Board) have a management program to prevent the spread of buffel grass. As part of this issue we coordinated a field walkover with SA Parks, SA Landscape Board and the Far West Coast Aboriginal Corporation (FWCAC). During this walkover it was determined that no cultural heritage had been damaged, but there was a risk that buffel grass would spread due to disturbance of the access track. To remedy this issue we worked with our contractor, as well as local and state environmental agencies and the FWCAC to assess the track for further damage to cultural heritage. A remediation and monitoring program was put in place in line with expectations from the FWCAC. The FWCAC will also continue to monitor buffel grass in consultation with the SA Landscape Board and provide updates to our Aura Network team.



Land access management course

In FY26, Telstra partnered with the University of Melbourne to develop the first of three learning modules covering land access, environment and heritage management. Released in May 2026, the course, ‘Land access legal skills’, helps those on the ground understand potential impacts on nature and cultural landscapes during development and construction.

The program provides a foundational overview of key topics and has a strong focus on practical application, providing participants with an understanding of what to do, how to do it and how to apply their skills effectively. It emphasises due diligence so that assessments are carried out accurately and consistently.



For more on compliance and environmental legislation, see the [Environmental compliance](#) section of this report.



Building a culturally responsible organisation

At Telstra, building a culturally responsible organisation starts with shared understanding. All new employees complete mandatory First Nations cultural learning as part of onboarding. This e-learning builds foundational cultural awareness and supports respectful engagement with First Nations people, communities and customers from day one.

Telstra employees can also participate in a full-day, face-to-face First Nations cultural learning. This immersive training deepens cultural understanding and strengthens capability across the organisation. In FY26, 708 employees took part.

Telstra is a long-standing partner of the Garma Festival. Each year, Telstra leaders attend Garma to learn on Country and engage directly with Yolŋu culture and leadership. In addition to sending delegates, Telstra supports the successful delivery of Garma through the provision of mobile connectivity for more than 2,500 attendees, media volunteer support and sponsorship of the corporate dinner.



Our people

Sustainable engagement

Workplace culture and employee engagement are central to how we deliver our purpose and business strategy. Our ‘Big Three’ behaviours and habits guide how we work each day and shape the culture we want to build. One of our Connected Future 30 targets is to maintain top quartile Employee Engagement, which reflects our ongoing commitment to investing in, engaging and supporting our people. Our FY26 employee engagement score was 81 which places us 2 points above Glint’s Global Top 25 per cent benchmark of 79. Our Employee Engagement Survey (EES) is the means for collecting feedback from employees. In FY26, 83 per cent of our employees responded to the EES. Listening to our employees’ voices and taking action to improve employee experience is central to our sustainable engagement process.

Learning and capability development

We invested over \$20 million in training and development in FY26 to build the skills our people need to perform, grow and deliver for customers. This included \$3.5 million in technology training, including focuses on D&AI as well as cyber security, and \$4 million to give our people access to world-class learning platforms. We invested \$8.5 million in leadership development including our pinnacle leadership event, Lead 30, to build capability for sustained performance in a changing environment.

We also invested \$3.4 million in other capability programs that help us improve performance, reduce waste and deliver better outcomes for customers. These included focus on Operational Excellence, Customer and Sales, Understanding Telstra, our Human Power Skills and First Nations Cultural Competency.

We invested \$2.2 million in compliance and health, safety and wellbeing training to support our people, strengthen risk management and meet our regulatory obligations.

Data & AI Academy

Our D&AI Academy gives employees universal access to persona driven pathways and clear proficiency expectations, enabling safe, confident and responsible use of AI and data in everyday work. We are focused on developing the capability required to use AI responsibly and productively, beyond basic tool usage, so AI meaningfully improves how work is undertaken and decisions are made. We have developed a mandatory Responsible AI training before staff can access a Copilot licence. The D&AI Academy has recorded over 51,000 course completions across FY26, including more than 5,000 completions of the Responsible AI training.

Diversity, equity and inclusion

We are committed to building a diverse, equitable and inclusive workplace and community where people feel safe, respected and included. By embracing diverse perspectives and holding ourselves accountable, we aim to deliver meaningful outcomes for the millions of diverse customers we serve.

Our [Diversity, Equity and Inclusion \(DEI\) Policy](#) provides the framework for how we set and measure our DEI objectives, as well as how we create a safe, respectful and inclusive workplace for all. This is supported by our [Discrimination, Bullying, Harassment and Victimisation Policy](#) which reinforces our commitment to a safe, respectful and inclusive workplace.

We aim to increase the representation of women in executive leadership under the 40:40:20 Vision. We have expanded this ambition to our global workforce, aiming for 40 per cent female, 40 per cent male and 20 per cent any gender representation by 2030. As of 30 June 2026, women made up 40 per cent of the CEO Leadership Team (including our CEO) and 37.4 per cent of our global workforce.



Alongside our gender initiatives, we continue to create safe, respectful and inclusive workplaces by removing accessibility and disability barriers, supporting neurodiversity and tackling racism through our Culture, Ethnicity and Race Action Plan.

We are also building capability through learning, supporting LGBTQ+ inclusion and employee-led groups and progressing our First Nations Talent Strategy.

 For more on our DEI initiatives, see the ‘Diversity, Equity and Inclusion (DEI) at Telstra’ section in our **2026 Corporate Governance Statement** on our [website](#).

Providing leading employment conditions

We provide fair and secure employment conditions that support constructive relationships with our people and union representatives. We consult with our people before making any significant changes to how we work. We also meet regularly with Telstra’s three unions: the Communications, Electrical and Plumbing Union of Australia, the Community and Public Sector Union and Professionals Australia. Our people have the freedom to form or join a trade union, bargain collectively and engage in trade union activities in line with local laws.

In FY26, we conducted 23 formal consultation meetings with unions and workplace delegates.

In Australia, four enterprise agreements (EAs) cover our workforce, except senior managers and lawyers. The Fair Work

Commission approved these agreements in 2024, and they took effect on 1 October 2024.

The agreements set guaranteed salary increases or pay pool arrangements across 2024, 2025 and 2026. They also maintain a wide range of our industry-leading terms and conditions.

Our Global Flexibility at Telstra Policy encourages our people to work where, when and how they are most engaged, safe and productive. We believe every role can include some form of flexible work to support positive experiences and strong outcomes for our customers. We encourage our staff to be intentional about opportunities to come together in person, creating space for connection, collaboration and better outcomes for our teams and customers.

 For more information on our EA terms and conditions, visit our [website](#).

Promoting health, safety and wellbeing

We are committed to the health, safety and wellbeing (HSW) of our people, partners, customers and the communities in which we work. Our global operations are complex and span many environments such as field and construction sites, network facilities, pits and enclosed spaces, contact centres, retail shops, data centres, offices and home-based work. This range of settings shapes how we manage risk and support safe work. We focus on building capability, strengthening controls, and creating conditions to connect and empower our people and service delivery partners to work safely across our business.

Building a connected future, safely

In FY26, we launched our Safety Connected Vision to guide how we improve health and safety across our operations. People are at the centre of this approach, reflecting our belief that strong safety outcomes start with how we support and engage our workforce. It is built on three principles:

- **empowered:** we support our people and leaders to manage health and safety by working across teams, listening to the frontline and building trusted partnerships and expertise
- **enabled:** we provide the tools, systems and support teams need to proactively act, make informed decisions and build safety into everyday work
- **accountable:** we promote a culture of ownership, where everyone feels supported to speak up, act with care and take responsibility for a safe and healthy workplace.

Together, these principles help build a safer and stronger Telstra, where safety is a shared commitment. The Safety Connected Vision was launched through active participation from our people, including employee selection of the tagline ‘Building a Connected Future, Safely’. The Safe-T logo was introduced to support visual recognition of the vision and reinforce engagement.

Frontline safety leadership walks put our approach into practice. Leaders spend time with teams in their work settings to listen and talk about health and safety. This focuses on psychological safety and learning, rather than inspection, which helps identify risks early, recognise safe work practices and better understand everyday work pressures. Making safety part of regular site visits reinforces that safety is part of how we work every day. Our CEO Leadership Team is committed to regular safety leadership walks which are included in Group Executive annual scorecards.

Health, safety, wellbeing and environment management system and initiatives

Our global Health, Safety, Wellbeing and Environment (HSWE) management system supports continuous improvement by providing a clear and consistent way to manage risks, in line with our Safety Connected Vision. Frontline workers, key stakeholders and subject matter experts are engaged early through workshops, surveys and digital channels to shape controls that work in real conditions.

In FY26, we simplified our electronic incident reporting and investigation forms. This made it easier for people to report incidents and hazards and improved the quality of information provided. We also strengthened risk management by introducing an enhanced critical risk management framework.

To improve access to timely and targeted information, we introduced a generative AI-enabled safety agent. The tool provides quick access to HSWE guidance from our management system. It supports learning, early intervention and risk management and operates within clear governance and privacy controls. The purpose is to support, rather than replace, human judgement and expert advice.



Licences, accreditations and compliance

Telstra Limited, Telstra InfraCo, and Amplitel are self-insured under the Safety Rehabilitation and Compensation Act (Cth). The Telstra Group is accredited by the Office of the Federal Safety Commissioner. This allows Telstra to work on Australian Government building projects. Our HSWE Management System applies across the Telstra Group. It covers all entities controlled by Telstra. The system is certified to ISO 45001:2018 and ISO 14001:2015.



For more on compliance and environmental legislation, see the [Environmental compliance](#) section of this report.



In FY26, we commenced implementation of our enhanced critical risk framework. The framework explains how we identify, manage and control risks that could result in serious injury or death, and clearly sets out the controls needed for prevention. We use tools such as bow-tie analysis to show how controls help prevent incidents and reduce harm. The approach requires that critical controls are in place and working as intended through frontline activities and assurance.

Key risk trends and targeted initiatives

Unacceptable customer behaviour (UCB) is our most frequently reported incident type. It accounts for more than 50 per cent of all incidents and is a key risk for our retail, field and contact centre teams. The main causes of recordable injuries and illnesses are body stressing, psychosocial stressors, and slip or trip incidents. Targeted initiatives aim to reduce the frequency and severity of these incidents. Driver and vehicle safety remains the leading high potential incident (HPI) category for our workforce and a critical risk exposure. However, driver and vehicle-related HPIs, incidents and injuries decreased in FY26.

Driver safety

Our annual driver safety campaign promoted safer driving behaviours and received the 2025 Comcare National Workplace Health and Safety Award for Outstanding Contribution by a Team. Comcare recognised the campaign’s measurable impact, including fewer HPIs and injuries and improved driver behaviour. To continue to improve on driver safety we commenced a 12-month in-vehicle monitoring trial using the Seeing Machines Guardian system across 20 fleet vehicles in January 2026. The system uses in-cab sensors and AI to detect fatigue and distraction and provide real-time alerts.

Unacceptable customer behaviour

Every day, our frontline teams work with customers in stores, contact centres and the field. Most interactions are positive, but some involve aggressive, abusive or challenging behaviour that can affect the safety of our people. To reduce this risk, we improved how we prevent, manage and respond to UCB. A dedicated team now manages UCB incidents, providing faster response and timely support. We also rolled out mandatory workplace aggression training for frontline teams, using practical scenarios and a consistent Stop, Assess, Focus, Engage and Seek Support approach. These actions are supported by a central Safety Hub that provides easy access to this information.

Body stressing

Body stressing injuries remain a key health and safety risk for teams who perform physically demanding field work, especially when they remove large or heavy materials from underground assets. To reduce this risk, we have introduced specialised mechanical equipment that lifts and removes materials directly from pits and work sites. It reduces repetitive manual handling such as bending and lifting, helping teams minimise fatigue and the risk of musculoskeletal injury.

Training

Training supports health and safety across our business. We use internal and external courses to meet legal requirements and build practical skills. In FY26, we updated training to focus on hands-on skills, strong leadership and key safety risks. We introduced a Frontline Leadership Program to support visible safety leadership and clear risk conversations in daily work, and mandatory psychosocial safety training for people leaders. The training helps leaders spot risks early, design safer work and respond to mental health and wellbeing concerns. We also trained customer-facing teams to prevent, manage and respond to workplace aggression and UCB.

Risk management

Our HSWE risk management process provides a consistent approach across the organisation. Risk profiles define key controls, including those that manage potential impacts on the public and people outside our direct control. Business areas with critical HSWE risks prepare annual first line assurance plans. These controls are assessed through second line assurance, undertaken by specialist safety leads.

We have commenced using learning teams to better understand incident trends and identify root causes. These teams bring together frontline workers, leaders and subject matter experts who are closest to the work. The focus is on learning and improving controls, systems and future prevention.

Evolving our approach to psychosocial risk and mental health

Supporting mental health is essential to building a safe, supportive and high-performing workplace. Our ‘Big Three’ behaviours and habits encourage people to speak up about HSW and operational risks without fear. We improved our psychosocial risk controls and built leadership capability to support this approach.

In FY26, Comcare completed a psychosocial inspection and confirmed that our policies, governance and practices support psychological health and safety. The inspection highlighted clear leadership accountability and strong reporting. Comcare also noted that we embed psychosocial safety into our strategy and everyday work, supporting early risk management and continuous improvement.

Our work in psychosocial risk management received a nomination from the Comcare National Workplace Health and Safety Awards for our Psychosocial Vulnerability Risk Assessment approach. We also joined the Corporate Mental Health Alliance Australia to support shared learning in mental health and safety.

We also launched MyWellbeing, an enhanced globally accessible program encompassing our Employee Assistance Program (EAP), and providing confidential, holistic support services to employees and their families across a broad range of wellbeing needs. It replaces our previous program with a more integrated and digitally enabled approach, improving accessibility, consistency and scope of support.

Positive duty

We have zero tolerance for sexual harassment and discrimination and take active steps to prevent them at work. Leaders set clear expectations for safe and respectful behaviour and reinforce these

through annual training on discrimination, bullying, harassment and victimisation for all employees. This helps our people feel safe and confident to speak up.

We meet our positive duty through a clear prevention and response plan. We review the plan each year and it is shared with the Board and leaders annually. A specialist team manages reports of sexual harassment and provides timely, trauma-informed support. People who raise concerns are supported by dedicated specialists throughout the process.

Wellness at work

Wellbeing plays an important role in keeping our people safe and able to perform at their best. We support wellbeing through practical initiatives that provide timely help, clear guidance and easy access to services.

These include:

- mental health and wellbeing hub with resources and support
- our EAP, MyWellbeing, delivered by Converge International. MyWellbeing provides free and confidential counselling and coaching for employees and their immediate families globally
- health promotion activities including Movember, Laps for Life and R U OK? Day
- ergonomic equipment and guidance for home and office-based work
- health support such as physiotherapy and psychology (through Injury Assist) and annual flu vaccinations for eligible employees
- specialist programs such as health assessments, pre-employment screening and industry-defined medical assessments.



Responding to significant events

We use Everbridge to support the safety and wellbeing of our people during and after significant events such as terror-related incidents, political instability and severe weather events. The system enables alerts ahead of known events and allows us to contact employees during incidents to confirm they are safe. It also supports access to information during response.

Recovery following injury or illness

Early intervention is a key part of how we support recovery and protect the health and wellbeing of our people. We focus on providing fair and timely access to treatment so employees can stay at work or return to safe and sustainable work as soon as possible. Our early intervention program provides access to occupational rehabilitation, general practitioners, psychology and physiotherapy services. Financial support is also available for diagnostic tests and aids. This support helps employees focus on recovery and reduces the risk of minor issues becoming more serious injuries.

Health, safety and wellbeing performance

We encourage our people to report incidents and hazards to help prevent harm and enable early support from our incident response and health management teams. We monitor performance using multiple data sources with leading and lagging indicators.

Tragically, in July 2025, one of our team members died in a safety incident involving a bird strike while on board a chartered

helicopter in the Northern Territory. Telstra provided ongoing support to the employee’s family during this difficult time. As part of standard procedures, the incident was investigated by the Australian Transport Safety Bureau and Comcare which found no fault by Telstra and no breach of regulatory requirements. No enforcement action, fines or prosecutions occurred. Our team members utilise chartered aviation to provide connectivity solutions to remote parts of the country. Chartered aviation remains a critical risk within our HSWE risk profile. Since the incident, all approved aviation suppliers were required to review bird-strike prevention controls and continue to help to confirm alignment with regulatory guidance.

Incident reporting remained strong in FY26, particularly for lower severity events, reflecting a mature reporting culture and ongoing focus on understanding risk. High potential incidents, the TRIFR, and the Lost Time Injury and Illness Frequency Rate decreased during the year. These improvements were primarily driven by a reduction in mental health illnesses associated with psychosocial stressors and ergonomics-related illnesses.

EES results improved across all HSW measures in FY26. Ninety per cent of employees were favourable that HSW measures are taken seriously at Telstra. A further 92 per cent were favourable that they felt comfortable raising HSW concerns, and 84 per cent reported having the training needed to manage HSW risks. These results demonstrate strong confidence in our Safety Connected Vision and approach to HSW.



For more on our health, safety and wellbeing performance and other metrics, see our **2026 Data Pack** on our [website](#).



Creating a better digital world



Approach

As Australia’s leading telecommunications company, we help shape a more inclusive and sustainable digital world. Through our network, technology and partnerships, we connect people, businesses and communities.

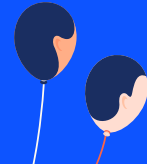
Our Connected Future 30 strategy focuses on providing sophisticated and flexible connectivity that responds to changing customer needs. Digital inclusion supports the Customer Engagement layer of our Connected Future 30 strategy. As more services move online, Australians who lack access, affordability or digital skills risk being excluded from everyday services. We work to improve access to technology, support people who face affordability barriers and help build the digital skills needed to participate in the digital world confidently and safely.

In FY26, we focused on:

- research, including the 2025 ADII report
- digital inclusion, by improving access, affordability and digital ability
- supporting customers in vulnerable circumstances
- engagement, including in regional and remote communities
- empowering children and young people through the Telstra Foundation
- technology innovation for good to deliver community and social outcomes
- online safety, privacy and security
- responsible and ethical use of AI.

Alignment to Connected Future 30 layers and enablers

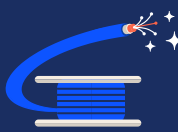




Customer Engagement



Network as a Product



Digital Infrastructure



People & Culture



Technology Leadership



Sustainability



Financial Discipline

Australian Digital Inclusion Index

The ADII informs our digital inclusion priorities and programs. It measures Australia’s online participation across three key dimensions: access, affordability and digital ability. The ADII report and interactive dashboards are available on the [ADII website](#).

The ADII defines the dimensions as:¹¹

-  **Access**
the availability of reliable internet services, devices and opportunities to get online
-  **Affordability**
the share of a household’s monthly income needed to buy an ideal internet bundle tailored to household composition and remoteness
-  **Digital ability**
the skills, knowledge and confidence needed to participate safely and effectively online.

In October 2025, we released the latest ADII in partnership with Swinburne University and RMIT. The ADII showed improvement in digital inclusion across Australia but also highlighted persistent gaps.

One in five Australians are digitally excluded, including 40.9 per cent of First Nations peoples and 66.5 per cent of those aged 75 years and over. Access has improved but many people remain under connected and rely on mobile-only services. Affordability also remains a critical challenge as cost-of-living pressures affect many households. Digital ability has improved as skills and confidence grow, but progress is not keeping pace with rapid technological change.

Updated affordability measures and expanded First Nations data revealed new insights, alongside findings of uneven adoption of generative AI.

Through these measures, the ADII helps us identify critical barriers and track progress towards a more digitally inclusive Australia.

Mapping the Digital Gap

Telstra funds the [MtDG research](#) which tracks progress towards digital inclusion equity for First Nations people in remote Australia, using community-led, longitudinal data to measure outcomes aligned to Closing the Gap Target 17. The research supplements the ADII and is delivered by the ARC ADM+S. Currently in phase two (2024-2028), the research expands on baseline measures to include more communities and track changes over time to inform national and state policy and programs.

The [2025 outcomes report](#) showed rising digital participation in remote First Nations communities. However, digital exclusion for First Nations Australians remains around twice the rate of other Australians. People in remote areas continued to face significant barriers including limited or strained infrastructure, low household connectivity and reliance on pre-paid mobile services. Access remains the largest driver of the digital gap, alongside affordability pressures and lower digital ability.



For more on how we support First Nations Australians, see the [Supporting First Nations Australians](#) section of this report.



Digital inclusion and AI

As a country, how we build trust, skills and inclusion will have a significant impact on whether AI delivers benefits to all Australians.

The latest research from the ADII highlights the patterns of AI use across cohorts. AI use is rising but remains uneven across age, education, location and household income. While almost half of Australians have recently used generative AI tools, uptake varies significantly by age, education and occupation. This shows that emerging technologies have the potential to both increase and decrease the digital divide. For AI to deliver national benefit, access and opportunity need to be broad. Small businesses, regional communities and people with lower digital confidence must be able to participate safely and meaningfully. Digital ability and affordability are critical. People need both the skills to use technology safely and access to the services that support it.



For more on how we use and govern AI, see the [Responsible AI](#) section of this report.

11. These definitions are taken from the ADII. We have adapted and expanded on them to reflect mobile services and for internal purposes such as assurance.

Building a connected future: digital inclusion across Australia



Target

Support the digital inclusion of 1 million people by FY30, with at least 200,000 in NT, SA or TAS

National average

Index score: 73.6

76.8 Access

70.3 Affordability

73.6 Digital ability

National programs

Top Up (Affordability)

Safe Connections (Access)

Telstra & Justice Connect Digital Inclusion Partnership (Digital ability)

AI for Good (Digital ability)

State-based programs

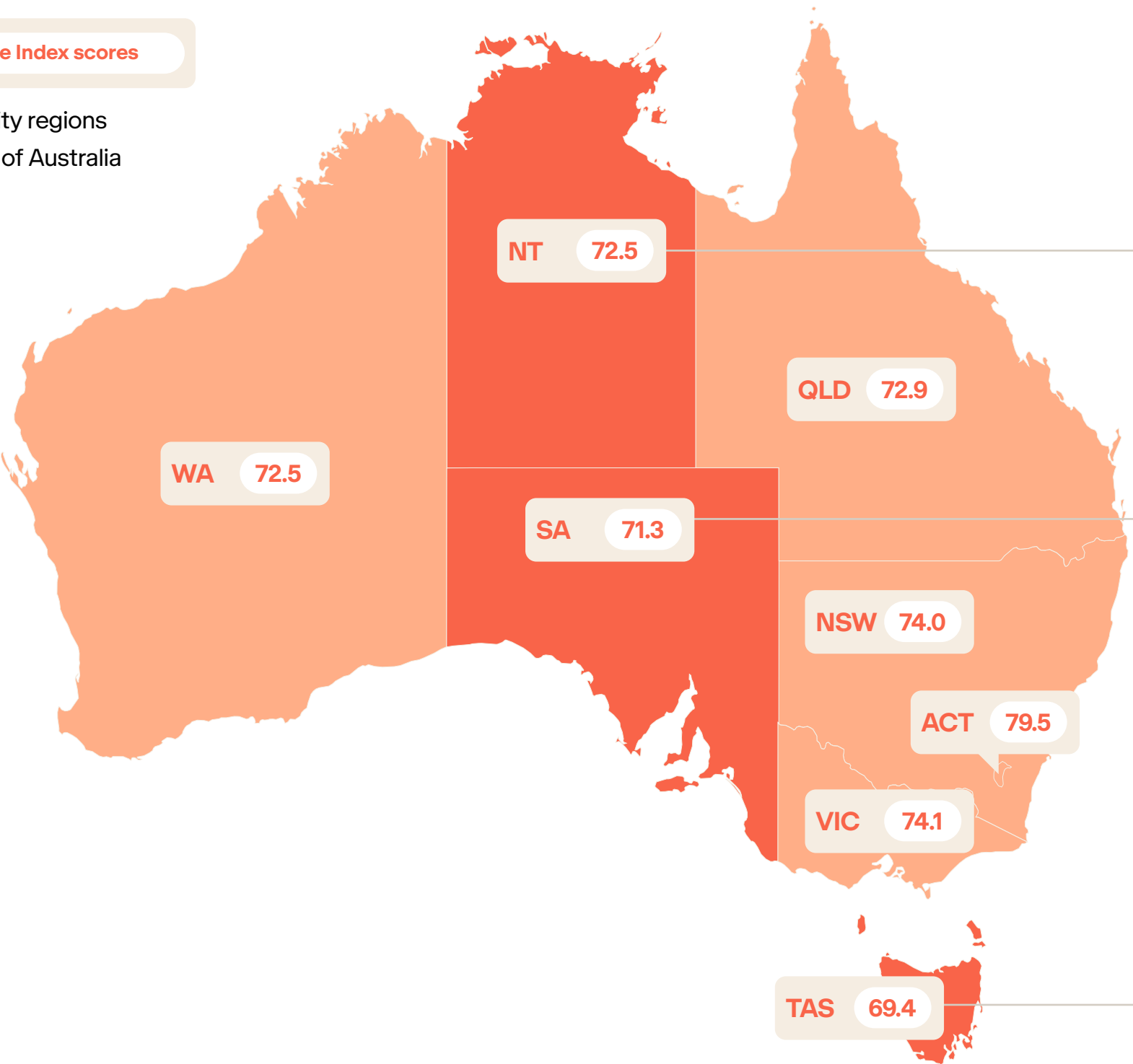
Tech Savvy Seniors, NSW (Digital ability)

Being Digital, SA (Digital ability)

Digital Uplift, TAS (Digital ability)

State Index scores

- Priority regions
- Rest of Australia



Northern Territory

1,061 phones provided to women via specialist DFSV services through Safe Connections

29 community organisation services provided \$154,860 in free pre-paid recharges to people in crisis through Top Up

An AI hub delivering free AI skills training for local communities through AI for Good

569 payphones offering free calls, including 139 with free Wi-Fi

South Australia

458 phones provided to women via specialist DFSV services through Safe Connections

13 community organisation services provided \$130,260 in free pre-paid recharges to people in crisis through Top Up

An AI hub delivering free AI skills training for local communities through AI for Good

1,237 payphones offering free calls, including 343 with free Wi-Fi
Free digital skills training delivered across 22 regional and remote local government areas through Being Digital

Tasmania

240 phones provided to women via specialist DFSV services through Safe Connections

40 community organisation services provided \$56,520 in free pre-paid recharges to people in crisis through Top Up

An AI hub delivering free AI skills training for local communities through AI for Good

437 payphones offering free calls, including 103 with free Wi-Fi
Free digital skills training for job seekers delivered across 29 local government areas through Digital Uplift

Index scores are sourced from the 2025 Australian Digital Inclusion Index (ADII). All program data is calculated for FY26.

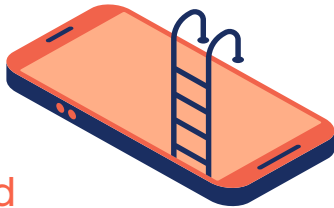
Supporting digital inclusion

This was the first year of our Connected Future 30 strategy, including a more ambitious digital inclusion target. Our target reflects our commitment to helping close the digital divide, by supporting the digital inclusion of one million people by 2030, with at least 200,000 people in the Northern Territory, South Australia or Tasmania. These states and territory have the lowest digital inclusion scores in the ADII.



In FY26, we supported the digital inclusion of **176,941 people** across Australia, including **34,499 people** across the Northern Territory, South Australia and Tasmania.

This year, we helped **1.4 million** customers in vulnerable circumstances stay connected



Our support focused on enabling access to critical services. It also helped customers maintain personal safety and stability during periods of disruption.

Engagement

Engagement with customers, community organisations and advocates is an important part of how we understand digital inclusion challenges. We use these insights to identify opportunities to improve access, affordability and digital ability for people at greater risk of digital exclusion.

Throughout the year, we engaged with a range of stakeholders to better understand lived experience, emerging issues and priority needs. We sponsored and attended Financial Counselling Australia (FCA) national and state conferences, including the Financial Counselling Victoria (FCVic) Community Disaster and Resilience Forum. We convened our Disability Stakeholder Forum, Low Income Measures Assessment Committee and our CEO Consumer Roundtable. We consulted with advocacy organisations on the development of our Accessibility and Inclusion Access plan. We attended the Safety by Design Conference and also supported the Technology for Social Justice Conference.

We heard consistent feedback on the need for clearer pathways to affordability support, especially for people experiencing financial stress without concession cards. This feedback has informed changes to our affordability approach.

We engaged with the Australian Disability Network to help community partners recognise and remove barriers to participation through improved accessibility and inclusive practices. We undertook extensive engagement in Tasmania to respond to digital inclusion challenges identified through the ADII. This included engagement with government stakeholders as well as community organisations including Council on the Ageing, the Tasmanian Council of Social Service, Hobart City Mission and Regional Development Australia (RDA) Tasmania. This engagement deepened our understanding of barriers to building digital skills and shaped our focus on improving digital ability.

In addition, our Data and AI Academy delivered a series of AI literacy workshops for consumer advocates to build understanding and confidence in the use of AI. The workshops focused on responsible and ethical AI use, alongside practical examples of how AI can be safely adopted within organisations. Through this work, we shared our learnings as an AI-first organisation and supported community partners to build the skills and confidence needed to use AI safely and effectively.

Together, these engagements help inform our understanding of digital inclusion challenges and complement insights from the ADII, supporting our efforts to create a more inclusive digital future.

-  To see our digital inclusion work in action, watch the video on our [website](#).
-  For more on our data, see our **2026 Data Pack** on our [website](#).
-  For more on our affordability approach, see the [Affordability](#) section of this report or visit our [website](#).
-  For more on our approach to improving digital ability, see the [Digital Ability](#) section of this report.



Regional and remote engagement

Reliable connectivity is essential for people living and working in regional and remote Australia. Throughout FY26, we engaged with communities across the country to understand local needs and support network performance. This included Executive visits to regional and remote communities to understand local coverage and network performance challenges. A CEO led visit to western Queensland in March was complemented by engagements in communities such as Roma (QLD) and Tasmania’s west coast to hear firsthand from community leaders and representatives.

We consulted with communities on the modernisation of the Universal Service Obligation (USO), regional network performance and emerging technologies.

During FY26, we were a sponsor and attendee at many regional and remote conferences and events. These included the Regional Australia Institute’s Regions Rising National Summit, the National Farmers Federation’s (NFF) AgXchange conference, a series of 2030 forums in partnership with NFF, the Federal and state conferences for the Isolated Children’s Parents’ Association as well as several state-based conferences with other regional and remote partners.

Our leaders visited communities across Australia to listen directly to stakeholders. In July 2025, our CEO Leadership Team held an offsite in Darwin where they launched our new RAP, and our CEO visited the Tiwi Islands. Our CEO also visited regional areas in Tasmania and Western Queensland. In February, our CEO participated in a virtual meeting with our Telstra Regional Council. Members of our Executive Leadership Team also met with people across regional and remote Australia. These visits included Aurukun (QLD), Wagga Wagga (NSW), Mildura (VIC), Wheatbelt (WA) and King Island (TAS). In June, our Board and executive Leadership Team held the Board meeting in Bendigo (VIC) and met with a range of customers and stakeholders. These conversations helped us understand local priorities and highlighted connectivity challenges.

This year marks the fourth year of the Telstra Connected Communities grant. The Telstra Connected Community Grant Program is delivered in partnership with the Foundation for Rural and Regional Renewal.

For more information on the Telstra Connected Communities grant and the latest recipients, visit our [website](#).

Access

Access sits at the heart of digital inclusion. This means supporting every Australian with reliable connectivity and devices to take part in an increasingly digital world. We also work closely with communities so more people can rely on fast, resilient and high-quality connections.

Connecting regional and remote communities

As the digital world reshapes how people live and work, access to reliable telecommunications plays a central role in connecting regional and remote communities. This year, investments in new technologies aimed to improve the network experience across fixed, mobile and satellite connectivity. Digital infrastructure, including Telstra’s Aura Network, provide the foundation for connectivity solutions across Australia.

We remained the largest mobile telecommunication partner in Government co-investment programs. In FY26, we delivered 238 projects across our programs. This included 19 projects through the Mobile Black Spot Program and 18 projects under the Regional Connectivity Program Rounds 1, 2 and 3.

Since 2013, more than \$78 million has been co-invested in the Northern Territory by the Australian government, State governments and Telstra. This investment has expanded mobile coverage and data connectivity, with a strong focus on connecting

First Nations communities. It includes a \$7.5 million co-investment to expand coverage in Kakadu National Park. These programs support digital participation in regional and remote areas and contribute to Closing the Gap outcomes.

In 2025, we announced a collaboration with Starlink to bring satellite-to-mobile technology to customers in Australia. We have since launched Telstra Satellite Messaging and Select Satellite Apps. This service enables eligible customers to send and receive text messages via Starlink Direct-to-Cell satellites when beyond Telstra’s mobile network. Eligible customers can also use a selection of satellite-optimised apps on compatible mobile devices when connected to Telstra Satellite. This is particularly valuable in regional and remote areas and during periods of disrupted connectivity. Telstra Satellite Messaging is available in most outdoor areas across mainland Australia with a clear line of sight to the sky. The service is included in all Telstra Upfront Mobile Plans and requires a compatible phone with the latest software. Eligible customers have quickly embraced this service with daily connections having grown from approximately 80,000 to more than 200,000 over the last year. In FY26, more than 26 million messages were sent and received using Telstra Satellite Messaging.

In February 2026, we announced our plans to retire ADSL and CAN Radio by November 2027. These are longstanding services that have played a critical role in connecting regional and remote communities but were built for a different era and are increasingly difficult to maintain reliably as they reach end-of-life.

Drawing on lessons from the 3G closure and a proof-of-concept program in the first half of FY26, our approach to CAN Radio migration is focused on:

- strong end-to-end customer transition management
- clear and transparent communications
- early and tailored support for regional and remote customers
- transparent ongoing stakeholder management.

Newer technologies like nbn, 4G and 5G Fixed Wireless and satellite solutions are designed to deliver more reliable services that are easier to maintain and, for broadband services, support faster speeds. We’re supporting customers to transition to these new technologies, recognising that for some customers this may not be straightforward. In particular, the equipment used by new technologies like modems and antennas needs to be powered at the customer’s premises. We do not provide power solutions directly and it is the customer’s responsibility to provide a sufficient power supply, but we are supporting impacted customers by providing information and guidance on what is required.

For CAN Radio customers, replacement telecommunications solutions will be provided without additional plan, equipment or installation costs. For ADSL customers, costs may vary depending on the replacement technology selected. As with all telecommunications services, connectivity can depend on various factors such as location and coverage.



For more on the exit of ADSL and CAN Radio, visit our [website](#).



For more on Telstra Satellite Messaging device compatibility, visit our [website](#).



For more on how we keep customers connected, see the [Building resilient connectivity](#) section of this report.





Our access programs

Payphones

Payphones provide a vital lifeline for many people. Since standard national and mobile calls from payphones were made free in August 2021, usage has more than tripled. In FY26, more than 25 million free calls were made from payphones. This included over 250,000 calls to Triple Zero and other emergency services. More than 1,000 calls to critical support services are made each day and a total of 100 million calls since 2021. More than 4,500 payphones now provide free Telstra Wi-Fi, including over 1,000 in disaster-prone areas upgraded with Wi-Fi and extended battery backup power.

People use these payphones in many ways. They help communities maintain communications during climate events and provide access to safety and support services for people experiencing homelessness or fleeing DFSV. Many remote First Nations communities use payphones to stay connected to essential services: free Wi-Fi usage per connected device in these communities is around 10 times the national average, reflecting the vital role these services play in delivering affordable connectivity.

Safe Connections

We supported people experiencing DFSV by providing devices through the Safe Connections program. The program is delivered in partnership with the Australian Government Department for Social Services and the [Women’s Service Network \(WESNET\)](#). It provides smartphones, a 90-day ID exemption and pre-paid credit to women experiencing DFSV, through a nationwide network of domestic/family and sexual violence services. WESNET provides tech safety training for the frontline workers at these services who support survivors with tech safety advice and planning, as well as new smartphones. The program has distributed more than 58,800 smart phones with pre-paid credit since it began in 2014, including 7,580 smart phones with pre-paid credits in FY26.



Research shows that every **\$1 spent on Safe Connections generates \$3.50 in social value**¹²



For more on the DFSV standards and obligations, see the [Domestic, family and sexual violence](#) section of this report.



For more on how we support customers experiencing DFSV, visit our [website](#).

12. This research was developed and is owned by Telstra with third party expertise provided by EY to support management.

Konnekt Captioning Videophone

We supported Konnekt to pilot a Captioning Videophone, available to eligible customers through Telstra’s Disability Equipment Program. The Konnekt Captioning Videophone supports Telstra’s delivery of the USO. It provides accessible communications equipment for customers who are deaf or hard-of-hearing. Telstra funds the hardware and most ongoing service costs, with customers contributing \$5 per month.

The device combines real-time captioning with large screen video calling for more accessible conversations. The device includes features such as a simple interface, photo-based contacts and remote support. These features help enable confident use in home and aged care settings. In FY26, platform upgrades have improved video quality, reliability and remote diagnostics, supporting more than 500 active users to stay connected to family, friends and essential services.



SmartAID partnership

In FY26, we partnered with SmartAID to launch a mobile Connect and Charge Hub to support disaster relief in Australia. SmartAID is an international charity that provides humanitarian aid and disaster response, specialising in deploying innovative technology to keep communities connected during times of crisis. The first Australian Connect and Charge Hub is in development. It will be deployed in New South Wales in partnership with St John’s Ambulance. We recognise the importance of connectivity during climate-driven disasters. This program supports customers and communities to stay connected by providing power during outages.



For more on how we keep customers connected, see the [Building resilient connectivity](#) section of this report.

Mobile coverage maps

From 30 June 2026, a new Standard introduced by the telecommunications regulator, the ACMA, requires mobile providers to display predicted mobile coverage using a consistent methodology. While maps will now look different, the underlying strength and reach of our network remains unchanged. The Telstra mobile network continues to have more than 2,000 more sites than either Optus or Vodafone. This equates to over 900,000 square kilometers more of Australia's landmass under the ACMA Standard methodology. The Standard uses more conservative signal thresholds than those previously used by Telstra to determine predicted coverage displayed on maps. As a result, some areas that previously appeared as predicted coverage on our maps may now be classified as "no coverage" under the new Standard. Customers may still be able to access services in these areas. However, under the Standard, the signal strength is predicted to be below the required threshold, and any such connectivity is classified to be incidental, highly inconsistent and temporary.

The Standard creates a disconnect between the mobile coverage depicted on maps and the point at which a customer may actually connect to satellite. While a device will generally only transition to satellite messaging once a mobile signal is no longer available (which may occur at signal levels well below -122 dBm), the Standard does not permit mobile coverage below -115 dBm to be shown on maps. As a result, coverage maps may suggest that satellite connectivity is required in areas where customers may still be able to access the mobile network. This may lead to customer confusion and unrealistic expectations regarding the circumstances in which satellite services are needed, particularly as current satellite-to-mobile services support SMS messaging only and do not support voice calls.

Coverage maps are based on standardised modelling assumptions and show predicted outdoor coverage only. They are a guide and do not guarantee connectivity or performance. Actual experience may vary depending on factors such as location, terrain, device and network conditions.



For more on mobile coverage maps, visit our [website](#).





Affordability

We recognise that for many Australians, telecommunications is a non-discretionary household expense. We are committed to providing affordable options. We believe everyone should be able to participate in the digital world, regardless of where they live or their personal circumstances. To support customers experiencing financial hardship, particularly with cost-of-living pressures, we focused on understanding individual circumstances. This year, we improved our affordability options so more people can access support. We launched a new Upfront Mobile Access plan for basic connectivity at a lower price, with no concession card required. We expanded our concession discount across all Upfront mobile plans, giving customers more choice while still receiving a meaningful discount. We also offered specialised programs and services to help customers maintain access to digital services.

Our affordability programs

Telstra Top Up expanded

This year, we provided over \$4 million of value in pre-paid credit to support people in need through the Telstra Top Up program. In May this year, we increased the value of Top Ups from \$180 to \$200. This provides 80GB of data with unlimited calls and texts over six months to help customers connect.

We expanded the Telstra Top Up program this year to better support people facing financial hardship. In FY26, working with Infoxchange, we committed to onboard an additional 28 community organisation services across the Northern Territory, South Australia and Tasmania. This reflects our focus on regions prioritised under our Connected Future 30 target. This included 14 Salvation Army sites. We also partnered with the Victorian Aboriginal Community Controlled Health Organisation (VACCHO)

to add a further 22 sites, broadening access for Aboriginal and Torres Strait Islander communities across Victoria. This expansion brings the total number of participating community organisation services in the program in FY26 to 973. These partnerships help more people stay connected when they need it most.

One Stop One Story

One Stop One Story (OSOS) is a cross-sector platform developed by Thriving Communities Australia to streamline support for people experiencing DFSV or financial hardship. The platform allows people to share their story once through the OSOS Hub. This improves wellbeing and access to comprehensive support from multiple service providers. As a participating organisation, this year we supported 2,384 total OSOS cases. Sixty three per cent were DFSV OSOS cases, and 37 per cent were hardship OSOS cases.

Pre-Paid Community Mobile Plan

People in some of the most remote parts of Australia have unique needs, such as higher data use, shared devices and fortnightly budgeting cycles. To better support these customers, we introduced the Pre-Paid Community Mobile Plan. It provides unlimited national calls and texts, along with 25GB of data to use over a 14-day period. This aims to give people in those communities a more flexible and predictable way to stay connected to family, services and community life. By improving value and flexibility for customers who rely on mobile as their primary connection, the plan helps address affordability barriers and support more consistent digital participation.

Digital ability

Digital ability goes beyond access and use of technology. It’s about giving people the confidence, skills and knowledge to participate fully in the digital world and benefit from it. Digital skills are improving nationally. However, significant gaps remain for key cohorts, and we recognise our responsibility to help address these barriers.

Our people support digital inclusion every day. In our stores, retail teams help customers understand their devices and digital services. On the road, our Field Technicians offer simple technical education in homes and businesses.

We also work alongside industry, government and community partners to design and deliver digital ability programs. These programs make a real difference. Our focus is on building confidence, supporting safe participation and helping people navigate and adopt new technologies.

AI for Good

This year, we expanded our partnership with Microsoft and Good Things Australia to also include LinkedIn, relaunching the program as AI for Good and broadening availability to all Australians.

The program now supports more Australians to build AI skills through a national network of local AI Hubs. In 2026, 10 hubs opened across the country, reaching 1,381 people. The ADII highlights clear disparities in AI use, and these hubs directly respond to that gap to deliver accessible entry-level learning materials. These materials help people understand and use AI safely and effectively. This includes 84 per cent of participants noting increased confidence to identify and verify AI. For more on AI for Good, visit [Good Things Australia](#).

Tech Savvy Seniors (NSW)

Older Australians remain the least digitally included age group in Australia. Many older Australians need support to build confidence using digital tools. Through Tech Savvy Seniors, we offer digital literacy training in partnership with the NSW Government and the State Library of NSW. The program offers practical learning for people aged over 65, including new modules to reflect emerging technologies such as AI. It is also delivered in multiple languages to support participation across diverse communities.

In FY26, the program provided more than 11,000 training places for older Australians, helping more people navigate everyday digital tools and tasks with greater ease. For more on Tech Savvy Seniors, visit our [website](#).

Telstra and Justice Connect digital inclusion partnership

Through our ongoing collaboration with Justice Connect, we strengthened digital inclusion and legal resilience for people affected by disasters and crises in a number of ways:

- Since the program began in 2024, [Get ePrepared](#) has helped over 18,000 people store essential documents securely electronically, in case they are needed in an emergency, enabling them to prove their identity, residence and property. For more on Get ePrepared, visit our [website](#)
- [SmartAssist](#), the digital tool we helped train, diagnoses legal problems using everyday language and assists people in finding the right legal help. It won the community engagement category of the AFR AI Awards 2026 Australian Financial Review’s AI award
- We also released free [scam prevention and online safety resources](#) with Justice Connect to help people navigate digital tasks with more confidence.





Digital Uplift (TAS)

Across Tasmania, many people still face barriers to digital participation. To help close this gap, we partnered with RDA Tasmania to help uplift digital skills for job seekers through the new Digital Uplift program, giving them access to better employment opportunities. This group is one of Tasmania's most digitally excluded cohorts.

Working with the Regional Jobs Hubs Network, we offer practical digital skills training that is co-designed with local communities, so it reflects real needs. For one participant, the impact of Digital Uplift is reflected in how targeted digital skills training supported her to pursue a new pathway into work.

She had spent her working life in fish processing and retail fast food and had left school more than two decades ago. With limited experience using digital technology, she enrolled in Digital Uplift with a clear goal: to transition out of physically demanding manual labour and into an office-based role that would be sustainable as she gets older.

Through the program, she built practical, job ready digital skills, including basic word processing, cloud storage, using AI tools and writing professional emails and correspondence. The program also supported her to recognise and translate her existing experience — such as rostering and stock management — into digital administrative capabilities, including spreadsheets and basic budgeting.

With increased confidence and digital capability, she is now actively exploring new employment opportunities through her local Jobs Hub, demonstrating how targeted digital skills training

can open pathways to workforce participation and long-term economic inclusion.

In FY26, Digital Uplift helped more than 870 Tasmanians build the confidence and essential skills needed to get online, access services and participate fully in work and their community life. For more on Digital Uplift, visit our [website](#).

Being Digital (SA)

Public libraries play an important role in supporting digital inclusion. In FY26, we launched our partnership with Libraries South Australia, Being Digital, a statewide program that offers free, locally tailored digital literacy training in regional and remote communities. The program, run through public libraries, helps adults build confidence with everyday digital tools such as basic device setup, online safety and AI.

At a digital skills session delivered at Moonta Library, one participant shared how learning to use a tablet for the first time helped them build confidence and independence in a digital world. Through the sessions, they learned practical skills such as making video calls to stay connected with family, shopping online safely, using voice assistants and recognising potential scams. The welcoming and supportive environment made it easier to ask questions and learn at their own pace. As a result, the participant felt more confident using digital technology and better able to participate in everyday online activities.

In FY26, Being Digital reached over 13,000 participants across regional and remote South Australia. For more on Being Digital, visit our [website](#).



Telstra Foundation

Empowering children and young people in a digital world

Telstra Foundation is a direct expression of our purpose. Its mission is to support children and young people to thrive in safe, inclusive digital spaces and shape their own futures.

Children and young people are now the most connected Australians. Born digital, they rely on connectivity every day, use our products and services and will shape Australia's digital economy and society in the decades ahead. Through this they are exposed to risks such as digital exclusion, online bullying and harmful content. They also face significant opportunities.

The Foundation works to understand these unique challenges and supports children and young people to navigate the digital world safely, confidently and with opportunity. It works with youth-focused non-profits, educators, communities and families, centring the voices and lived experiences of children and young people in its programming. The Foundation generates insights and shares knowledge. It also supports partners and fosters cross-sector collaboration to drive system-level change.

By 2030, the Foundation aims to empower one million children and young people to thrive in safe, inclusive digital spaces. This contributes to a more connected, inclusive and resilient Australia. The three priority impact areas are:

- **universal access:** free access to devices and future-ready digital skills including AI
- **meaningful connectivity:** safer, more inclusive online environments and digital solutions that provide access to mental health support
- **youth voices:** ensuring children and young people shape the systems designed for them through research, participation and co-design.

In FY26, we committed \$6 million through the Foundation and \$928,881 from Telstra shareholder and customer donations to our partners and programs.

We partnered with 17 for-purpose organisations to support underserved, vulnerable or disadvantaged children and young people across Australia. We also lead research and stakeholder engagement initiatives, including the Technology & Wellbeing Roundtable with [ReachOut Australia](#) and celebrated the tenth Moonhack campaign through [Code Club Australia](#).

Youth participation remains central to our approach. We embed the voices of children and young people in our work through project co-design, our [Youth Advisory Council](#), and the annual [Australian Digital Youth Index](#).



Shifting the conversation at Mobile World Congress

“Too often, adults talk about young people as the future; future users, future risks, future data points. Meanwhile, we’re already deeply embedded in today’s technology.

That’s why being at Mobile World Congress this year really mattered. Telstra Foundation didn’t send me to observe; they backed youth participation as a deliberate strategy to amplify young voices at the highest levels, and to bring young people’s realities directly into the rooms where decisions are shaped. I brought youth perspectives into panels and roundtables shaping conversations on digital wellbeing, inclusion and responsible technology. Including young people isn’t generous, it’s necessary”.

– **Ash Kapoor**, *Young Person-in-Residence*, Telstra Foundation.



Donate your Telstra Plus points to our partner [PROJECT ROCKIT Foundation](#) and help tackle online bullying.

Technology innovation for good

Innovation is central to building a more connected, inclusive and resilient digital world. By leveraging Telstra muru-D Labs and our muru-D investment portfolio, we experiment with and scale new technologies in real-world settings. Our efforts aim to provide tangible benefits for communities, industries and the environment. This work aligns with our Connected Future 30 priorities.

In FY26, we focused on rapid prototyping, turning emerging network and digital capabilities into working demonstrations. These prototypes aimed to address safety, cyber security and network resilience. Our priority areas included network-enabled robotics, spatial computing, disaster response as well as fraud, authentication and scam prevention. In FY26, muru-D Labs delivered multiple Network as a Product minimum viable products and proof-of-concepts. This work explored how Telstra's network capabilities could be configured and applied to future customer use cases, supporting the Network as a Product layer of Connected Future 30.

muru-D Labs also developed and demonstrated an AI-powered, network-aware disaster response platform. The platform uses programmable network capabilities and application programming interfaces (APIs). These support coordination, situational awareness and prioritisation during emergencies.

To support safer digital interactions, muru-D Labs built and demonstrated network-based verification, fraud and scam prevention use cases, including number verification. These demonstrations illustrate how network intelligence can improve trust, reduce friction and strengthen protections for customers and businesses.

Alongside the Labs' incubation work, the muru-D portfolio of start-ups continues to mature across agriculture, hydrogen fuel cell aeronautics, connectivity, sustainability and digital inclusion.



Robot Dog

We worked with the John Holland Group to trial how the combination of IoT, cloud technology and 5G connectivity could enhance safety in underground construction sites. The robotic dog, Astro, was designed to enter construction environments, including tunnels, and was fitted with environmental sensors to capture information including temperature and air quality. We deployed Astro in Melbourne's Metro Tunnel, to demonstrate the practical benefits of autonomous robotics in understanding and assessing conditions.



For more on Astro the Robot Dog, visit our [website](#).





Advancing online safety, privacy and security

As more of our lives move online, online safety and cyber security matter more than ever. We take our responsibility as a custodian of customer data seriously. We invest heavily in cyber security to help protect our customers' information and privacy.

We build cyber capability across our organisation and beyond. We invest in training for our employees and provide practical resources for our customers. This helps people understand digital risks, make informed choices and better protect themselves and their data.

Online safety

We support online safety by providing clear information and practical pathways for action. Our [Online Safety and Wellbeing Hub](#) offers practical resources to support safe online experiences. It includes guidance on preventing cyber bullying and avoiding harmful content. It also explains how to report unsafe content or behaviour to the eSafety Commissioner.

Privacy

We take a transparent and accountable approach to personal information. This includes how we collect, use and manage it. Our privacy practices are designed to comply with the Australian Privacy Act, the European Union General Data Protection Regulation and other local laws where applicable.

We manage privacy and data access through our [Code of Conduct](#), [Privacy Statements](#) and other supporting policies and security controls. We apply these strict standards across our business. They help protect customer data from interference, misuse, loss, unauthorised access, modification and disclosure.

We use or disclose personal information in line with our Privacy Statements and relevant legislation. This applies across all parts of our business. In limited circumstances, we are legally required to share personal information. This includes supporting emergency services in life-threatening situations or assisting government agencies with lawful enforcement activities.

We recognise the role our products and services play in enabling access to information and the free exchange of ideas. Our commitment to privacy guides how we respect freedom of expression and how we respond to government requests for data. In cases relating to law enforcement and national security, we assess the legality of each request applying principles of reasonableness and proportionality. We balance these principles with individuals' privacy rights.

We regularly review our Privacy Statements to ensure they remain fit for purpose. We embed privacy and data protection into the design of our processes, products and initiatives. We embed Privacy by Design through Privacy Impact Assessments. These help us identify and manage privacy risks early for initiatives that handle personal information.

In line with Telstra's Compliance Framework, the Board and the Risk and Sustainability Committee oversee compliance with our legal and regulatory obligations. Our CEO Leadership Team is also accountable. Executives within each business unit oversee privacy compliance within their areas of responsibility.

In FY26, we reported four privacy incidents to the Office of the Australian Information Commissioner. In each case, we contacted affected people and offered support, including referrals to third-party identity and cyber support services. We also took action to manage and remediate the incidents. This included reviewing policies and procedures and strengthening relevant controls.

Cyber security

Cyber security remains a priority as threats grow in scale and sophistication. We recognise that even with strong preparation and defence measures, no organisation can eliminate every cyber threat. Our efforts focus on putting effective protections in place and responding quickly when incidents occur. We have also strengthened our recovery protocols to restore services faster after a breach. These improvements help us manage a wide range of cyber security risks more efficiently. They also support the integrity and resilience of our systems against known and emerging threats.

Policy and governance: Our Cyber Security Strategy guides how we protect our business from cyber threats, supported by group policies and standards. Our Global Chief Information Security Officer oversees this framework, with regular reporting provided to Telstra’s Risk and Sustainability Committee.

Risk management, supply chain and third-party risk: We manage cyber security risks through established frameworks and standards. These include the Payment Card Industry Data Security Standard (PCI DSS), the US National Institute of Standards and Technology Cybersecurity Framework (NIST CSF) and the Factor Analysis of Information Risk (FAIR) model. We also align with relevant regulations and standards, including ISO 27001:2022, the Australian Privacy Principles and the Essential Eight mitigation strategies developed by the Australian Cyber Security Centre. Our cyber security framework includes assurance activities such as third-party assessments. These help strengthen information security across our supply chain.

Threat intelligence: We maintain a mature threat intelligence capability and actively engage in information-sharing networks to build a clearer view of the threat landscape. We invest in initiatives such as Cleaner Pipes to help protect our network and customers from scams and fraud. As part of this work, we have strengthened scam detection across SMS (text messaging), MMS (multimedia messaging) and voice services. We introduced automated Cleaner Pipes controls that temporarily suspend, and where necessary disconnect, services identified as sending scam SMS. We plan to extend these controls to MMS and email in FY27.

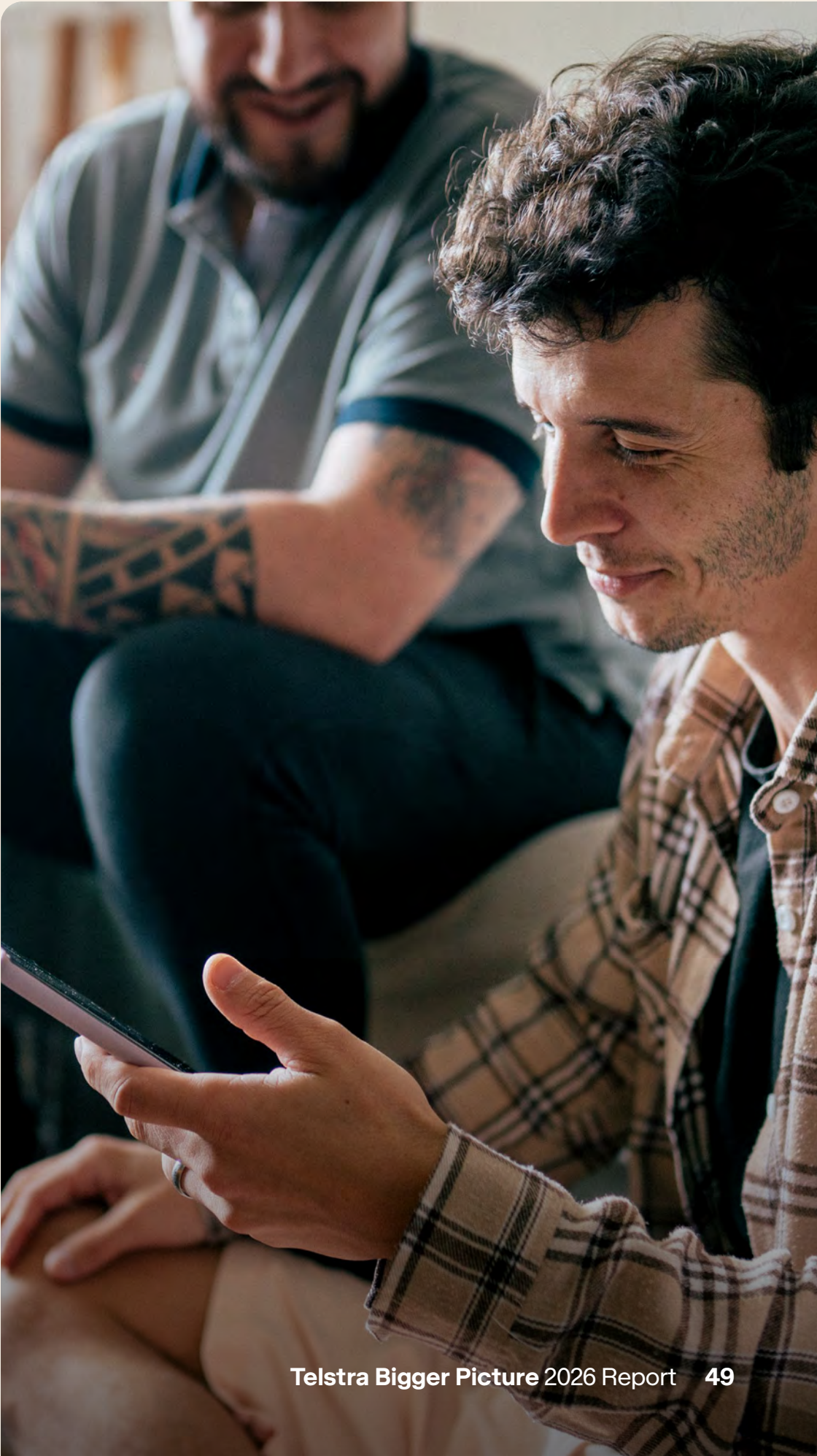
This year, we blocked **>24 million scam calls** and **~5 million scam SMS messages** on average per month.

We also stopped tens of millions of malicious domains and tens of millions of incoming scams and potentially unwanted emails on average each month. Together, these measures reduced the volume of harmful activity reaching our network and customers.

Building a security culture: We build a strong security culture by giving our people the skills and awareness they need to protect our network and customers. Our Cyber Security Influence program delivers timely updates, advisories, videos and gamified learning. A large and engaged employee community adds momentum to this work, embedding secure behaviours across the business. We also run regular phishing drills to test awareness and strengthen day-to-day behaviours.

Monitoring and incident response: Our Security Operations Centre (SOC) provides continuous monitoring and rapid incident response to protect our network and customers. Skilled security professionals operate the SOC using advanced capabilities. These include Security Information and Event Management (SIEM), Endpoint Detection and Response (EDR) and Network Traffic Analysis (NTA). We maintain a comprehensive incident response framework, supported by detailed playbooks. These guide reporting, containment, analysis, remediation and mitigation. We regularly test and update these plans to ensure they remain effective against emerging threats.

Industry collaboration: We work with organisations in Australia and globally to strengthen our cyber security capability and share expertise. Our collaboration with Quantum Telstra and Commonwealth Bank of Australia (CBA) delivers advanced scam and fraud detection tools, including Scam Indicator. In FY26, we expanded this collaboration to other major banks. Work is underway to help identify and prevent financial crime, including the growing threat of money mules.





There is no AI without a secure and reliable network connecting people, devices, robots, drones, sensors and so on. This is how most people will interact with AI and will be essential to unlocking economic and social benefits.

Investing in our people and their AI skills is critical to becoming an AI-first organisation. We focus on upskilling our people as the nature of work evolves with AI. Our D&AI Academy focuses on developing the capability required to use AI responsibly and productively for our people, upskilling them now and preparing ourselves for the future. AI is a fundamental economic and social shift. As a country, how we build trust, skills and inclusion will have a significant impact on whether it delivers benefits to all Australians. While it’s too early to know exactly how AI may affect our workforce, including our graduates, and how different roles might change, we are committed to supporting our people build the human and technical skills they need in a fast-changing environment.

As we scale AI across our operations under Connected Future 30, responsible governance is both a strategic enabler and a critical risk mitigant. Our approach to AI Governance — including our Responsible AI Policy, the AI Risk Oversight Council and ongoing mandatory training — is designed to ensure we can deploy AI at speed while managing risks to customers, staff, reputation and regulatory compliance. This is essential to achieving our target of top quartile AI maturity by FY30.

Our investment in AI is supported by credible and accountable governance. This includes the AI Risk Oversight Council (AIROC), which brings together expertise from Legal, D&AI, Cyber Security, Privacy, Risk, People and Culture, CX/design and Communications. The AIROC reviews and endorses medium-high impact AI use cases, including assessing risks that may arise from errors or from deliberate misuse of the system. AIROC also validates the rating of low-risk initiatives. These safeguards promote safe, ethical and transparent use of AI, supporting community confidence and long-term productivity gains.

Responsible AI

Our vision to become an AI-first organisation is grounded in responsible practice. We use AI to improve services for customers and communities, and we apply strong ethical guardrails to guide how we develop and deploy these systems. Our ambition is to create demonstrable, repeatable outcomes that build trust with employees, customers, governments and the community as AI adoption accelerates.

At Telstra, we apply AI in practical value-led ways — strengthening networks, improving customer experiences and helping people work more effectively. We currently have approximately 100 live AI use cases across our business. At the same time, we provide the connectivity and digital infrastructure that underpins how customers, businesses and Australia more broadly use AI.



Ask Telstra

In FY26, we scaled the AskTelstra knowledge tool. This tool helps our retail and contact centre customer service agents respond more efficiently and consistently to customer enquiries.

AskTelstra supports more than 8,000 customer service agents, providing fast access to over 2,000 approved knowledge sources. It uses AI-generated responses to employee queries through a simple search interface, grounded in Telstra’s trusted and secure corporate information.

AskTelstra reflects our approach to responsible AI by applying clear governance and guardrails, and by grounding AI-generated responses in approved, secure information sources to support safe and consistent outcomes for customers. Since scaling the tool, average handling time has decreased by almost one minute. More than 2 million questions have been asked through AskTelstra, indicating strong adoption across frontline teams.

Our AI use is governed by our Responsible AI Policy, Code of Conduct and Human Rights Policy. Our Responsible AI Policy sets out the principles, practices and standards that apply to AI use across Telstra. This includes requiring our teams to adhere to Australia’s AI Ethics Principles, including that AI systems should respect human rights and benefit individuals, society and the environment. It defines accountabilities and expectations and is aligned with [Australia’s AI Ethics Framework](#). All AI use cases are assessed against this policy before deployment. We reinforce this approach through participation in international forums focused on responsible AI adoption. These include United Nations Educational, Scientific and Cultural Organization (UNESCO)’s Business Council for Ethics of AI and working groups of the GSM Association (GSMA).

Our joint venture with Accenture, established in 2025, is strengthening our AI capability. It is helping us to mature our responsible AI practices. This includes the introduction of enhanced tools for centralised oversight and monitoring of AI systems alongside a more detailed taxonomy of AI risks and controls. Further enhancements are expected as the partnership progresses.

This includes our Responsible AI platform which will provide visibility of how AI systems are designed, deployed and monitored across the organisation. These capabilities will help us manage risk, costs and alignment with Telstra’s purpose. They will also provide greater insight into broader impacts, such as energy use associated with AI workloads.

We are part of the [Human Technology Institute](#)’s Lighthouse Case Study Series at University of Technology Sydney. The case study explored Telstra’s approach to human-centered AI, including the insights and challenges associated with AI development, deployment and governance in a large, complex organisation.

Telstra is in a unique position to help shape the conditions for AI to scale in ways that are trusted, inclusive and deliver long-term value for Australia. We aim to build trust at a national level, lift skills and confidence, and support a responsible transition as AI reshapes how people work, connect and participate in the economy.

-  For information on our D&AI Academy, see the [Learning and Capability](#) section of this report.
-  For information on AI and our emissions, see the [AI and climate](#) section of this report.
-  For information on our Digital Inclusion AI for Good partnership, see the [Digital ability](#) section of this report.

SmartFix

SmartFix is our large-scale, AI-driven service transforming how fixed connectivity faults are being prevented, diagnosed and resolved for our bundled customers with a Telstra Smart Modem. SmartFix uses AI models to detect abnormal service behaviour across nbn services and automatically initiates corrective actions before customers notice a problem or need to contact us. When customer involvement is needed to fix the fault, the system proactively reaches out with guided actions or escalates to other interventions such as technician appointments or equipment replacement. In FY26, SmartFix delivered approximately 4 million AI-driven automated resolutions across fixed connectivity services. This proactively prevented around 1.4 million potential fault disruptions before customers experienced issues or needed to contact us.



Free calls to Santa

Since 2021 we have connected children with the North Pole, switching on free calls to Santa from our payphones in the lead up to Christmas. This experience is enabled by AI. Our Santa uses Google’s Gemini large language model (LLM) and Customer Engagement Suite from Google Cloud to answer calls. Santa’s voice is generated using Gemini’s custom voice capabilities. AI prompt engineering means that conversations with Santa are warm and embrace his wisdom and kindness.

-  For information on free calls to Santa, visit our [website](#).

Sustaining our planet



Approach

Operating sustainably is fundamental to how we create long-term value for our business, how we minimise risk exposures, and how we create positive outcomes for the environment through our Connected Future 30 strategy.



For more on our climate disclosures and key environment metrics, see the ‘Sustainability Report - Climate Statements for FY26’ section in our **2026 Annual Report** and **2026 Data Pack** on our [website](#).

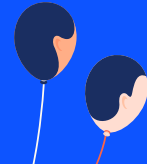
We focus on three interrelated areas — taking action on climate, supporting a circular economy and protecting nature:

- **reducing emissions and energy use** across the design, build and operation of our network, infrastructure and value chain
- **supporting a circular economy** by extending the lifecycle of network infrastructure and customer devices
- maturing how we understand and **manage nature-related impacts** where our business or operations interact with the environment.

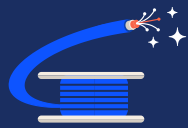
We continue to trial technology solutions and work with industry to accelerate progress on shared environmental challenges.

Alignment to Connected Future 30 layers and enablers



**Customer Engagement**

**Network as a Product**

**Digital Infrastructure**

**People & Culture**

**Technology Leadership**

**Sustainability**

**Financial Discipline**



Taking climate action

Addressing climate impacts is an urgent global challenge. It is critical to our long-term sustainability and to the resilience of our business, our people, our customers, the communities we operate in and our investors.

We are taking ambitious steps to decarbonise our operations and supply chain, support Australia’s energy transition and prepare, adapt and respond to the increasing impacts of climate.

We are committed to achieving net zero emissions by 2050, covering scope 1, 2 and 3 emissions. Our net zero target is validated to the Science Based Targets initiative (SBTi) Corporate Net-Zero Standard. We have also set near-term emissions reduction targets aligned to a 1.5°C trajectory:¹³

- reduce our absolute scope 1+2 emissions by at least 70 per cent by 2030 from a FY19 baseline
- reduce our absolute scope 3 emissions by at least 50 per cent by 2030 from a FY19 baseline.

Our scope 1+2 and our scope 3 emissions reduction targets are incorporated into our FY26 Short Term Incentive (STI) scorecard for eligible Telstra Group employees. This links a component of an employee’s variable remuneration to performance against our emissions reduction targets.

We continue to incorporate our scope 1+2 and scope 3 emissions reduction commitments into our annual financial planning process to better align investment decisions with these commitments.

Progress towards our emissions reduction targets is unlikely to be linear. We rely on the timely decarbonisation of the electricity grid to achieve our scope 1+2 emissions reduction target. For our 2030 scope 1+2 target, we assume that Australia will meet the current national renewable energy target of 82 per cent by 2030. For scope 2 modelling, we use the latest emission factor estimates from the Department of Climate Change, Energy, the Environment and Water (DCCEEW)¹⁴ and calibrate these estimates with GHG emissions forecasts from the Australian Energy Market Operator (AEMO) in its Integrated System Plan. For our 2030 target, we have assessed scenarios where grid decarbonisation is delayed by up to two years. We recognise the risk that the national target of 82 per cent renewable energy by 2030 may not be met. If this is the case, we would need to increase our emissions reduction activities or, if these activities fail to meet the shortfall, we may consider the use of renewable energy certificates (RECs) to meet our 2030 scope 1+2 emission reduction target.

This year we exceeded our CY25 commitment to support grid decarbonisation, enabling renewable energy generation equivalent to more than 100 per cent of our consumption.

13. Excluding Digicel Pacific. We plan to include Digicel Pacific emissions in Telstra Group’s 2030 emissions reduction targets no earlier than FY28.
14. [Australia’s emissions projections 2025](#) by the Department of Climate Change, Energy, the Environment and Water, November 2025.

Decarbonise Telstra

We achieved a 4 per cent reduction in our absolute scope 1+2 emissions compared to the previous year and a cumulative 48 per cent reduction against our FY19 baseline. These reductions reflect the decommissioning of legacy technology, improved energy efficiency across our network and infrastructure and the ongoing decline in the emissions intensity of the grid electricity we use.

Managing our electricity consumption

Managing our energy consumption is both an environmental imperative and a commercial priority under Connected Future 30. Grid electricity remains our largest source of operational emissions. In FY26, it accounted for around 96 per cent of our total scope 1+2 emissions across our network sites, data centres and offices.

In FY26, we invested \$22.2 million in energy reduction initiatives across our Australian operations. These included targeted energy efficiency upgrades and the decommissioning of legacy equipment. Our energy efficiency programs and decommissioning of legacy network assets programs delivered annualised savings of 46,215 MWh of electricity and 31,314 tCO₂e.

From FY20 to FY26, our combined efficiency and decommissioning initiatives have delivered an estimated \$108 million in gross electricity savings at current electricity prices. Over the same period, we have reduced our power consumption in Australia by 30 per cent, demonstrating the impact of sustained, long-term investment in energy efficiency.

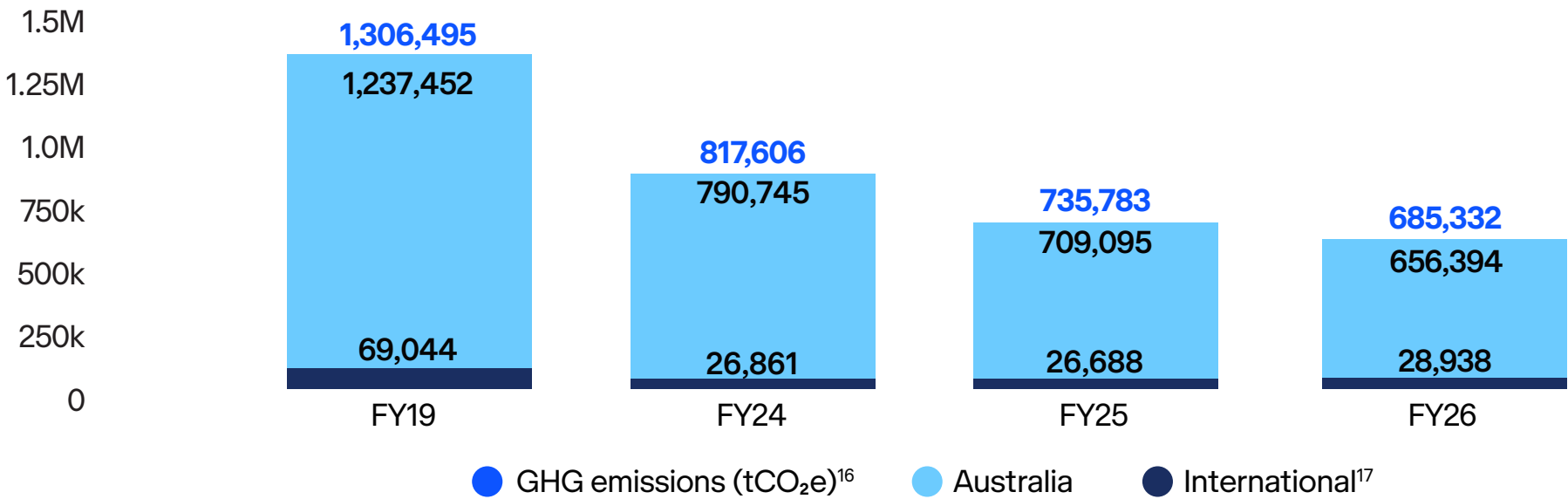
For more on our emissions and energy consumption, see our **2026 Data Pack** on our [website](#).



MacDonald Hill

In FY26, we installed a hydrogen-based power system at MacDonald Hill in regional South Australia. This will strengthen the resilience of critical infrastructure in an off-grid location. The project is in the final stages of commissioning as part of the Aura Network build, co-funded by the Australian Government’s Telecommunications Disaster Resilience Innovation grant program. The hybrid renewable energy system combines solar, battery storage, onsite hydrogen production and hydrogen fuel cells. Once fully operational, it will reduce reliance on diesel generators and improve energy security in remote and disaster-prone regions. The lessons from this project will inform future network planning and support our transition to lower emissions and climate resilient infrastructure.

GHG emissions (scope 1+2)¹⁵



15. The National Greenhouse Gas and Energy Reporting (NGER) determination is used for calculating Australian based scope 1+2 emissions, while the GHG Protocol is used for calculating international based scope 1+2 emissions. All scope 2 calculations use a location-based accounting methodology. The sum of individual entries may differ from the specified totals or sub-totals in the below tables. This is due to the effects of rounding.
16. GHG emissions are calculated using the latest emission factors for fuel and electricity use at the time of reporting. They are measured in tonnes of carbon dioxide equivalent emissions (tCO₂e). The emissions inventory encompasses Telstra’s Australian and international operations (excluding Digicel Pacific).
17. International scope 1+2 emissions reported in this table exclude Digicel Pacific. We plan to include Digicel Pacific emissions in Telstra Group’s 2030 emissions reduction targets no earlier than FY28.

FY26 energy efficiency and decommissioning initiatives

Initiative	Description	Annualised energy savings (MWh)	Annualised emissions savings (tCO ₂ e) ¹⁸
Decommissioning legacy network			
Decommissioning legacy network	We are actively rationalising and decommissioning our legacy network equipment. This reduces both direct energy consumption and the energy needed for cooling.	33,294	22,987
Energy efficiency and optimisation			
Heating ventilation and air conditioning (HVAC) optimisation	We conduct on-site inspections to identify energy-related faults and assess equipment performance, enabling targeted optimisation, including the removal of surplus or obsolete plant.	6,368	4,505
LED lighting	We are currently undertaking a large multi-year program to replace more than 150,000 fluorescent lights across hundreds of sites with LED units that include motion sensors and automated shut-off features.	3,653	2,302
Building services energy efficiency upgrades	Our upgrades include the installation and integration of fresh air-cooling systems, high-efficiency air conditioners, chilled water optimisation, improved cooling control strategies and electronically commutated fans as well as upgrading on-grid solar PV systems for continued generation.	2,901	1,520
Total ¹⁹		46,215	31,314

In FY26, we continued to expand the use of emerging technologies across selected mobile sites to strengthen network resilience and improve energy performance, with a focus on validating outcomes before broader adoption. This includes the introduction of next-generation programmable logic controllers to optimise cooling and enhance battery safety, alongside the trial deployment of more efficient rectifier technology to reduce energy demand and improve power system reliability.

In parallel, we are exploring new approaches to renewable energy through trials of adhesive solar skin solutions at sites where traditional solar deployment is constrained, enabling better use of available surfaces and supporting supplementary energy supply. We are also trialling the use of direct current-powered air conditioning to maintain cooling during power disruptions, improving site continuity and reducing operational intervention.

Collectively, these initiatives reflect a more deliberate shift toward integrating advanced, energy-efficient and resilient design elements into the network, while building the evidence base required to inform future standards and scaled deployment where feasible.

18. Annualised emissions savings have been calculated using the location-based method as defined by the NGER determination.
19. The sum of individual entries may differ from the specified totals or sub-totals in the below tables. This is due to the effects of rounding.

We also improved energy efficiency across more than 100 sites by optimising air-conditioning settings to better reflect current site usage. Earlier decommissioning and depowering programs mean many sites now operate with less equipment and lower internal heat loads, allowing wider temperature control ranges and more efficient HVAC operations. These improvements are expected to deliver annual energy savings of approximately 5,572 MWh and reduce emissions by around 3,510 tCO₂e each year, demonstrating that targeted engineering adjustments can deliver measurable emissions reductions without compromising customer connectivity. Our FY26 activities primarily focused on Victoria and New South Wales. Next year these activities will expand to South Australia and Western Australia to optimise fixed network sites.

Managing our vehicle fleet

Our operational fleet represents less than 1 per cent of our FY26 total scope 1+2 emissions. We are transitioning our fleet to lower-emissions vehicles. In FY26, more than 16 per cent of the fleet, and nearly 100 per cent of our passenger vehicles, consisted of Battery Electric Vehicles (BEVs) or Hybrid Electric Vehicles (HEV). BEVs, HEVs and Plug-in Hybrid Electric Vehicles (PHEVs) represented 46 per cent of our salary sacrifice fleet, which totalled more than 811 vehicles and is included in our scope 3 emissions. All internal combustion engines within our salary sacrifice fleet also included a contribution to Greenfleet, supporting legally protected, biodiverse reforestation projects in Australia.



For more on Greenfleet, visit their [website](#).

Managing our scope 3 emissions

Scope 3 emissions represent the largest share of our emissions footprint, accounting for 66 per cent of our total emissions. We have a responsibility to support the reduction of emissions produced by the activities, products and businesses we rely upon. We are committed to reducing our absolute scope 3 emissions by at least 50 per cent by 2030 from an FY19 baseline.²⁰ At the end of FY26, we have achieved a 49 per cent reduction towards this target. To date, progress towards these targets has not involved the use of carbon credits or RECs.

We have embedded our action on scope 3 through supplier engagement, contracting strategies and increased senior leadership oversight and governance. Additionally, we have leveraged performance planning mechanisms to increase action and drive a more structured and accountable approach to managing scope 3 emissions over time. This has included increasing the number of climate clauses in contracts with our major suppliers, focusing on supplier disclosure expectations and implementing engagement programs.

While we are taking steps to reduce our scope 3 emissions, we acknowledge our progress can be significantly influenced by external and market-driven conditions beyond our direct control. This means progress against our scope 3 commitment is subject to a higher level of variability and uncertainty and is therefore unlikely to be linear. Potential headwinds include increasing data demand from emerging technologies such as satellite services and AI, the expansion of digital infrastructure and data centres and broader growth of technology and connectivity services. At the same time, several tailwinds may support emissions reduction over time, including stronger supplier engagement on decarbonisation, ongoing grid decarbonisation (despite uncertainty around its pace and timing) and continued focus on financial discipline under our Connected Future 30 strategy.



20. Excluding Digicel Pacific. We plan to include Digicel Pacific emissions in Telstra Group’s 2030 emissions reduction targets no earlier than FY28.

Working together to reduce scope 3 emissions

Reducing scope 3 emissions requires significant and ongoing collaboration across sectors and value chains. This is particularly true for industries with complex supply chains such as the information and communications technology sector. Of our total scope 3 emissions, approximately 72 per cent comes from our supply chain (categories 1, 2 and 4). This means our progress depends significantly on the commitments and actions of our suppliers achieving their own decarbonisation goals.

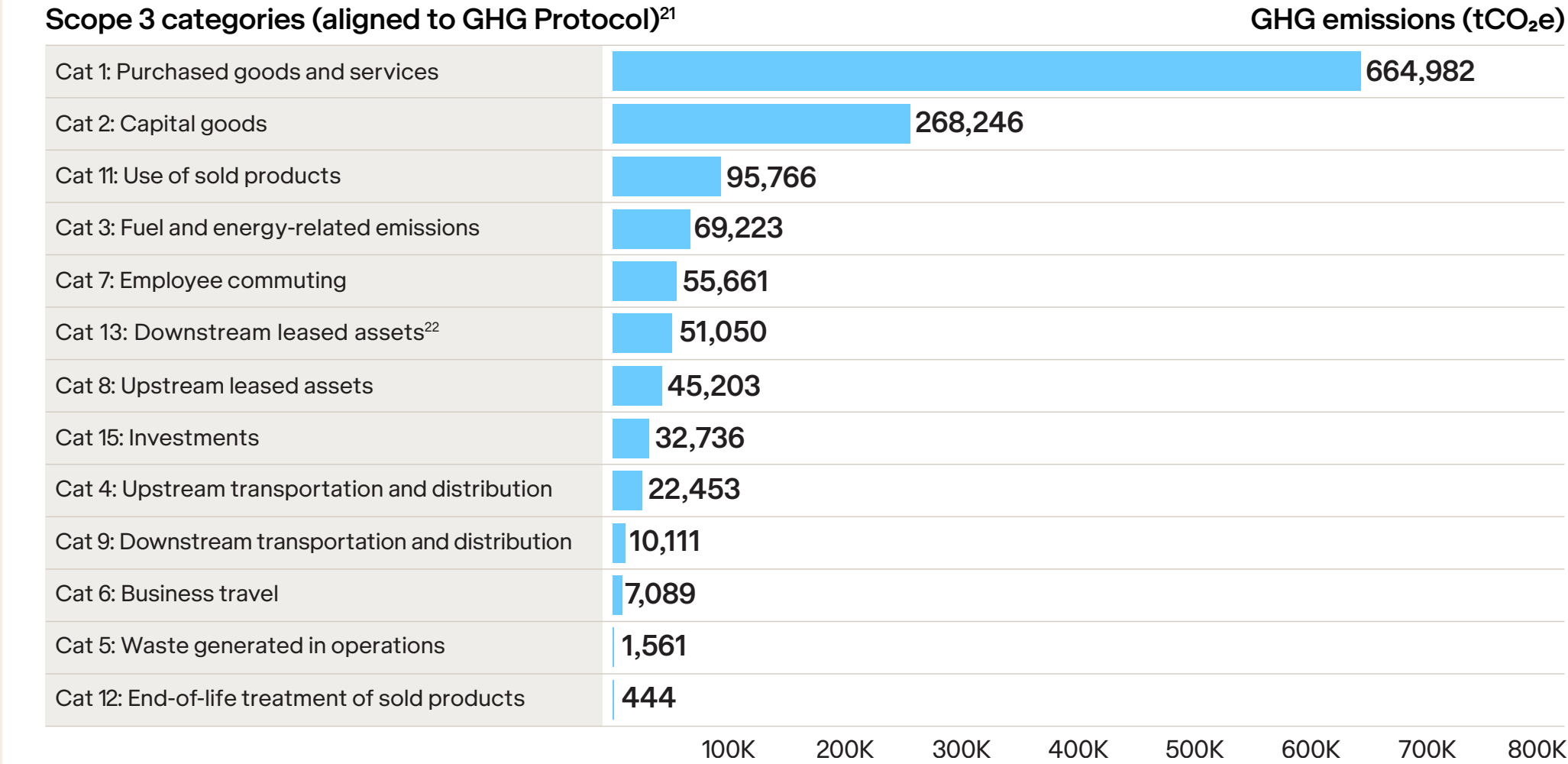
We work with suppliers to identify, prioritise and execute emissions reduction opportunities. We provide training and support to suppliers on how to measure and reduce their emissions footprint including in the delivery of their goods and services to us.

By the end of FY26, 276 suppliers agreed to contract clauses committing them to disclosing and reducing their absolute emissions. This is an increase of 38 per cent from FY25, representing over \$4.2 billion of our FY26 spend.

We are committed to engaging with industry associations to drive collective action on climate. Our partnership with the CDP Supply Chain program has helped lead to more than 400 suppliers disclosing their CDP questionnaire to Telstra in FY26. Our efforts have been recognised through an A rating in the 2025 CDP Supplier Engagement Assessment Leaderboard, making us the only Australian-based company to be recognised on the leaderboard every year since 2021. We also engage JAC for third-party audits of suppliers and are signatories to the Supplier Engagement Program (SEP). This program sets out a pathway for suppliers to assess and improve their carbon management maturity, providing them with feedback, training and monitoring their progress.

This year we led a subgroup of the JAC to jointly launch industry-specific model climate clauses and guidance for

FY26 scope 3 GHG emissions by category



telecommunication operators. This guidance is intended to help more telecommunication operators embed expectations on climate action into contracts.

In addition, we provided operator insights to the GSMA and leading operators to develop a scope 3 assessment tool. This improved data accuracy and sector alignment, contributing to a more reliable, industry-specific solution for supply chain emissions reporting. It also strengthens transparency and supports industry decarbonisation.

This work builds on our earlier collaboration with the GSMA and the Technical Standardization Bureau of the International Telecommunication Union (ITU-T) to develop and launch industry-specific scope 3 guidance for telecommunication operators. We continue to consider this sector-specific guidance as a part of our reporting and governance processes.



For more on these JAC programs, visit the [JAC Cooperation Transforming Supply Chains](#) website.

21. The GHG Protocol is used for calculating Telstra’s scope 3 emissions. They are measured in tonnes of carbon dioxide equivalent emissions (tCO₂e). The emissions inventory encompasses Telstra’s Australian and international operations (other than Digicel Pacific). Category 10: Processing of sold products, and category 14: Franchises of the GHG Protocol Scope 3 Standard are not applicable to Telstra’s operations and are therefore not quantified. For more information, see our 2026 Data Pack available on our [website](#)

22. In FY26, we reviewed our treatment of emissions from customer-managed equipment at Telstra Group sites and determined they should be included in our scope 3 emissions inventory under the GHG Protocol. We are now reporting these under Category 13 (downstream leased assets). Prior year data (FY19, FY24, FY25) has been restated. Our Category 13 emissions relate to customer-operated equipment located within Telstra Group owned sites where Telstra Group provides power and infrastructure. While these arrangements do not strictly meet the definition of downstream leased assets described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011), they are reported under Category 13 as the closest available category to reflect the associated emissions and ensure transparency in reporting as a result.

Decarbonise the grid

We support grid decarbonisation through investment in renewable energy generation projects.

In 2020, we set a target to enable renewable energy generation equivalent to 100 per cent of our electricity consumption by December 2025. We exceeded this target, enabling renewable energy generation equivalent to 121 per cent of our electricity consumption as at December 2025.²³ We have continued to track our progress: across FY26, we enabled renewable energy generation equivalent to 138 per cent of our electricity consumption.

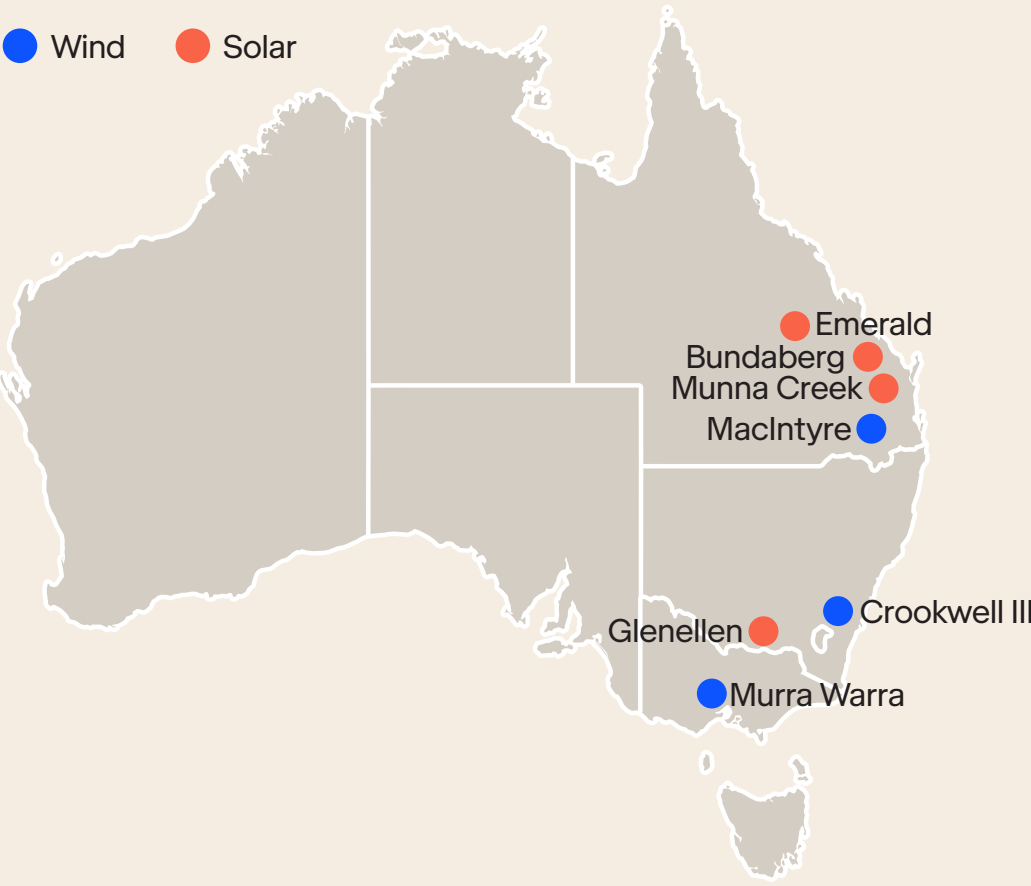
Telstra’s Power Purchase Agreements

We have partnered with solar and wind farm developers to increase renewable energy in Australia’s electricity grid through long-term Power Purchase Agreements (PPA). Our investments in seven projects across Queensland, Victoria and New South Wales have supported renewable energy projects worth \$1.6 billion and contracted 868MW of renewable capacity. To date, we have not claimed the use of renewable energy from the projects ourselves, nor has it directly contributed to our 2030 scope 1+2 emissions reduction target. These investments support Australia’s renewable energy transition and have helped us manage energy costs by reducing exposure to electricity price volatility.

We are also exploring innovative improvements in energy resilience and batteries to keep our customers connected, especially when we lose access to mains power. These upgrades also support more flexible use of electricity across the day, helping us better align our consumption with periods of higher grid renewables and hence lower grid emissions intensity.

23. Our progress towards our renewable energy enablement target is calculated by comparing the volume of renewable electricity generated under PPAs with the total electricity consumption across Telstra’s operations in 2025. The target is absolute in nature and is not validated by a third party. In December 2025 we achieved our target of enabling renewable energy generation equivalent to 100% of our consumption. This was a fixed, rather than enduring target. However, many of the PPAs we have in place will continue to at least 2030 and their generation equivalent to our consumption will continue to be tracked as a metric in the [2026 Data Pack](#)

PPAs Location Map



Although we remain reliant on the grid to meet our longer-term electricity requirements, these initiatives contribute to improved system efficiency while supporting broader efforts to decarbonise the grid and reduce our energy costs.



For more on our investments in renewable energy generation projects, visit our [website](#).



For more on our investment in backup power systems, including batteries, see the [Improving the resilience of our infrastructure](#) section of this report.



Protecting nature and biodiversity

Our operations interact with nature every day — when we construct or maintain our telecommunications network or provide technology solutions to customers.

It's critical to protect our natural assets, not just because we depend on them, but because we want to protect ecosystems for generations to come.

We are maturing our nature approach as our business evolves, our customers' needs change and pressures on the natural environment shift. As an early adopter of the TNFD, we are committed to transparency in how we consider and address our nature-related risks, opportunities, dependencies and impacts.

In FY26, we broadened our approach by:

- advancing our understanding of nature-related dependencies, risks and opportunities including exposure to water scarcity risks
- profiling how our technology and connectivity solutions enable customers to understand or manage their nature exposures such as water conservation and wildlife protection.



For more on our priority areas for nature action, see **Our Approach to Nature Action** on our [website](#).

Progressing a circular economy

We apply a lifecycle-based approach to embedding circular economy principles across the design, procurement, operation and end-of-life management of our networks and products.

We are enabling repair, refurbishment and reuse across our value chain. We work closely with customers, suppliers, contractors and partners to reduce the use of virgin materials and keep valuable resources in circulation.

Devices

Australians generate around 22 kilograms of e-waste per person each year, more than three times the global average.²⁴ We are committed to reducing e-waste by raising awareness with our customers and working closely with industry partners to deliver programs and infrastructure to support responsible device management. We design products and solutions that keep materials in circulation for longer, reduce waste and support more sustainable resource use across the full device lifecycle.

Many people are unaware of what to do with older devices or why these actions matter. Through initiatives like our Second Life Sounds campaign, we aim to promote awareness and behaviour change to reduce e-waste through everyday choices. The campaign used music, creativity and storytelling, inviting people to see old technology not as waste but as something with the potential for a second life.

Equitable and convenient access to responsible reuse and recycling options is vital to tackling Australia’s e-waste challenge, especially for customers in remote and regional communities. The Telstra eCycle program plays a central role by helping

customers reduce the volume of unused and unwanted devices in homes and businesses. It provides simple solutions to reuse, repair, donate or responsibly recycle devices.

We have a target to reuse, recycle, repair or donate one smart device for every two sold, by FY30. In FY26, we reused, recycled, repaired or donated the equivalent of 32 per cent of smart devices we sold. This progress was driven by the expansion of the Telstra eCycle program to support all customer segments and a broader range of devices.



Second Life Sounds campaign

In partnership with The Avalanches, we used music to change how Australians think about e-waste, showing how old devices can be given a second life rather than discarded. Together, we created a synthesiser made from more than 80 per cent e-waste components (mobile phones, gaming consoles and electronic cables) collected through Telstra stores. The synth has since been donated to the Melbourne Electronic Sound Studio (MESS) which holds one of the largest collections of synthesisers in the world. It will be on display for the public to play and interact with later this year.



For more on our Second Life Sounds campaign, visit our [website](#).



24. [Australia’s circular economy: Unlocking the opportunities](#) by the Australian Government Productivity Commission, August 2025.



Our device collection units

With our recycling partner we delivered a connected recycling solution that transforms how batteries and electronic waste are collected, monitored and recycled across our retail stores. The collection units are powered by the Telstra NB-IoT network, using sensors to improve the efficiency, safety and environmental performance of electronic waste and battery collection. The digital reporting and tracking enables us to monitor material flows and recycling outcomes.

How we are enabling reuse, recycling, repair and donation

- **Reuse:** through the Telstra Trade-In program, customers receive credit for eligible phones, tablets and smartwatches. This extends device life and supports the refurbishment market, helping reduce demand for new materials while delivering customer value.
- **Recycling:** we provide a visible, simple and convenient e-waste recycling solution in every Telstra store nationwide. Customers can drop off unwanted devices at Telstra collection units, enabling material recovery and responsible processing. Where customers are unable to visit a store, we offer a free e-parcel delivery option.
- **Repair:** where possible, returned Telstra Smart Modems and 5G modems are refurbished to factory standard and returned to service. Devices that cannot be refurbished are responsibly recycled.
- **Donate:** in FY26, we launched a device donation pilot, powered by The Reconnect Project, to deliver environmental and social benefit. The program provides phones to people in need including refugee and asylum seekers, people experiencing homelessness and at-risk youth. This helps enable viable devices to be reused while reducing the volume of devices entering the waste stream. The program also creates training and employment pathways for young neurodivergent people, building skills in technical repairs and workplace communication.

Sustainable packaging

We have an ongoing commitment that 100 per cent of Telstra-branded packaging is made of renewable or recycled material and is fully recyclable. We have met that commitment since 2022 and have continued to meet it for all new products released in FY26. We continue to collaborate with partners and suppliers to innovate material, design and packaging solutions.

National Device Bank

Our Australian Youth Digital Index shows that 1.4 million young people don't have access to a laptop or desktop at home. In response, Telstra Foundation has funded WorkVentures to scale the National Device Bank (a co-initiative with Good Things Foundation and Good 360). The government and corporates donate unused devices in bulk for repurposing. This supports digitally excluded people including students and First Nations communities. Free digital literacy and technical support are also provided to support digital skills.

We deploy the Australian Packaging Covenant Organisation (APCO) Australasian Recycling Label (ARL) on all new Telstra-branded packaging and Telstra-owned brands (Belong, Fetch and Sprout), excluding Digicel Pacific. In addition, we provide our customers with guidance on packaging to inform them how to correctly dispose of packaging and end-of-life devices.

We have delivered significant packaging reduction outcomes across our Telstra Smart Modem and Connected Home and Business portfolio. This was achieved through sustained material optimisation, robust assessment processes and close collaboration with suppliers. In the Connected Home and Business category, Telstra reduced packaging weight by more than 80 tonnes from FY25 to FY26, building on optimisation efforts delivered over multiple years. The Telstra Smart Modem range demonstrates the impact of iterative design. Telstra Smart Modem 4 packaging uses 15 per cent less materials than Telstra Smart Modem 3. Telstra also streamlined in-box collateral from 23 pages to two pages, reducing paper use by 91 per cent while improving customer experience.

Network waste and recycling

As we upgrade and modernise our network, we are strengthening our approach to network waste recovery. We are identifying opportunities to reuse legacy technology and network assets as well as recycling industry-specific equipment.

We work closely with suppliers to embed circular practices that support a more resilient and future-ready network that adapts as technology and materials evolve.

Our network waste profile is expected to evolve significantly in the coming years as we complete the recovery of remaining legacy copper across the portfolio. Managing this transition responsibly is key to maintaining operational resilience and reducing the impacts of long-term climate-related risks. We remain focused on maintaining at least a 90 per cent network waste recycling rate. In FY26, we achieved a 94 per cent network waste recycling rate.



For more on our network waste reporting, see our **2026 Data Pack** on our [website](#).

Creating value from legacy network assets

We are currently extending the value of our legacy assets through our circular approach to depowered network infrastructure. We prioritise the reuse and recycling of printed circuit boards (PCBs) and other legacy equipment, including recovering components for ongoing network operations. In FY26, we recovered over 621 tonnes of legacy infrastructure for recycling across 306 sites and 762 roadside cabinets. In addition, we recovered over 368 network components for internal reuse.

The Network Supply Chain team has processed over 108 tonnes of surplus material in FY26 through the following initiatives:

- recycling excess aged spares inventory for which there is no longer a use or re-sale market
- recovery and recycling of surplus spare parts from over 460 field store locations. When these parts are no longer required, they are recovered and sent to recycling partners for processing
- resale or recycling of excess and obsolete project materials where there is an external demand.

As a result of reuse and recycling we have diverted over 100 tonnes of surplus material away from landfill and are exploring further opportunities. Where we have been able to reuse network components, they are added into our spares pool for network faults and repairs. This reduces the need to purchase new parts, especially when components are no longer commercially available.

Keeping legacy copper in circulation

In FY26, we recycled 19,583 tonnes of legacy telecommunications cabling, returning 10,207 tonnes of copper back into the materials economy. This circular recovery avoided approximately 41,849 tCO₂e emissions and 1,701,166 tonnes of earth being mined.

The program also recovered valuable by-products including 4,496 tonnes of lead, 439 tonnes of aluminium as well as recycled plastics and paper. This demonstrates how legacy network assets can deliver significant environmental value while reducing reliance on virgin materials.

Recovering fibreglass walk boards

Fibreglass walk boards play a vital role in worker safety during below-ground pit and manhole operations. They are known for their durability and ability to be reused across multiple projects. When they reach the end of their useful life, we work with partners to divert from landfill by converting this dry commercial and industrial waste into Processed Engineered Fuel (PEF), a sustainable alternative fuel manufactured from carefully selected waste materials.

Using advanced processing techniques, this waste is transformed into high-calorific fuel, which is particularly valuable for energy-intensive industries like cement manufacturing, reducing reliance on fossil fuels. In FY26, we recovered 61 tonnes of fibreglass from walk boards, preventing them from ending up in landfill.

Giving office assets a next life

During the refresh of our Sydney office, we put circular economy principles into action by reusing and repurposing end-of-life furniture, equipment and assets.

We rehomed 2.1 tonnes of furniture and equipment with charities, non-profits and manufacturers and reclaimed 148 products for reuse. This demonstrates how circular choices can deliver environmental impact and social value at the same time.

AI and climate

Telstra's digital infrastructure connects customers, data centres and global cloud platforms through high speed, secure networks.

Data centres store and process information, while cloud platforms, typically run by hyperscalers, deliver applications and services. Connectivity brings these elements together, enabling them to operate as one integrated system.

Within this ecosystem, Telstra operates a small number of on-premises data centres and supports a broader network of facilities across Australia.

Our Aura Network is designed to provide ultra high-capacity, low-latency connectivity between major cities, regional areas and key data centre locations. Customers access data centres through Telstra's connectivity services, including fibre, mobile and enterprise networks. These networks link customer sites to a range of environments. This includes their own infrastructure, Telstra's co-location facilities or hyperscaler cloud environments. Data then moves across these networks – between users, applications and storage, helping to enable services to run seamlessly with speed, reliability and security.

We expect data traffic and digital infrastructure demand across our network to increase as AI is adopted more broadly. While this growth places upward pressure on network emissions and water use, it also creates opportunities to improve efficiency, modernise equipment and engage suppliers that use renewable energy. As a result, greater AI adoption does not necessarily translate into higher emissions for Telstra. For example, while network traffic on our Australian networks has increased by 122 per cent from FY19 to FY26, we have reduced our absolute scope 1+2 emissions by 48 per cent in the same period. We manage our emissions associated with growing demand by decommissioning legacy equipment, upgrading to more energy



efficient hardware and leveraging the ongoing transition of electricity grids to renewable energy.

The emissions impacts of AI largely depend on the location of the underlying technology, including on-premise data centres, cloud platform providers and hosts of large language models. We expect AI to be reflected in our scope 1+2 emissions through increases in energy demand in our on-premises data centres which represent a small part of our total scope 1+2 emissions profile. The emissions impact of data centre growth for Telstra is expected to be moderated by ongoing electricity grid decarbonisation and energy reductions elsewhere in our operations. Through our current partnerships with cloud platform providers, we expect AI-related activity to impact third-party energy demand; however, the associated effect on our scope 3 emissions is expected to be partially mitigated by providers' increasing use of renewable energy over time.

At this stage we do not anticipate a significant risk to our emissions reduction targets associated with third parties running

large language models in their specialist data centres, however we are continuing to monitor impacts and risks.

We have been working with our cloud providers to improve our understanding of the emissions associated with our AI-related activity. Microsoft and Amazon Web Services (AWS) provide an emissions dashboard that shows the emissions associated with our cloud usage, allowing us to monitor changes over time. We plan to use this information to inform our consideration of emissions impacts into our AI decision-making processes. As this remains a key growth area for our Connected Future 30 strategy, we will continue to monitor and assess potential impacts.

We are implementing cloud-agnostic technology to improve the visibility, governance and optimisation of AI workloads. This enables us to actively manage energy consumption, cost and carbon impacts as we scale AI adoption.

In FY26, we progressed our Autonomous Network capability through an initial application of AI to optimise energy consumption within the Radio Access Network. This work demonstrated the

potential to reduce energy usage by approximately 4.8 per cent to 5.3 per cent under controlled conditions.

The approach dynamically adjusts network capacity during periods of lower demand, without impacting customer experience. The model was progressively trained using network data, improving performance as it learned from observed network behaviour. This activity represents an early-stage demonstration of AI-enabled optimisation. Further development is required before broader adoption can be considered, as measurement approaches, model training and operational confidence continue to mature.

The capability is being developed in alignment with the Telstra Reference Architecture Model (TRAM), which provides a consistent and standardised foundation for how these capabilities are designed, integrated and scaled. This alignment supports reuse of AI models, data pipelines and control mechanisms across multiple network domains, reducing duplication and enabling more efficient deployment as Autonomous Network capabilities mature.

As we advance our Autonomous Networks maturity, these capabilities have the potential to contribute to energy and emissions reduction over time. This is expected to be achieved through more efficient management of network resources, reducing unnecessary activity and better aligning capacity to actual demand. At scale, autonomous capabilities may enable dynamic optimisation across compute, radio and transport layers, supporting more efficient use of energy across the network.

By embedding AI-driven optimisation into our network operations in a controlled and standards-aligned manner, we are progressing towards a more efficient, resilient and adaptive network. This can support our long-term emissions reduction objectives as demand for digital services continues to grow.

25. A hyperscale data center is a large data center facility, designed to efficiently scale up (or down) in response to the massive and variable demands of cloud computing, big data and AI. They are designed to accommodate rapid growth in data and computing resources and typically host over 100,000 operational servers.
26. For more information, see Our Approach to Nature Action available on our [website](#)

AI impacts on water

Computing and other network equipment generate heat during operation. It is important we operate our network assets at safe and sustainable operating temperatures — so we manage this heat generation through passive ventilation and active cooling.

The increased demand on digital infrastructure, including to enable the widescale adoption of AI, changes requirements for cooling and humidity control. While we do not operate hyperscale data centres²⁵ associated with the significant growth in water resource demands, we do provide connectivity services for these facilities. We also operate two dedicated on-premises data centres and host co-located data centre facilities at six fixed network sites across six cities.

Our water consumption has decreased by 18 per cent from FY19 to FY26. In the same period, data usage on our Australian network has increased by 122 per cent. This significant improvement in relative water intensity (reduction of 63 per cent) indicates that consumption isn’t directly correlated with increased network demand. It also reflects our investment in water efficiency measures, including optimisation of passive cooling systems for heat control, installation of more efficient water chillers and air-based cooling systems and changed operating standards for temperature and infrastructure maintenance. We are also exploring emerging technologies such as immersion cooling technologies for heat-intensive assets.

We have identified that eight per cent of our network sites consume significant volumes of water, largely for temperature and humidity control. Around 30 per cent of those sites (537 sites) are located in regions where water is scarce or is becoming increasingly scarce.²⁶ The majority of these sites are located in metropolitan areas with mature water infrastructure. We recognise the importance of managing our water consumption, particularly at these sites.



This assessment informs how we think about our assets — their locations, their design and how we consider the impacts of our operations on the environment and local communities. We are embedding insights into network planning and technology decisions, including to make more informed trade-offs between energy and water efficiency where required.

During the year, we hosted an education session with key technology partners including Microsoft and Salesforce as part of a People Development Day. Over 700 employees joined the session to hear directly from our partners about how they are approaching sustainability in the context of AI. Topics included emissions considerations, governance and the responsible deployment of AI technologies.



For more on our water risk analysis, see **Our Approach to Nature Action** on our [website](#).



For more on our responsible AI policy and governance processes, see the [Responsible AI](#) section of this report.



Understanding space-enabled connectivity

We currently offer a range of satellite-enabled products and services across internet, voice and satellite messaging.

These products and services use both geostationary (GEO) and low Earth orbit (LEO) satellites and we anticipate considerable growth in the use of LEO-based infrastructure and services in future.

By utilising satellite connectivity, we can extend our reach to communities which are currently outside our fixed or mobile network footprint. They also provide alternative backhaul options that can strengthen our network resilience.

While LEO technology presents many opportunities, we are also mindful of potential sustainability concerns and broader community and stakeholder impacts. In FY27, we will continue to explore and build our understanding within this evolving area of connectivity in space.

Environmental compliance

As a minimum, Telstra seeks to comply with all relevant and applicable environmental laws.

We work in accordance with our environmental management system to minimise our impact on nature and biodiversity

and to prevent harm — especially to environmentally- or culturally-significant places, artefacts and heritage values. Our HSWE management system sets out our minimum performance standards for key areas of environmental risk. This includes management of waterways and potential sources of pollution, minimising harm to flora and fauna, avoiding disturbance to Indigenous and other heritage sites and other general environmental risk factors.

Our management system is certified to the International Standard ISO14001:2015 and applies to Telstra’s global operations. We continue to review and improve our environmental management system in response to current and emerging environmental requirements, changing legislation (including introduction of Australian environmental law reforms) and increasing shareholder, customer and community expectations.

Assurance testing of our environmental controls is conducted throughout the year, contributing to the identification of areas for improvement. If issues arise, we act to limit impacts and take appropriate steps to repair, restore or address any harm caused. We continually review and improve how we work to reduce risks, minimise environmental impact and prevent issues from happening again.

In FY26, we received one Prosecution Notice from the Western Australian DPLH relating to fibre construction works. It is alleged that the works did not meet the approval conditions, causing potential unauthorised alteration of the site. We are working with the relevant authorities to respond to this notice.



For more on how we manage cultural heritage and compliance, see the [Land access and cultural heritage](#) section of this report.

Environmental advocacy

We engage with government and industry on environment, climate and nature matters through a range of channels. This includes direct engagement with regulators, participation in policy consultations and involvement in industry associations.

Many industry associations engage on a broad range of issues and as a result, our views on individual issues may differ from other industry association members or positions communicated by the association. Where there is misalignment on issues that are material to our business, we engage constructively to communicate our perspective and retain the flexibility to advocate independently.

In FY26, we participated in consultations on environmental law reforms and product lifecycle regulations via our industry associations, in addition to participating in education sessions on climate and energy industry trends.



For more on our approach to advocating on environment and climate policy, see our **Position on Environment Advocacy** paper on our [website](#).



For more on our sustainability partnerships, see our **In Focus: Sustainability at Telstra** paper on our [website](#).



Building resilient connectivity



The importance of reliable and resilient connectivity

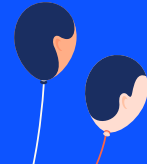
Reliable, resilient connectivity is increasingly critical to sustaining our lifestyles and ways of working. It’s how many people connect to a lifeline in times of need — whether by accessing information, calling for help or using our payphones.

Our customers’ experience of our network is impacted by our ability to reliably meet expectations of mobile availability, performance and experience. Resilience is a core priority at Telstra and we are continuously working across our business to support improved and resilient customer outcomes.

We aim to deliver consistent performance under normal operating conditions and maintain robust response capabilities during periods of disruption, such as outages. This includes both responding to unplanned disruptions (including power outages) and managing planned service interruptions associated with deliberate network upgrades, particularly in our mobile access networks which may temporarily affect availability in specific areas. We invest significantly in the resilience of our network to minimise issues and ensure the right safeguards and controls are in place. We also work with customers to identify critical use cases so they can consider what additional redundancy and safeguards they can put in place. Our focus is on reducing the likelihood of disruption, minimising impact when issues occur and continuously improving performance.

Alignment to Connected Future 30 layers and enablers



-  **Customer Engagement**
-  **Network as a Product**
-  **Digital Infrastructure**
-  **People & Culture**
-  **Technology Leadership**
-  **Sustainability**
-  **Financial Discipline**



Network resilience is influenced by a range of factors. It is reliant on physical infrastructure but also on the software, technology and processes and controls that support the operation of our network. We continue to invest in how the network is designed, monitored and operated so it can better withstand disruption and recover quickly when incidents occur.

This continued investment and ongoing design for network resilience includes managing risks associated with increased frequency and severity of natural disasters. During these events, the availability of our network may be impacted by equipment, systems or operational failure from prolonged loss of mains power or from direct asset damage. These risks are heightened when there is long-term loss of mains power. This remains one of the most significant challenges for us to maintain service continuity.

To support our response to power interruptions, we use a combination of inbuilt resilience measures such as batteries and permanent generators, along with deployable backup assets such as portable generators. Approximately 97 per cent of power interruptions we experienced across our fixed and mobile sites were mitigated without impacts to customer services.

Resilience in a changing geopolitical environment

Geopolitical volatility, sovereignty and data security are further influencing how we think about resilience. This reinforces the need to strengthen our network's resilience to supply chain disruption and cyber threats while reducing single points of failure across our physical and network infrastructure. We continue to strengthen our cyber and supply chain resilience through investment in cloud, AI systems, network and identity security capabilities, supported by partnerships with government and industry.

In FY26, geopolitical volatility resulted in fuel supply pressures. Fuel is critical to network operations, including powering backup generators during outages and natural disasters, enabling field teams and contractors to access sites and operating heavy

machinery used in network builds. We closely monitored the situation and engaged with government with the aim of ensuring that telecommunications is recognised as a critical service under the National Fuel Security Plan. We also continue to assess fuel availability and maintain contingency plans should conditions change.

Our priority is keeping critical services running, including Triple Zero, emergency services communications and connectivity for other critical services.

We consumed approximately 10 million litres of fuel in FY26, predominantly diesel. As we source fuel through the retail market rather than holding large onsite reserves, a stable and continuous fuel supply remains important to maintaining critical services.

Managing congestion across our network

A critical element for network reliability is managing congestion across the network. We invest significantly in both the physical and digital infrastructure to manage congestion on the busiest parts of our network. This includes building in redundancy and overlapping coverage where possible and deploying alternative or temporary connectivity solutions during periods of heightened demand, such as major festivals or sporting events. Our investment in our technology includes continuous network monitoring, traffic prioritisation, fault detection and dynamic rerouting to balance network load and protect critical services.

In FY26, we completed four new routes in the Aura Network, and launched the Sydney, Canberra and Melbourne coastal route, a critical milestone in our investment to power Australia's digital future. This is estimated to deliver up to 35 times more capacity per path than standard carrier networks. Together, these measures help support network availability and performance when demand is highest. With global network traffic predicted to increase five to nine times by 2033,²⁷ completing the Aura Network rollout continues to be a priority.

27. [Nokia: Global network traffic report](#) by Nokia, 2025.

Prioritising resilient connectivity before, during and after outages

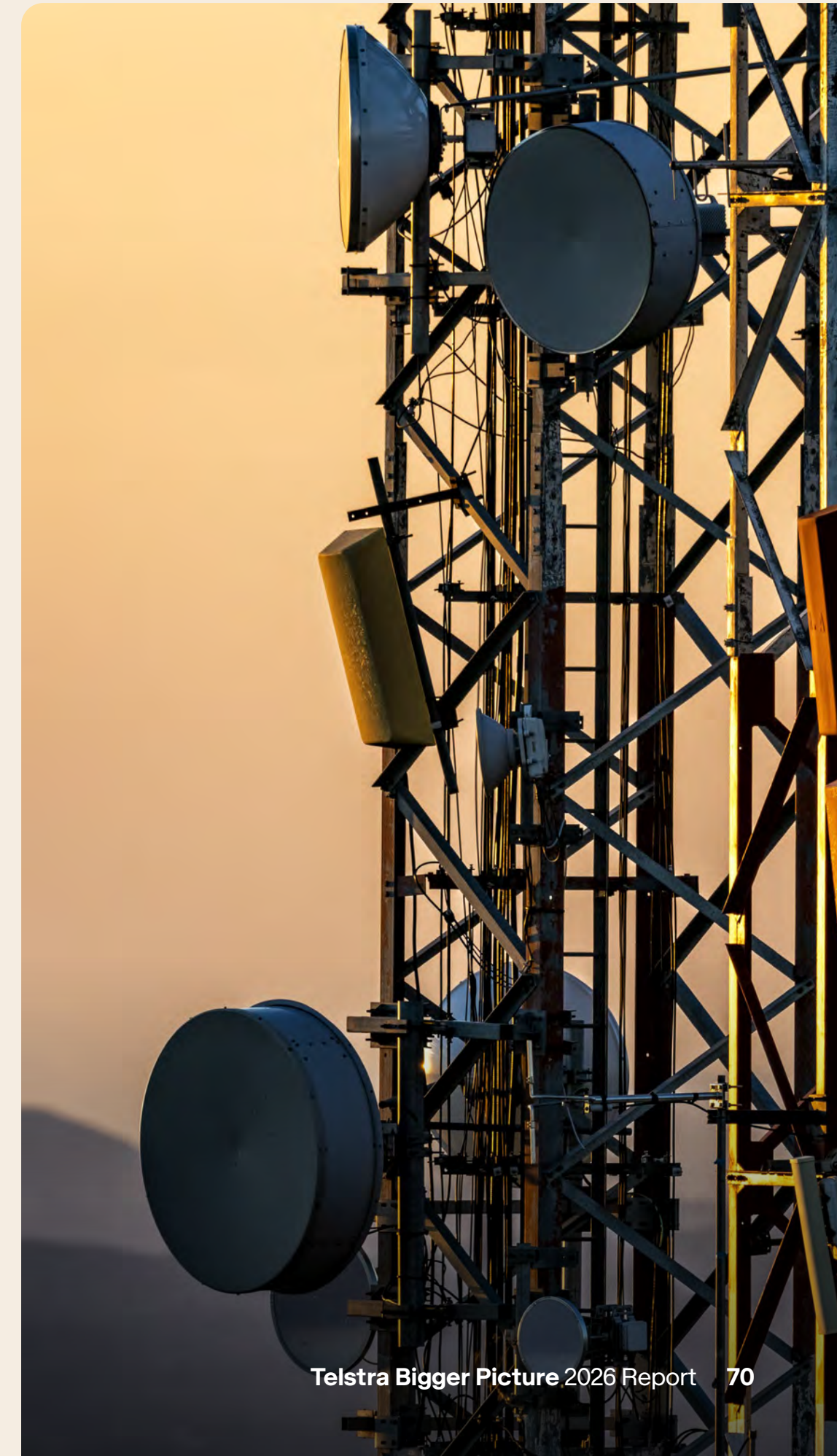
Improving resilience of our infrastructure

Designing reliable infrastructure and connectivity solutions is one of the most important ways we can reduce the impact of major outages or disaster events for our customers. Investing in resilience covers a range of activities across our network infrastructure including how we build, operate, maintain and upgrade our network. In addition to operational and customer needs, we carefully consider the risks and resilience needs of the region, including technological, operational and future climate-related impacts.

Our investment in resilience includes:

- **core network and technology solutions:** designing our central core network with redundancy (where possible and practical) to mitigate or reduce the spread of impact of outages. We configure network software to automatically reroute network traffic where available during an outage. We also invest in technologies such as satellite messaging and Starlink kits for field technicians and evacuation centres as alternatives when terrestrial outages occur

- **backup power solutions:** designing, maintaining and upgrading backup power solutions. This includes battery, generator, solar panel and solar hybrid solutions, stand-alone power systems (SAPS) and trialling renewable hydrogen-based systems. In FY26, we upgraded more than 1,800 sites with backup power to support our sites to operate during short-term mains power outages and to reduce customer impacts. At sites with higher risk of mains power supply failures, we are continuing our investments in backup power systems and lifecycle upgrades
- **alarm technology and controls:** investing in uplifting alarm technology and operational controls to improve identifying and responding to power outages in a timely way. We monitor and respond as appropriate through established and robust assurance processes by deploying temporary power or connectivity solutions when required
- **minimising operational outages:** trialling ways we can reduce operational or systems-related outages. We review our dispatch procedures, consider technology solutions to reduce power-related demand during outages and explore hardware controls such as running air conditioning units at our mobile huts on batteries rather than mains power
- **continuous improvement of processes and controls:** maintaining and improving operational controls and incident management processes to support the prevention, early detection, escalation and restoration of network incidents remains critical.



Trialling new and emerging technologies to improve power resilience

We recognise that we can improve our network resiliency and support the energy grid by strategically managing our power consumption from the grid. We can do this by reducing our grid consumption when it is under strain and increasing our consumption from the grid at the times it is not. We can also increase energy consumption when there is a high percentage of renewable energy in the grid and reduce consumption when there is a low percentage of renewable energy in the grid, to support broader grid decarbonisation. In FY26, we trialled this demand-response approach, using diesel generators at a small number of fixed network sites and batteries at mobile sites.

To support energy load shifting, we are trialling lithium-ion batteries at approximately 30 selected sites. While established lead-acid batteries and diesel generators underpin network

reliability when there are extended power outages, lithium-ion systems offer benefits in specific settings, including improved efficiency and faster response times. These specific lithium-ion batteries are valuable not just to provide reserve capacity for energy load shifting but to also provide backup power in the event of a mains outage. When considering both use cases, our investment in this battery technology is valuable to address reliability and resilience risks linked to energy availability in our network. Lithium-ion batteries are not always a suitable option for all sites; however, we are exploring opportunities where it is feasible. Controlled trials are being used to test performance, safety controls and integration with existing systems. Learnings from these trials will inform future standards and investment decisions, with the aim of ensuring network resilience is not compromised as energy technologies evolve.



For more on how we’re trialling new technologies to reduce emissions, see the [FY26 energy efficiency and decommissioning initiatives](#) section of this report.

Satellite technology for resilience

During the 2026 Victorian Bushfires, fire damage and power outages disrupted parts of our terrestrial network around Longwood and Harcourt. The launch of satellite to mobile has strengthened our network resilience by adding an additional pathway for connectivity when terrestrial networks are disrupted. Connections to satellite to mobile increased approximately threefold in these areas, even though many residents had already evacuated.



Working collaboratively with the energy sector to improve resilience

Our network is closely interconnected with the energy sector, with the majority of our sites relying on the energy network as the primary source of power. At the same time, communications networks enable the safe and efficient operation of modern power grids. The energy sector relies on telecommunications services to enable real-time monitoring, control and coordination of the electricity system. This helps enable rapid response to disruptions, including outages and the management of electricity supply and demand to optimise reliability.

We aim to enhance collaboration between the telecommunication and energy sectors to better understand and manage shared risks. One of the ways we are working towards this is by formalising information sharing agreements across the national footprint of energy companies. The agreements support stronger cross-sector collaboration to improve preparedness and coordination for major climate events, while respecting security, confidentiality and regulatory requirements. They reflect the interdependence of electricity and telecommunications infrastructure in maintaining critical services and supporting a more coordinated response to restoration during natural disasters.



For more information on how we’re managing climate risk, see the ‘Sustainability Report - Climate Statements for FY26’ section in our **2026 Annual Report** on our [website](#).



Using technology to prepare for major outages

Preparing the network to be as resilient as possible is central to our approach and starts with endeavouring to provide multiple avenues for connectivity where possible. We are modernising our transport and IP networks, increasing diversity of network paths so traffic can be rerouted around disruptions. We are also progressing our transition to virtualised and cloud-based network functions — including the ongoing rollout of 5G Standalone — which together improve the flexibility to shift capacity dynamically and recover services faster. When disruptions do occur, rapid detection and restoration are critical. AI-assisted fault detection, enhanced alarming and network observability capabilities help us identify issues faster and initiate restoration earlier.

While prevention is our primary aim, we have a range of alternative technologies that can be quickly put in place to minimise the duration and severity of impact of localised disruptions. For example, we maintain a fleet of deployable assets ready to restore or supplement services in impacted areas, including Cells on Wheels (CoWs) for temporary mobile coverage and portable generators to sustain sites through extended power outages. Satellite is already playing an increasingly important role when terrestrial networks are impacted, including by strengthening satellite backhaul in remote locations such as Christmas Island. We now have more than 200 prepositioned Starlink kits deployable in under 10 minutes to provide temporary connectivity where local terrestrial networks are down. We are also investing in satellite messaging as an additional connectivity layer for customers outside terrestrial mobile coverage.

Preparing for major outages from climate-related events

Power loss is the main cause of major network outages during climate-linked weather events. Other causes of outages include direct damage to our infrastructure or operational failure from increased pressure on our systems.

We recognise the role that connectivity plays for all customers, particularly during natural disasters and for our regional and remote customers. We prepare all year to support our network and equipment readiness to respond to emergencies, natural disasters and associated power outages during periods of potential disaster.

To prepare and respond to major outages, we:

- **reduce seasonal risks such as bushfires and cyclones in advance** by preparing our assets and prioritising resources to vulnerable or at-risk areas. Proactive disaster readiness includes asset lifecycle replacements, power system maintenance, fibre ground and aerial inspections, vegetation and access track clearance as well as operational readiness
- **prepare supplies of critical spare parts and equipment** to support local response during outages
- **ready our workforce to focus on responsive and reactive work** during periods of heightened incidents. This includes the Australian summer period, when natural disasters are typically more frequent
- **understand strengths and contingencies in the networks likely to be impacted.** This prepares us if we need to reroute traffic across network sites, where available, to keep people connected if a site goes down.

Disruption from climate-linked events in FY26

Power loss to our sites due to climate events cause a significant number of disruptions each year. Most of these power disruptions are managed via in-place and deployable backup power assets, reducing the likelihood of service impacts for customers. This included the impacts from 28 climate-linked mass disruption events in the last 12 months, the most significant being:

Nov 2025	QLD Southern Coast severe storms	201 network sites, including fixed and mobile sites, experienced power outages
Nov 2025	Central Coast NSW severe storms	305 network sites, including fixed and mobile sites, experienced power outages
Dec 2025	Mid West WA severe storms	248 network sites, including fixed and mobile sites, experienced power outages
Jan 2026	Victorian bushfires, severe heatwave and compounding severe storms	270 network sites, including fixed and mobile sites, experienced power outages
Nov 2025 –Feb 2026	Northern Australia flood events associated with numerous cyclones and tropical low events	503 network sites, including fixed and mobile sites, experienced power outages

Telstra communicates with customers about outages through a range of channels, depending on the size and impact of the issue. This includes SMS, email alerts, the My Telstra app and the outages page on our website. For larger or more widespread disruptions, Telstra may also use media and social channels to provide updates. In the instance of major or significant



local outages, we use the information available at the time to communicate key details including the scale and location of the outage, the likely cause, services affected and, where available, an estimated time to restore service. Customers can access real-time or near real-time support through customer service channels, including dedicated phone lines, 24/7 online messaging and a nationwide network of stores.

We also work with local emergency preparedness and response organisations to support coordinated preparedness and response efforts during and after events.

For more on how we notify customers of outages, visit our [website](#).

Supporting our communities to stay connected during natural disasters

Improving our future response to natural disasters
Embedding learnings and climate analysis into our planning and decision making



Responding to support communities through major outages

We strive to respond quickly when the connectivity of our network is impacted during these events. Our focus is to provide continuity of our network connectivity so emergency services, authorities, customers, communities and our employees remain connected. We work with energy providers to share outage information and, where possible, prioritise the connectivity they need to maintain or restore power to our network assets.

We are also developing a temporary disaster roaming capability, working with other carriers and government to support connectivity during natural disasters in regional areas, where access to communications is critical to community safety. Emergency camp-on for Triple Zero is intended to enable customers to access emergency calling through another mobile network when required. Temporary disaster roaming is designed to enable customers to connect to another mobile network to access voice, SMS and basic data if their carrier’s network is unavailable. This improves access to communications when there is a natural disaster.

Where relevant, we also provide data and collaborate to support efforts to protect or restore services to the community. To help people stay connected, over the past few years we have invested \$7.5 million to upgrade over 1,000 payphones in disaster-prone areas, including free Telstra Wi-Fi and backup batteries. This program has delivered upgrades to payphones in all states and territories. This includes more than 200 payphone upgrades in remote First Nations communities and other communities with First Nations populations.

Where required, we also provide additional data assistance packages for impacted customers. In FY26, we provided disaster support to more than 70,000 customers across 57 postcodes following natural disaster events. More than 55,000 mobile services received additional data on over 46,800 post-paid services and 8,900 pre-paid services. Over 5.3 million GB of data was provisioned across all disaster events. We also refunded an additional \$161,000 to customers who did not have access to the mobile network during a disaster event.

 For more on disaster relief, visit our [website](#).

Learning from major outages to improve resilience

Our approach to network resilience continues to evolve by learning from outages and our natural disaster response. Our Major Event Review (MER) process brings together stakeholders from across our business, including those directly involved in incident response and those involved in planning, design and operations. We also work with governments and emergency response organisations to understand how we can work more effectively together. This helps inform how we support customers, authorities and the broader community in maintaining connectivity during natural disasters and other outages. After an event, we typically focus on learning, adapting our programs and increasing our proactive maintenance and readiness activities.

In July 2026, after the period covered by this report, a Telstra network outage affected customers, businesses and communities, including some people trying to contact Triple Zero. We are reviewing what happened, including commissioning an external expert review. That review is underway and we will take any learnings from that to further strengthen our network resilience and controls.



