



IT'S HOW  
WE CONNECT

# 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 provide telecommunications services to people in hardship or disadvantaged circumstances. This includes the low-income package and marketing plan obligations under Telstra's Carrier Licence Condition 22.

## B

Bill shock	The negative reaction a subscriber can experience if their phone bill contains unexpected charges.
------------	--

## C

Carrier	The holder of a Carrier License under 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). The highest is tier 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 operating revenue and the cost of non-labour raw materials and other goods and services purchased as inputs and used to produce output.

<b>Carbon dioxide emissions equivalent (CO<sub>2</sub>e)</b>	<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>
<b>Carbon emissions intensity (CO<sub>2</sub>e/TB)</b>	<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>
<b>Carbon dioxide emission factors</b>	<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 Australia's National Greenhouse Accounts and are updated each year to reflect changes in Australia's fuel mix. As per accepted practice, we do not restate previous year emissions based on emission factor updates.</p>
<b>Carbon dioxide emissions total</b>	<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>
<b>Carbon offsets</b>	<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>
<b>Carbon neutral</b>	<p>Achieving net zero carbon emissions through reducing carbon emissions and purchasing carbon offsets to compensate for carbon emissions released during activity.</p> <p>Sensis Group's print and online directories are certified as 'carbon neutral' through Low Carbon Australia, the Australian Government's official program.</p> <p>To achieve carbon neutral certification, a full and independent Life Cycle Assessment (LCA) of the print and online Yellow Pages and White Pages products was undertaken in late 2013. The LCA estimates carbon emissions produced during production, use, disposal and distribution of the products and accounts for emissions both in Sensis' operations as well as in its supply chain. The LCA has been approved and endorsed under the National Carbon Offset Standard (NCOS) and offsets were purchased using NCOS eligible suppliers. The LCA is audited by a third party every second year in order to maintain certification to the NCOS Standard.</p>
<b>Cloud Computing</b>	<p>Provision of services, software, storage and security over the internet, allowing access to information/programs etc on multiple devices in multiple locations.</p>

Contractor	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.
------------	--

Cyber safety	The safe use of information and telecommunications technology (including mobile phones) and the internet.
--------------	---

### D

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

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	<p>eHealth is the sharing of health resources and provision of health care by electronic means. It encompasses three main areas:</p> <ul style="list-style-type: none"><li>▶ The delivery of health information, for health professionals and health consumers, through the internet and telecommunications</li><li>▶ The use of IT and e-commerce to improve public health services (for example, the delivery of training services for health workers)</li><li>▶ The use of e-commerce and e-business practices in health.</li></ul>
---------	--

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.
------------------------------	--

Employee engagement	<p>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.</p> <p>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 (EES), through an independent third party, on a regular basis.</p>
---------------------	--

Energy and emission savings	Estimated savings of energy efficiency and carbon reduction projects implemented in our network facilities and commercial buildings completed within the financial year. 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 Accounts (NGA) Factors, July 2013. Energy and emissions savings are accurate to +/- 30 per cent.
-----------------------------	---

Energy consumption / use	Energy 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 which aims to ensure everyone can enjoy the everyday benefits of being connected to communications technologies – irrespective of age, income, ability, location or disadvantage. Our Everyone Connected strategy has four key objectives: <ol style="list-style-type: none"><li>1. <b>Access</b> – keeping people connected, especially when they're doing it tough</li><li>2. <b>Capability</b> – helping people gain the confidence and skills to enjoy the digital world</li><li>3. <b>Safety</b> – helping people stay safe and be responsible online</li><li>4. <b>Innovation</b> – connecting technology with great ideas for social good.</li></ol>
E-waste	E-waste is defined as any end-of-life electrical or electronic equipment that is of no further use and has been discarded. This includes personal and server computers; monitors; televisions; cabling and wires; power supplies and batteries; telephone handsets; and networking, switching and routing telecommunications equipment.
<b>F</b>	
Forest Stewardship Council (FSC)	The Forest Stewardship Council (FSC) is an international non-government organisation that develops standards and promotes responsible management of the world's forests. The FSC logo is an internationally recognised symbol of sustainable business practice and assurance for consumers. The FSC has strict rules regarding claiming FSC certification and the use of the FSC logo.
FTSE4Good	An index series designed to measure the performance of companies that meet globally recognised corporate responsibility standards.
<b>G</b>	
Global Reporting Initiative (GRI)	A multi-stakeholder non-profit organisation that produces the GRI Sustainability Reporting Guidelines, a comprehensive sustainability reporting framework widely used around the world.
Gigajoule (GJ)	A joule is the standard unit of energy in the metric system. A gigajoule (GJ) is one billion joules.

H

I

<b>Identified groups</b>	Identified groups are female employees, Indigenous employees, other culturally and linguistically diverse employees (CALD), employees with a disability, and gay, lesbian, bisexual, transgender and intersex employees (GLBTI).
<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>	Contribution of products or services, valued at retail cost to Telstra, to assist non-profit organisations.
<b>ISAE 3000 Assurance Standard</b>	The ISAE 3000 (2003) 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.

J

K

L

<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, not including 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.

### M

<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>Mega-litre</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. Telstra has MobileMuster collection bins at our stores and in some offices to assist customers and Telstra employees recycle their mobile phones and accessories.
<b>Materiality / material sustainability issues</b>	In this context, 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

<b>NBN</b>	National Broadband Network
<b>National Greenhouse and Energy Reporting (NGER) Act 2007</b>	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.
<b>National Greenhouse Accounts (NGA) Factors</b>	Government approved estimates of the global warming potential of activities to assist companies and individuals estimate 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.
<b>Net Promoter System (NPS)</b>	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.
<b>Net Promoter Score</b>	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.
<b>Network related emissions</b>	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. This consists of all Scope 1, 2 and 3 emissions allocated to the Telstra network, based on premises, vehicle or activity end use.

### Non-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

A swimming pool with dimensions of 50m x 25m x 2m, holding 2,500m<sup>3</sup> (2.5 mega-litres).

### Operational control

The boundary for reporting energy and emissions performance information. Telstra reports its energy use and emissions with respect to the operational control model set out in Section 11 of the NGER Act 2007. Entities and facilities included in Telstra's operational control boundary for all or part of financial year 2013/14 (FY14) are: Telstra Network and Ancillary, Sensis Pty Ltd, Trading Post (Telstra Media Group), Telstra Plus Pty Ltd, Telstra Residences, TShops, 1300 Australia Pty Ltd, Muru-D Pty Ltd, Chief Entertainment Pty Ltd, Telstra iVision Pty Ltd, NSC Group Pty Ltd, DCA eHealth Solutions Pty Ltd, Fred IT Group PTY Ltd, O2 Networks and co-located data centres (server facilities) within Telstra sites.

## 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.

### Payroll giving

A tax-effective charitable donation scheme whereby employee contributions to a 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, non-profit organisations or customers in times of need.

### S

Scope 1 emissions	Direct greenhouse gas emissions 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 (NGER) System Measurement, Technical Guidelines for the estimation of greenhouse gas emissions by facilities in Australia, July 2013.
Scope 2 emissions	Indirect greenhouse gas emissions from the generation of electricity that is purchased and consumed by Telstra. Emissions are calculated using the National Greenhouse and Energy Reporting (NGER) System Measurement, Technical Guidelines for the estimation of greenhouse gas emissions by facilities in Australia, July 2013.
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, July 2013.
Serious injury rate	A serious injury is defined as a claim that requires an absence from work of one working week or more per 1,000 full time equivalent employees.
Stationary energy	<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 referenced in the National Greenhouse and Energy Reporting (NGER) System Measurement, Technical Guidelines for the estimation of greenhouse gas emissions by facilities in Australia, July 2013 with emissions calculated for each energy type also using the NGER Technical Guidelines for Scope 1 and 2 emissions and NGA Factors for Scope 3.</p>
Social and community investment	Investments that create a meaningful benefit for society that are also valuable to the business.
Solar energy generation	<p>Telstra has approximately 13,850 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>

### T

Terabytes	One terabyte is one trillion bytes. A byte is a unit of digital information in computing and telecommunications. Telstra's terabyte data for June 2014 is estimated based on prior actual consumption, taking into account seasonal, qualified assumptions and/or known business activity variations.
-----------	---

## Glossary

Telecommunications Industry Ombudsman (TIO)	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.
Telstra Corporation (Telstra)	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.
Telstra Group	<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>A full list of controlled entities can be found in Note 25 of the Financial Statements in the 2014 Telstra Annual Report.</p>
Time (social and community investment)	Contributions of employee time, during work hours, to assist community-based, non-profit organisations, valued at \$20 per hour for unskilled contributions, and \$180 per hour for skilled contributions including legal pro bono work.
TIO level 1 complaints	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.
Transport fuel use	The volume of petrol, diesel and LPG used for the Telstra vehicle fleet and mobile plant. The majority of fleet fuel use is calculated using fuel card data. More minor amounts of fuel are calculated from kilometres travelled in hired vehicles and from separate fuel purchases.
Training spend	We calculate our training spend across employees from the Telstra Group. This number includes permanent, fixed term, dealers, full time and part time employees but excludes labour costs. Training spend does not include specialised training such as NBN retraining.
Total electricity consumption	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 on prior invoiced consumption taking into account seasonal variations.
Total energy consumption	Total consumption of electricity, natural gas and fuels for Telstra's buildings, network and fleet.
Turnover	The number of employees who leave Telstra, including all types of separation.
 United Nations Global Compact (UN Global Compact)	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 10 principles in the areas of human rights, labour, the environment and anti-corruption.

### 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 based on a range of data inputs and assumptions. Most volunteer leave is applied for and recorded through our HR leave management system, People Express. All hours that are recorded in the system by an employee and approved by their manager as having been undertaken within the reporting period are included in our figures.

For the reporting period, volunteer days are calculated by dividing total volunteer hours as per People Express by 7.35 hours.

For volunteering initiatives that are not typically recorded within People Express, a manual calculation of hours undertaken is performed, based on data provided by our charity partners and internal program coordinators. All manual calculations are reconciled against leave recorded within People Express to avoid duplication, and added to the total.

### 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, July 2013.

#### 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 by either substituting 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. It does not include staff in any other controlled entities within the Telstra Group.

### X

### Y

### Z