



# GLOSSARY

# GLOSSARY



## A

AA1000 AccountAbility Principles Standard	A framework for an organisation to identify, prioritise and respond to its sustainability challenges, based on the principles of Inclusivity, Materiality and Responsiveness.
Australian Communications and Media Authority (ACMA)	The Australian government agency responsible for the regulation of broadcasting, radio communications, telecommunications and online content.
Air travel emissions	Carbon dioxide equivalent (CO <sub>2</sub> e) emissions resulting from air travel by Telstra employees for business. These are accounted for as Scope 3 emissions.  To calculate these emissions, Telstra's travel services provider tracks the kilometres travelled.  Since FY13 we have used the UK Department for Environment, Food and Rural Affairs (DEFRA) methodology for calculating carbon emissions from air travel, which is reviewed and updated on an annual basis. This methodology is used by the Greenhouse Gas Protocol and is endorsed by the Australian National Carbon Offset Standard (NCOS).
Access for Everyone	Telstra's program to help people on a low income or facing financial hardship to stay connected. This includes the low-income package and marketing plan obligations under Telstra's Carrier Licence Condition 22.

## B

Bill shock	The negative reaction a customer can experience if their phone bill contains unexpected charges.
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## C

Carrier	The holder of a Carrier Licence under the Telecommunications Act 1997.
Comcare/Comcare ratings	The Australian government agency responsible for workplace safety, rehabilitation and compensation in the jurisdiction of the Australian Commonwealth Government.  Comcare ratings have three tiers (1-3) with the highest being 3. This tier reflects a high standard of internal quality assurance, strong management systems and ability to self audit.  Telstra is a Commonwealth Safety, Rehabilitation and Compensation Commission (SRCC) approved self insurer licensee with a Tier 3 status for both prevention and claims management. Tier status for rehabilitation is yet to be confirmed.
Contribution to Gross Domestic Product (GDP)	Measure of the value added by Telstra to Australia's Gross Domestic Product (GDP). This is measured as the difference between telecommunications revenue (i.e. total operating revenue excluding non-operating revenue) and the cost of non-labour raw materials and other goods and services purchased as inputs and used to produce Telstra's output.

### C

<p><b>Carbon dioxide emissions equivalent (CO<sub>2</sub>e)</b></p>	<p>The standard unit of measurement used to express and compare emissions from various greenhouse gases on the basis of their global warming potential, by converting amounts of other gases to the equivalent amount of carbon dioxide. The six key greenhouse gases recognised by the Kyoto Protocol and included in Australia's National Greenhouse and Energy Reporting (NGER) Act are:</p> <ol style="list-style-type: none"> <li>1. Carbon dioxide (CO<sub>2</sub>)</li> <li>2. Methane (CH<sub>4</sub>)</li> <li>3. Nitrous oxide (N<sub>2</sub>O)</li> <li>4. Perfluorocarbons (PFC)</li> <li>5. Hydrofluorocarbons (HFC)</li> <li>6. Sulphur hexafluoride (SF<sub>6</sub>)</li> </ol>
<p><b>Carbon emissions intensity (CO<sub>2</sub>e/TB)</b></p>	<p>The average rate of carbon emissions relative to the intensity of a specific activity. At Telstra, this is expressed as a ratio of tonnes of carbon dioxide equivalent per terabyte (CO<sub>2</sub>e/TB) of data traffic. This is calculated using our Scope 1, 2 and 3 emissions and network data traffic measured as bytes uploaded or downloaded at Access Network Points or Points of Interconnect aggregated from monthly totals.</p>
<p><b>Carbon dioxide emission factors</b></p>	<p>Our approach to greenhouse gas emissions reporting is consistent with reporting requirements set out in the National Greenhouse and Energy Reporting (NGER) Act (2007) and subordinate legislation. Carbon dioxide emission factors are derived from the National Greenhouse and Energy Reporting (Measurement) Determination 2008 (as amended), and are updated each year to reflect changes in Australia's energy mix. As per accepted practice, we do not restate previous year emissions based on emission factor updates.</p>
<p><b>Carbon dioxide emissions total</b></p>	<p>The aggregated greenhouse gas emissions (Scope 1, 2 and 3) generated by Telstra's activities, expressed in the single measurement unit of carbon dioxide emissions equivalent (CO<sub>2</sub>e). Scope 3 emissions are additional to our reporting obligations under the National Greenhouse and Energy Reporting (NGER) Act 2007. We have chosen to include Scope 3 to provide a more holistic picture of our emissions footprint.</p>
<p><b>Carbon offsets</b></p>	<p>Reduced or avoided greenhouse gas emissions from one activity to compensate for or to offset the same amount of greenhouse gas emissions made elsewhere. Carbon offsets are measured in CO<sub>2</sub>e.</p>
<p><b>Cloud computing</b></p>	<p>Provision of services, software, storage and security over the internet. In simple terms, it allows access to information/programs etc. on multiple devices in multiple locations.</p>
<p><b>Contractor</b></p>	<p>Any person, company or other contracting party engaged to provide services to or on behalf of Telstra under a contract of services, either directly or indirectly (for example, through a third party). This includes agency workers, consultants, agents and suppliers.</p>
<p><b>Cyber safety</b></p>	<p>The safe use of information and telecommunications technology (including mobile phones) and the internet.</p>

### D

#### Digital inclusion

Ensuring everyone has the access, confidence and skills – regardless of age, income, ability or location – to enjoy the benefits of modern communications technology.

#### Digital literacy programs – people reached

The number of people reached through digital literacy training is a summary of:

##### Face-to-face training

The number of people who received face-to-face training or coaching through the Tech Savvy Seniors program, which is delivered in partnership with the NSW and VIC governments, and the Telstra Digital Ambassadors program. The total number of people trained through the Tech Savvy Seniors program has been calculated using a combination of actual (around 40 per cent) and estimated (around 60 per cent) data. Data estimates have been used in instances where actual numbers are not yet available for the reporting period. These estimates are based on the number of training places agreed and funded for delivery during the financial year.

##### Online training

The total number of views of our Tech Savvy Seniors training videos, as well as the number of downloads from telstra.com of our online training guides during the financial year.

##### DVD loans and distribution

The total number of training DVDs borrowed from public libraries, as well as the number of DVDs provided to the University of the Third Age for distribution to training participants during the reporting period. The number of DVDs borrowed from public libraries has been calculated by extrapolating the average loan rate of a sample set of libraries across a conservative estimate of the number of libraries that stock our training DVDs.

#### Diversity

Differences that relate to gender, age, ethnicity, disability, sexual orientation and cultural background. Diversity also includes differences in background and life experience, communication styles, interpersonal skills, education, functional expertise and problem solving skills.

### E

#### eHealth

eHealth is the sharing of health resources and provision of healthcare by electronic means. It encompasses three main areas:

- The delivery of health information, for health professionals and health consumers, through the internet and telecommunications
- The use of information technology and e-commerce to improve public health services (for example, the delivery of training services for health workers)
- The use of e-commerce and e-business practices in health systems management.

#### Electromagnetic energy (EME)

The energy stored in an electromagnetic field. Most radio communication systems use EME, including mobile phones, base stations, and the emergency services communications systems.

### E

#### Employee engagement

Employee engagement is the measureable degree of our employees' positive or negative emotional attachment to their job, colleagues and Telstra. This significantly influences willingness to learn and perform at work and impacts our people's interactions with our customers.

Employee engagement represents the connection that our people have to Telstra and their commitment to its success. Telstra measures employee engagement by conducting Employee Engagement Surveys, through an independent third party, on a regular basis.

#### Energy and emission savings

Estimated energy and emissions savings of energy efficiency and carbon reduction projects at our network facilities and commercial buildings completed within the financial year. Both network and commercial project savings are summed to arrive at total energy and emissions savings. This is calculated as the projected kilowatt hours and carbon emissions equivalents saved as a result of the initiative over 12 months. Emissions are calculated using the appropriate state based carbon emissions co-efficient specified by the National Greenhouse and Energy Reporting (Measurement) Determination 2008 (as amended). Energy and emissions savings are accurate to +/- 30 per cent.

#### Energy consumption / use

Energy, measured in gigajoules (GJ), is used to run all aspects of our operations. Key energy sources include electricity, gas and liquid fuels used in our buildings and vehicle fleet. Electricity and gas consumption is compiled from metering and billing data. Fleet fuel use is derived from fuel card data. We also consume small amounts of other fuels, such as diesel for standby generators and mobile plant. Our energy consumption data for these activities is based on fuel delivery data.

#### Everyone Connected

Everyone Connected is Telstra's digital inclusion strategy and aims to ensure everyone – regardless of age, income, ability or location – can enjoy the benefits of being connected to communications technologies.

Our Everyone Connected strategy has four key objectives:

1. **Digital access** – keeping people connected, especially when they're doing it tough
2. **Digital literacy** – helping people gain the confidence and skills to enjoy the digital world
3. **Cyber safety** – helping people stay safe and be responsible online
4. **Digital innovation** – connecting technology with great ideas for social good.

#### E-waste

Electronic waste (e-waste) is a term used to cover relevant items of electrical and electronic equipment (EEE), and their parts, that have been discarded by the owner as waste without the intention of re-use.

This includes personal and server computers; monitors; televisions; cabling and wires; power supplies and batteries; telephone handsets; and networking, switching and routing telecommunications equipment.

### F

#### FTSE4Good

An index series designed to measure the performance of companies that meet globally recognised corporate responsibility standards.

### G

<b>Global e-Sustainability Initiative (GeSI)</b>	<p>In collaboration with members from major ICT companies and organisations around the globe, the Global e-Sustainability Initiative (GeSI) is a leading source of impartial information, resources and best practices for achieving integrated social and environmental sustainability through ICT.</p> <p>GeSI supports member initiatives in both developed and developing nations to quickly and effectively respond to issues such as climate change, energy efficiency, e-waste management and resource efficiency, responsible supply chain practices and human rights.</p>
<b>Global Reporting Initiative (GRI)</b>	<p>A multi-stakeholder not-for-profit organisation that produces the GRI Sustainability Reporting Guidelines, a comprehensive sustainability reporting framework widely used around the world.</p>
<b>Gigajoules (GJ)</b>	<p>A joule is the standard unit of energy in the metric system. A gigajoule (GJ) is one billion joules.</p>

### H

### I

<b>Identified groups</b>	<p>Identified groups are female employees, Indigenous employees, other culturally and linguistically diverse employees (CALD), employees with disability, and lesbian, gay, bisexual, transgender and intersex employees (LGBTI).</p>
<b>Information and Communications Technology (ICT)</b>	<p>In this report, the definition of ICT is consistent with that proposed by GeSI (2012), as follows:</p> <ul style="list-style-type: none"><li>▶ End-user devices: including PCs (desktops and laptops), monitors, tablets, smartphones and other connected and mobile devices, printers, and peripherals (IPTV boxes, modems, routers, etc.);</li><li>▶ Networks: wireless and fixed telecommunications networks;</li><li>▶ Data centres: facilities to house computer systems and associated infrastructure.</li></ul>
<b>In kind (social and community investment)</b>	<p>Contribution of products or services, valued at retail cost to Telstra, to assist not for profit organisations.</p>
<b>ISAE 3000 Assurance Standard</b>	<p>The ISAE 3000 (2013) is the International Standard on Assurance Engagements. This is a recognised international standard to ensure the quality of assurance work – including report verification, as well as assurance on environmental performance, corporate governance, internal compliance, stakeholder engagement and other areas central to corporate responsibility.</p>

## Glossary



<b>Leverage (social and community investment)</b>	Financial and/or in kind contributions by employees to a partner organisation or project as a direct result of the active support of Telstra.
<b>Limited assurance</b>	A reduction in assurance engagement risk to a level that is acceptable in the circumstances of the assurance engagement but where that risk is greater than for a reasonable assurance engagement, as the basis for a negative form of expression of the assurance practitioner's conclusion.
<b>Long term leave</b>	Employees on 12 or more weeks leave.
<b>Lost time injury (LTI)</b>	An LTI is the reported number of occurrences of lost time arising from injury or disease that have resulted in an accepted workers' compensation claim.
<b>Lost time injury frequency rate (LTIFR)</b>	LTIFR is the reported number of accepted workers' compensation claims for work-related injury or disease that incur lost time for each million hours worked. This data relates to Telstra Corporation only, and does not include subsidiaries or contractors.
<b>Low Income Measures Assessment Committee (LIMAC)</b>	An independent body that annually assesses the effectiveness of Telstra's low income programs and reports to the Minister for Communications. LIMAC comprises senior representatives from eight national Australian community organisations and the Australian Federal Government.



<b>Management costs (of social and community investment)</b>	Costs borne by Telstra to deliver the suite of initiatives within our community and social investment program.
<b>Metadata</b>	Metadata is the data generated when a telecommunications service is used – information such as the number called, when it was called and how long the parties to the call spoke for. It does not include the content of a communication, such as the detail of what was said or written in an email or SMS. In certain circumstances the police and other enforcement agencies can lawfully access metadata.
<b>Megalitre</b>	A metric unit of capacity equal to a million litres.
<b>MobileMuster</b>	The Australian mobile phone industry's official product stewardship program that promotes the responsible disposal and recycling of mobile phones and accessories. We have MobileMuster collection bins at our stores and in some offices to assist customers and Telstra employees to recycle their mobile phones and accessories. The quantity of old mobile handsets, batteries and accessories collected is measured in tonnes, and provided directly by MobileMuster.
<b>Materiality / material sustainability issues</b>	In the context of this report, materiality is a measure of the significance and relevance of a sustainability issue to Telstra. We define our material sustainability issues as those that are most important to our business and our stakeholders.

### N

National Broadband Network (NBN)	A high speed broadband network that is planned to reach Australian households with a combination of different technologies.
National Greenhouse and Energy Reporting (NGER) Act 2007	Provides a single national framework for the reporting and dissemination of information about the greenhouse gas emissions, greenhouse gas projects, and energy use and production of corporations in Australia. Telstra reports its energy use and greenhouse gas emissions in accordance with the operational control model defined in Section 11 of the NGER Act. We also report selected indirect (Scope 3) emissions arising from our business activities to provide a more holistic picture of our emissions footprint. Scope 3 emissions are not required to be reported under the NGER Act 2007 and subordinate legislation.
National Greenhouse Accounts (NGA) Factors	Government approved emission factors of activities to assist companies and individuals in estimating greenhouse gas emissions.  The NGA Factors draw on the National Greenhouse and Energy Reporting (Measurement) Determination 2008; however methods described have a general application to the estimation of a broader range of greenhouse emissions inventories.
Net Promoter System (NPS)	A way of doing business that drives customer advocacy. At its heart is the Net Promoter Score – a simple metric that tells us how well we are performing with our customers. The Net Promoter System involves real-time monitoring of customer experiences to identify what is working well and what isn't, and use this insight to drive learning and improvement.
Net Promoter Score	A simple metric that shows how well we are performing with our customers. It is calculated based on our customers' likelihood to recommend Telstra. That likelihood is measured on a scale from 0-10 where 0 means 'not at all likely to recommend' and 10 'extremely likely'. It is calculated by subtracting the percentage of Detractors (scores 0 to 6) from the percentage of Advocates (scores 9 and 10). Net Promoter Score = % of Advocates minus % of Detractors.
Network related emissions	The assessment of emissions attributable to the operation and maintenance of the Telstra network inclusive of unmetered sites and data centre services hosted at Telstra exchanges. We report network emissions as a percentage of total emissions (Scope 1, 2 and 3).  This consists of all Scope 1, 2 and 3 emissions allocated to the Telstra network, based on premises, vehicle or activity end use.
Not for profit organisation	An organisation that uses surplus revenue to achieve its goals rather than distributing them as profits or dividends. These organisations are often established by and for the community with little or no intervention from the government.

### O

Olympic-sized swimming pool	An Olympic swimming pool with dimensions 50 m × 25 m × 2 m holds 2,500 m <sup>3</sup> (2.5 megalitres).
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### P

#### Paper consumption

Telstra's major paper use categories are office paper (A4 and A3 paper used in photocopiers, printers and fax machines in commercial offices), billing paper (used for invoicing consumer and business customers) and printing paper (brochures, flyers, magazines etc.). Office paper consumption is based on the weight calculated using the size and thickness of paper purchased. Billing paper consumption is based on the tonnage of sheets printed and enveloped. Printing paper consumption is based on weight of paper used based on size and thickness of paper stock. Telstra's overall paper consumption figure only includes direct paper purchases and excludes paper purchases made by third parties providing design and print services to Telstra.

#### Payroll giving

A tax-effective charitable donation scheme whereby employee contributions to charity are deducted from the employee's wage and paid to the charity concerned. Data stating the amount donated by Telstra employees is extracted from Telstra's HR management system – People Express – on an annual basis for reporting purposes.

### Q

### R

#### Revenue foregone (social and community investment)

Social contribution in the form of missed earnings for Telstra to assist community-based, not for profit organisations or customers in times of need.

### S

#### Scope 1 emissions

Direct greenhouse gas emissions measured in tonnes CO<sub>2</sub>e produced by our organisation as a result of our activities. Telstra's key sources include transport vehicles (excluding car rentals and taxis), heavy machinery, generator sets, natural gas consumption and grounds maintenance. Emissions are calculated using the National Greenhouse and Energy Reporting (Measurement) Determination 2008 (as amended).

#### Scope 2 emissions

Indirect greenhouse gas emissions measured in tonnes CO<sub>2</sub>e from the generation of electricity that is purchased and consumed by Telstra. Emissions are calculated using the National Greenhouse and Energy Reporting (Measurement) Determination 2008 (as amended).

#### Scope 3 emissions

Indirect greenhouse gas emissions that are a consequence of our activities but occur from sources we do not operate. For Telstra, this includes emissions from waste disposal, air travel, electricity transmission losses and extraction, production and distribution of fuel. Electricity transmission losses account for the majority of our Scope 3 emissions. Emissions are calculated using the National Greenhouse Accounts (NGA) Factors, December 2014.

#### Serious injury rate

Serious injury rate is defined as the number of claims that require an absence from work of one working week or more per 1,000 full time equivalent employees.

### S

<b>Stationary energy</b>	<p>Energy used by Telstra to power buildings, offices and telecommunications infrastructure. Includes electricity from the grid, diesel fuel used to power emergency generator sets and natural gas for heating systems. Also includes fuel used in grounds maintenance, removing waste water from pits, and solar energy generated and consumed in remote locations.</p> <p>All energy types are converted into Gigajoules (GJ) using their respective energy content conversion factors, and emissions calculated for each energy type using the National Greenhouse and Energy Reporting (Measurement) Determination 2008 (as amended) (Scope 1 and 2 emissions) and NGA Factors (Scope 3 emissions).</p>
<b>Social and community investment</b>	Investments that create a meaningful benefit for society that are also valuable to the business.
<b>Solar energy generation</b>	<p>Telstra has approximately 10,255 sites with solar panels installed, providing power to telecommunications equipment in rural and remote locations where the power grid does not reach.</p> <p>Kilowatt hours are calculated based on geographic location and designed capacity with reference to the Australian Government's Clean Energy Regulator Small Generation Unit / Small-Scale Technology Certificate guidance.</p>
<b>Spectrum</b>	Mobile networks use radio transmission to carry signals through the air just like radio and television. The spectrum we use is defined by where on the dial we sit (the frequency) and how much of the dial we take up (the spectrum bandwidth). The more spectrum bandwidth we have access to, the greater the amount of information we can carry and the more users we can support on our network.

### T

<b>Terabytes</b>	One terabyte is a trillion bytes. A byte is a unit of digital information in computing and telecommunications.
<b>Telecommunications Industry Ombudsman (TIO)</b>	Dispute resolution service for small business and residential customers who have a complaint about their telephone or internet service in Australia. The TIO is independent of industry, the government and consumer organisations.
<b>Telstra Air®</b>	<p>Telstra's Wi-Fi network, launched officially in June 2015 after a successful trial. Telstra home broadband customers are able to get online using their home broadband allowance at thousands of hotspots within 250 towns and cities across Australia. Telstra Air members are able to access their home broadband allowance at 15 million hotspots in 18 countries around the world – thanks to an exclusive partnership with world-leading Wi-Fi provider, Fon.</p>
<b>Telstra Corporation (Telstra)</b>	Includes full time and part time employees paid by Telstra Corporation (excluding casual staff, all controlled entity-paid staff, and agency staff in Australia and internationally).
<b>Telstra Group</b>	<p>Includes Telstra Corporation and controlled entity full time employees and equivalents, contractors and staff employed through agency arrangements in Australia and internationally.</p> <p>Information regarding the controlled entities in the Telstra Group can be found in Note 25 to the Financial Statements in the 2015 Telstra Annual Report.</p>

### T

<b>Telstra Group excluding contractors</b>	Telstra Group excluding contractors and staff employed through agency arrangements in Australia and internationally.
<b>Time (social and community investment)</b>	Contributions of employee time, during work hours, to assist community-based, not for profit organisations, valued at \$20 per hour for unskilled contributions, \$150 per hour for skilled contributions and \$180 per hour for legal pro bono work.
<b>TIO level 1 complaints</b>	Expression of dissatisfaction from a consumer that is referred to the Telecommunication Industry Ombudsman (TIO) to identify code rules relevant to the issue. If details of the complaint suggest that code rules may not have been followed, the TIO refers these issues to Telstra as a Level 1 complaint. Level 1 is the first of four stages in helping consumers and service providers understand and resolve complaints.
<b>Transport energy</b>	The energy associated with petrol, diesel and LPG fuel use for the Telstra vehicle fleet and mobile plant, measured in gigajoules. The majority of fleet fuel use and associated energy is calculated using fuel card data. More minor amounts of energy are calculated from kilometres travelled in hired vehicles and from separate fuel purchases.
<b>Training spend</b>	We calculate our training spend across employees from the Telstra Group excluding contractors. This number includes permanent, fixed term, dealers, full time and part time but excludes labour costs.
<b>Total electricity consumption</b>	Electricity used in Telstra's buildings and network facilities. Electricity data is based on invoiced (billing) data. Where metering data is not available, estimates are calculated based upon prior invoiced consumption taking into account seasonal variations.
<b>Total energy consumption</b>	Total consumption of electricity, natural gas and fuels for Telstra's buildings, network and fleet, measured in gigajoules.
<b>Total waste</b>	The total weight of materials collected for recycling or disposal to landfill measured in tonnes.
<b>Turnover</b>	The number of employees who leave Telstra including all types of separation.

### U

<b>United Nations Global Compact (UN Global Compact)</b>	A United Nations initiative to encourage businesses worldwide to adopt sustainable and socially responsible policies, and to report on their implementation. The UN Global Compact is based on ten principles in the areas of human rights, labour rights, the environment and anti-corruption. Telstra has been a signatory since 2011.
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### V

#### Volunteer days

Telstra's employee volunteering program has been established to support and encourage community involvement. Telstra's full and part-time staff are entitled to paid volunteer leave (up to one standard work day) for personal, group, or team volunteering in a skilled or unskilled capacity. Paid volunteer leave beyond one standard work day can be taken if approved by Management.

Employee volunteer days are calculated and reported based on:

- Days recorded by employees and approved by their managers within our HR management system, People Express.
- A manual calculation of hours undertaken for volunteering initiatives that are not typically recorded within People Express, based on data provided by our charity partners and internal program coordinators. In the instance where hours have been recorded in People Express, these hours are removed from the manual calculation to avoid duplication.

Volunteer days are calculated by dividing total volunteer hours recorded by 7.35 hours (standard work day as prescribed by the Telstra Enterprise Agreement 2012-2015).

### W

#### Waste emissions

Telstra generates waste from business activities across its commercial and network portfolio. Emissions are calculated using total tonnes of waste to landfill and applying the *Commercial and Industrial* waste emission factor from the National Greenhouse Accounts (NGA) Factors, December 2014.

#### Waste recycled

Passing waste material through a system that enables that material to be reused. Waste recycling involves the collection of waste materials and the separation and reprocessing of those materials for another or similar purpose.

Telstra has a National Waste Management System to optimise waste recycling. Some of the types of waste we recycle include: mixed metal, e-waste, batteries, scrap cable, timber, paper and cardboard.

#### Water consumption

Amount of water consumed as a result of Telstra's operations, expressed as megalitres (or thousand kilolitres). Consumption is based on billing invoices. Where invoice data is not available, estimates are calculated via substitution with either the corresponding month in the previous year or the neighbouring month's data.

#### Women in Executive Management roles

Gender equality measure that calculates the percentage of women in Executive Management roles (CEO and bands A, B, C). Includes full time, part time and casual staff in Telstra Corporation and its wholly owned subsidiaries, excluding contractors and agency staff. It does not include staff in any other controlled entities within the Telstra Group.

### X

### Y

### Z