Annual Report and Action Plan

Company Name:	**Telstra Group Limited**
Trading As:	
ABN:	**56650620303**

About APCO

Australian Packaging Covenant Organisation (APCO) is a co-regulatory not-for-profit organisation leading the development of a circular economy for packaging in Australia. APCO's vision is a packaging value chain that collaborates to keep packaging materials out of landfill and retains the maximum value of the materials, energy and labour within the local economy.

Each year, APCO Brand Owner Members are required to submit an APCO Annual Report and an APCO Action Plan. This document is the Annual Report and Action Plan output for the organisation listed above. This document provides the overall performance level of the organisation, as well as any commitments they have made to work towards on their packaging sustainability journey. This document may also include additional information provided by the Member in their report.

Overall Performance Leading

The chart below indicates the overall performance level of this organisation listed above in the 2025 APCO Annual Report. The organisation's reporting period was **July, 2023 - June, 2024.**

1 Getting Started	2 Good Progress	3 Advanced	4 Leading	5 Beyond Best Practice

Understanding APCO Annual Reporting performance levels:

1 Getting Started: You are at the start of your packaging sustainability journey.

2 Good Progress: You have made some first steps on your packaging sustainability journey.

3 Advanced: You have taken tangible action on your packaging sustainability journey.

4 Leading: You have made significant progress on your packaging sustainability journey.

5 Beyond Best Practice: You have received the highest performance level and have made significant progress on your packaging sustainability journey.

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AUSTRALIAN PACKAGING COVENANT ORGANISATION

Additional Information

The information below indicates additional information that the organisation included in their APCO Annual Report.

Please use the space below to provide examples or case studies of exemplary packaging sustainability conducted by your organisation.

1. Telstra Smart Modem 3 – An evolving optimisation initiative

The Telstra Smart Modem is a leading product category for Telstra and remains a focus for continuous innovation and improvement. This includes packaging design and innovation as delivered by Telstra's packaging design team for the latest product releases in FY24.

Over the years, the packaging for the Telstra Smart Modem range has achieved 75% material saving when comparing the packaging of the Telstra Smart Modem 2 to the Telstra Smart Modem 3. Despite these environmental benefits, we continue to iterate and innovate with our suppliers, resulting in an additional 15% material saving when comparing the packaging of the Telstra Smart Modem 3 v1 to the Telstra Smart Modem 3 v2.

Resulting in removing removed more than 7 tonnes of packaging from Telstra modems by achieving 50% less packaging components, 9% packaging weight reduction and 15% less packaging material. (Calculations are based on FY24 units when comparing the packaging of Telstra Smart Modem 3 v1 to the Telstra Smart Modem 3 v2.)

2. Optimising handset packaging

All new packaging materials delivered from handset manufacturers are compliant with Telstra's zero plastics requirement and are 100% kerbside recyclable as validated by APCO's PREP. Some of our previous handset devices' packaging contained up to 8 protective bags or wraps, typically produced using soft plastics. After a detailed review process and collaborating with relevant suppliers, we have:

• Reduced the separable component from 8 to a maximum of 4 protective bags or wraps per unit

• Replaced the soft plastic component with a 100% recyclable fibre-based material

• Combined individual pack items into 1 separable component classification

FY24 results across handset packaging range:

• The elimination of approximately 840,000 plastic components across 6 handset packaging

• Up to 42% materials saved per unit

• Over 17 handset SKUs optimised

3. Accessory – phone case packaging optimisation

Developed a design approach for our accessory category to optimised pack sizes to drive material and logistics efficiency. We initiated an optimisation project to remove and/or reduce material used in the packaging of mobile handset cases. This redesign project reduced the overall size of the packaging resulting in an estimated reduction in pack volume of 31% and a material weight reduction of approximately 32% per unit resulting in removing almost 1 tonne of packaging material. (Calculations are based on FY24 units with redesigned packaging put out in market compared to the previous packaging design.

APCO Action Plan Commitments

For each of the Packaging Sustainability Framework criteria listed below, a description is provided along with the commitments made by the organisation in their APCO Action Plan.

Criteria 1:

Governance & Strategy:

This criteria considers actions to integrate packaging sustainability into business strategies.

- Develop a strategy that includes goals (objectives) and targets for packaging sustainability that addresses the Sustainable Packaging Guidelines (SPGs) or equivalent.
- Include a commitment to achieving the 2025 National Packaging Targets in our strategy.
- Have our executive or board of directors review our strategy and have the strategy integrated within our business processes.
- Regularly communicate and promote packaging sustainability objectives and targets within our organisation.
- Regularly engage or communicate with our external stakeholders about the environmental impacts of our packaging.
- Actively participate in initiatives to promote packaging sustainability outside of our organisation.

Criteria 2:
Design & Procurement:

This criteria considers actions taken to ensure that sustainability principles are considered in the design or procurement of both new and existing packaging through use of the Sustainable Packaging Guidelines (SPGs).

- Review **93**% of our packaging against the Sustainable Packaging Guidelines (or equivalent).
- Improve the accuracy of our data regarding reviews of packaging using the Sustainable Packaging Guidelines (or equivalent).
- Incorporate the Sustainable Packaging Guidelines (or equivalent) into procurement processes.
- Consider the following Sustainable Packaging Principles in our packaging reviews:
    - Design for recovery
    - Optimise material efficiency
    - Design to reduce product waste
    - Eliminate hazardous materials
    - Use of renewable materials
    - Use recycled materials
    - Design to minimise litter
    - Design for transport efficiency
    - Design for accessibility
    - Provide consumer information on environmental sustainability
- **93**% of our packaging to be optimised for material efficiency.
- Improve the accuracy of our data regarding packaging material efficiency.

Criteria 3:
Recycled Content:

This criteria considers actions taken to increase or optimise the amount of recycled material used by your organisation.

- Develop a policy or procedure to buy products and/or packaging made from recycled materials.
- Use recycled content in:
  - Our products
  - Primary packaging that we use to sell our products
  - Secondary packaging that we use to sell our products
  - Tertiary packaging that we use to sell our products
  - Other items which we purchase (e.g. office stationary and suppliers etc.)
- **55**% of our packaging to be made using some level of recycled material
- Improve the accuracy of our data regarding use of recycled materials.

Criteria 4:
Recoverability:

This criteria considers actions taken to improve the recovery of packaging at end-of-life and increase use of reusable packaging.

- **92**% of our packaging to be designed to have all packaging components be recoverable at end-of-life.
- Improve the accuracy of our data regarding recoverability.
- Use PREP to assess the recyclability of our packaging through kerbside collection in Australia and/or New Zealand.
- Investigate opportunities to use reusable packaging.

Criteria 5:
Disposal Labelling:

This criteria considers the extent to which packaging has been labelled to help consumers determine what to do with packaging at end-of-life.

- **93**% of our packaging to have on-pack labelling to inform correct disposal.
- Improve the accuracy of our data regarding labelling.

Criteria 6:
On-site Waste:

This criteria considers progress in increasing the amount of on-site solid waste being diverted from landfill.

- Have recycling programs for the following materials:
  - All materials have recycling programs
- Aim for **95**% of our on-site waste to be diverted from landfill.
- Improve the accuracy of our data regarding on-site waste.

Criteria 7:

Problematic Materials:

This criteria considers the extent to which organisations are actively phasing out problematic and unnecessary single-use plastic packaging and preventing/reducing litter.

- Help reduce litter by:
    - Conducting regular clean ups
    - Eco Day
      Eco Day is a Telstra Field initiative to ensure our Network Sites remain tidy, safe and secure.
      In November 2023, we ran EcoDay at all our Australian exchanges.