



## Signatory Name: Telstra Corporation Limited

*The question numbers in this report refer to the numbers in the report template. Not all questions are displayed in this report.*

Status: Completed

The content in this APC Annual Report is hereby endorsed by the Chief Executive Officer, or equivalent officer of the organisation.

Yes

**5. Industry sector** (please select 1 only):

- Brand Owner / Wholesaler / Retailer
- Packaging Manufacturer
- Waste Management
- Other - Commercial Organisation
- Community Group
- Industry Association
- Government
- Raw Material Supplier
- Other:

**6. Industry type** (please select 1 only):

- Food & Beverage
- Pharmaceutical / Personal Care / Medical
- Hardware
- Homewares
- Communications / Electronics
- Clothing / Footwear / Fashion
- Chemicals / Agriculture
- Fuel
- Large Retailer
- Tobacco
- Shipping Company
- Airline
- Other:

**7. Please indicate your organisation's reporting period:**

- Financial Year: 1 July 2012 – 30 June 2013
- Calendar Year: 1 January 2013 – 31 December 2013

## Goal 1: Design

### KPI 1: % of signatories with documented policies and procedures for evaluating and procuring packaging using the SPGs or equivalent.

8. Does your company have documented policies and procedures for evaluating and procuring packaging using the SPGs or equivalent?

Yes  No

Provide details of policies and procedures

Telstra Packaging Life Cycle Assessment process. Telstra uses a 4-step Packaging Life Cycle Assessment process as per APC 'Life Cycle Mapping' guidance. The SPGs are used to identify opportunities to minimise impacts and improve performance.

9. Of the types of packaging **existing at the beginning of the reporting period**, what percentage had been reviewed using the Sustainable Packaging Guidelines (SPG) by the end of the reporting period?

%

10. Have any new types of packaging been introduced during the reporting period?

Yes  No

11. If yes, of the **new types of packaging introduced during the reporting period**, what percentage have been reviewed using the Sustainable Packaging Guidelines (SPG) by the end of the reporting period?

%

12. Please indicate your progress this year towards achieving your annual targets and milestones for KPI 1

	Target: According to your Action Plan, what did you set out to do?	Actual: What did you achieve?
1.	Complete list of all existing packaging types and formats	Achieved - During the reporting period Telstra built on the success of an initial packaging review (conducted during the last reporting period) and developed and implemented a 4-step Packaging Life Cycle Assessment process. This includes a full list of all retail consumer packaging types (both Telstra-branded and manufacturer branded), including: - SIM starter kits - Bases and lids (for devices branded by the manufacturer ZTE Coporation) - Sleeves with lids Visual merchandising and transport packaging is included in the assessment.
2.	25% of existing packaging reviewed annually	Achieved - During the reporting period, Telstra reviewed all existing packaging types using Telstra's 4-step Packaging Life Cycle Assessment process as per APC guidance. The 4-step Packaging Life Cycle Assessment process will be used when any new packaging is introduced.

13. Describe any constraints or opportunities that affected performance under this KPI

### Goal 1: Design

KPI 1: % of signatories with documented policies and procedures for evaluating and procuring packaging using the SPGs or equivalent.

Rating

4

Rating Comments

Good job, you have demonstrated that operational policies and procedures for evaluating and procuring packaging are in place, and have successfully met your targets for the year.

### Goal 2: Recycling

#### KPI 3: % signatories applying on-site recovery systems for used packaging.

14. Do you have on-site recovery systems for recycling used packaging?

- Yes at all facilities/ sites  
 Yes at some, but not all facilities/ sites  
 No

15. Please indicate your progress this year towards achieving your annual targets and milestones for KPI 3

	Target: According to your Action Plan, what did you set out to do?	Actual: What did you achieve?
1.	10% increase in tonnes of recycling waste and 10% of landfill waste transitioned to recyclable materials at Telstra's retail fulfilment operations centre (the Channel Logistics Operations centres (CLOC) and Business Logistics Operations Centre (BLOC))	<p>Achieved - During the reporting period, this target was met.</p> <p>Although total waste produced at Telstra's retail fulfilment operations centres went up during the reporting period, 681 tonnes of packaging was recycled. This is a 10% increase compared to the FY10/11 baseline.</p> <p>During the reporting period almost 89 tonnes of packaging waste was sent to landfill, a decrease of more than 10% against the FY10/11 baseline.</p> <p>The overall increase of more than 88 tonnes of total waste produced is attributable to increased sales which generates greater inbound packaging and other waste.</p> <p>Awareness raising by Brightstar (Telstra's retail fulfilment operators) resulted in more Paper/Plastics/Cardboard being recycled (74% of total waste produced compared to 64% the year before) and much less landfill waste (12% of total waste produced compared to 22% the year before). Recycling of non-conforming pallets and waste timber also improved.</p> <p>Telstra will continue to work with Brightstar to develop a new target and further actions to reduce overall waste that is produced.</p>
2.	Expand Telstra's existing management systems to improve processes and environmental outcomes in business units responsible for consumer products	<p>In progress - Telstra's enterprise Environment Strategy was under development during the reporting period. A key focus for Telstra is better understanding and managing our material or significant environmental risks.</p>

16. Describe any constraints or opportunities that affected performance under this KPI

Goal 2: Recycling

KPI 3: % signatories applying on-site recovery systems for used packaging.

Rating

3

Rating Comments

Well done on achieving on-site recovery systems for some of your sites and meeting one of your set targets for the reporting year. It is noted your Target 2 is still in progress and you are encouraged to identify any new opportunities along with reviewing targets against the SMART principals found in the following document:  
[http://www.packagingcovenant.org.au/data/Resources/Generating\\_better\\_actions\\_and\\_targets\\_20.11.13.pdf](http://www.packagingcovenant.org.au/data/Resources/Generating_better_actions_and_targets_20.11.13.pdf)

**KPI 4: Signatories implement formal policy of buying packaging made from recycled products.**

17. Does your company have a formal policy of buying packaging made from recycled packaging?

Yes  No

Provide details of policies and procedures (including names of policies/ procedures)

Master Sourcing Agreement (MSA). Telstra has a MSA in place for all suppliers of mobile handsets, tablets and data devices. This requires suppliers to 'where possible, use recycled paper for packaging, including materials comprising the Product box and in-box materials and documents'.

18. Is this policy actively used?

Yes  No

19. Please indicate your progress this year towards achieving your annual targets and milestones for KPI 4

	Target: According to your Action Plan, what did you set out to do?	Actual: What did you achieve?
1.	Procurement policies and procedures updated to include APC KPI's	In Progress - During the reporting period Telstra's Supplier Code of Conduct was in progress. It's due to be delivered in FY2013/14. The Supplier Code of Conduct states that "suppliers are expected to demonstrate a commitment to minimising the adverse environmental impacts of their packaging; aim to use packaging which can be recycled; and use logos to communicate how packaging should be disposed of". Telstra's Supplier Code of Conduct will be publically available and apply to all suppliers, contractors, agency and temporary staff to Telstra.
2.	Review Telstra's purchasing terms to include a preference for the supply of products with recycled content and an ability to be recycled	Achieved - During the reporting period, Telstra put in place a new Master Sourcing Agreement (MSA) for all suppliers of mobile handsets, tablets and data devices. This requires suppliers to 'where possible, use recycled paper for packaging'. A requirement to use packaging materials which are; reusable, recyclable and bio-degradable; safe and easy to dispose of at the end of their useable life; non-corrosive, non-toxic and where possible non-flammable; and labelled with plastic recyclable codes (where applicable) is also included.

20. Describe any constraints or opportunities that affected performance under this KPI

Telstra's Environmental Purchasing Policy was last updated in June 2012. Another update, to specifically address this KPI, would have been counter-productive while Telstra's Supplier Code of Conduct was being developed and endorsed.

Goal 2: Recycling

KPI 4: Signatories implement formal policy of buying packaging made from recycled products.

Rating

4

Rating Comments

Your report demonstrates that effort has gone into this KPI and your policies and procedures are in place. It is noted Target 1 is still in progress.

You might like to consider setting new targets and revising your action plan to identify new opportunities in the next reporting period.

**Goal 3: Product Stewardship**

**KPI 6: % signatories with formal processes to work collaboratively on packaging design and / or recycling.**

21. Does your company have formal processes in place for collaborating with other companies or organisations on improved packaging designs and/or recycling which aims to reduce or eliminate waste?

Yes  No

Provide details of policies and procedures (including names of policies/ procedures)

Master Sourcing Agreement (MSA). Telstra has a MSA in place for all suppliers of mobile handsets, tablets and data devices. Telstra's MSA includes a requirement that all packaging materials must:

- "(a) comply with all Relevant Laws regarding the nature, packaging and labelling of packing materials;
- (b) be kept to a minimum consistent with the Supplier's obligations under this Agreement and will where possible be reusable, recyclable and bio-degradable;
- (c) be safe and easy to dispose of at the end of their useable life;
- (d) be non-corrosive, non-toxic and where possible non-flammable; and
- (e) be labelled with the plastic recyclable codes (where applicable)".

22. Please indicate your progress this year towards achieving your annual targets and milestones for KPI 6

	Target: According to your Action Plan, what did you set out to do?	Actual: What did you achieve?
1.	Priority suppliers identified and engaged	Achieved - During the reporting period a new Master Sourcing Agreement (MSA) was put in place, applicable to all suppliers of consumer packaging including suppliers of mobile handsets, tablets and data devices. These contracts represent almost a quarter of Telstra's total annual expenditure. Packaging was included in the annual Vendor Assessment against MSA requirements.
2.	10% of priority suppliers demonstrate a commitment to minimising the adverse impacts of their packaging	In progress - The MSA has been in place for less than 12 months. Progress against requirements detailed in the MSA will form part of the next annual Vendor Assessment.

3.	Report on alternative packaging solutions	<p>In progress - In June 2013, Telstra used the results of the 4-step Packaging Life Cycle Assessment process to implement one alternative packaging solution. This reduced Telstra's SIM Starter Kit from 198cm<sup>2</sup> to 130cm<sup>2</sup>, making it almost a third smaller. Designers and suppliers were engaged to reduce both the inputs (raw materials, printing, transport requirements) and outputs (cardboard cutoffs, transport emissions, waste).</p> <p>During the reporting period, a number of initiatives were trialled and implemented by Telstra and Brightstar (Telstra's retail fulfilment operators) to reduce packaging. Most significant was the elimination of approximately 1.4 tonnes of bubble wrap previously used in the dispatch warehouse for Telstra Shop Online customers. In addition, unused fulfilment envelopes, bubble bags and Self Install Kit cardboard inserts were collected and reused.</p>
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**23. Describe any constraints or opportunities that affected performance under this KPI**

Although Telstra's MSA is in place for all suppliers of mobile handsets, tablets and data devices, Telstra has a greater ability to influence suppliers of Telstra-branded consumer products. Telstra-branded consumer products represent approximately 46% of consumer products sold.

During the reporting period Telstra's enterprise Environment Strategy was under development. Sustainable Supply Chain Management (SSCM) is an Environment Strategy focus area. This was publically reported in our Bigger Picture Sustainability Reporting Series 2013. During the reporting period, Telstra's Supplier Code of Conduct was being developed. It is due to be delivered during FY13/14. Telstra's Supplier Code of Conduct states "suppliers are expected to demonstrate a commitment to minimising the adverse environmental impacts of their packaging; aim to use packaging which can be recycled; and use logos to communicate how packaging should be disposed of". Telstra's Supplier Code of Conduct will be publically available and apply to all suppliers, contractors, agency and temporary staff to Telstra.

Goal 3: Product Stewardship

KPI 6: % signatories with formal processes to work collaboratively on packaging design and / or recycling.

Rating

Rating Comments

Your report again demonstrates that your policies and procedures support you to improve the sustainability of your products, in this case, working collaboratively with your suppliers. It is noted that Targets 2 & 3 are still in progress.

As you achieve more of your targets, it would be good to revise your action plan to allow for ongoing measurable goals.

**KPI 7: % signatories showing other Product Stewardship outcomes.**

**24. Please indicate your progress this year towards achieving your annual targets and milestones for KPI 7**

	Target: According to your Action Plan, what did you set out to do?	Actual: What did you achieve?
1.	Set annual target and publically report on tonnage of mobile phones and accessories recycled via MobileMuster	Achieved - During the reporting period, Telstra recycled 14 tonnes of mobile phones and accessories via MobileMuster, the Australian mobile phone industry's official product stewardship program, and publically reported.

2.	Ongoing identification of product stewardship initiatives	In progress - During the reporting period, the device manufacturer ZTE agreed to add Telstra's brand to MobileMuster satchels included in ZTE devices. By adding Telstra's logo to the satchels included in ZTE devices, Telstra expects to raise customer awareness of the MobileMuster program, their willingness to participate and confidence that devices (and data) are being dealt with securely. Telstra anticipates this will result in increased mobile phone recycling.
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25. Since the beginning of the reporting period, has your company had any other outcomes related to product stewardship?

Yes  No

If yes, please give examples of other product stewardship outcomes

During the reporting period, Telstra announced it was taking a more strategic approach to managing environmental risks and opportunities. A commitment to review our approach to e-waste was announced as part of the Operational Excellence element of our Environment Strategy. This was publically reported in our Bigger Picture Sustainability Reporting Series 2013.

A number of projects at the Channel Logistics Operations centre (CLOC) and Business Logistics Operations Centre (BLOC) were implemented during the reporting period, resulting in the reduction of various types of packaging. These are reported under KPI 6.

26. Describe any constraints or opportunities that affected performance under this KPI

Goal 3: Product Stewardship

KPI 7: % signatories showing other Product Stewardship outcomes.

Rating 3

Rating Comments Well done on working towards and meeting some of your targets. The following resource will assist in identifying further opportunitites and possible future actions and targets around Product Stewardship: <http://bit.ly/1gZAxzT>

**KPI 8: Reductions in packaging items in the litter stream.**

27. Please indicate your progress this year towards achieving your annual targets and milestones for KPI 8

	Target: According to your Action Plan, what did you set out to do?	Actual: What did you achieve?
1.	Report percentage of marketing collateral and packaging that include environmental logos	<p>In progress - Telstra's Master Sourcing Agreement (MSA) was implemented during the reporting period. It includes a requirement to label all packaging materials with the plastic recyclable codes. This is applicable to 100% of suppliers of mobile handsets, tablets and data devices.</p> <p>The 'please recycle' logo is on 100% of Telstra branded packaging. This practice has been in place for several years.</p> <p>As reported last year, for Telstra-branded products where Telstra controls the printing process, the following logos are used:</p> <ul style="list-style-type: none"> <li>- PEFC</li> <li>- waterless printing (if this process is used)</li> </ul> <p>Approximately 46% of Telstra-branded packaging is in this category. Remaining packaging is controlled by 3rd parties.</p> <p>Guides, included in prepaid products, do not include environmental logos as space is too limited.</p> <p>During the reporting period, Telstra is unable to confirm if any marketing collateral (brochures, pamphlets or catalogues) included environmental logos. Telstra will continue to work with suppliers, especially 3rd party manufacturers of Telstra branded products, and Telstra's Chief Marketing Office to increase the use of environmental logos.</p>
2.	Housekeeping and litter management forms part of site based checklist	In progress - Telstra is currently exploring the most appropriate format for integrating a housekeeping and litter management checklist into other systems and processes.

28. Describe any constraints or opportunities that affected performance under this KPI

During the reporting period Telstra's Supplier Code of Conduct was being developed. It is due to be delivered during FY13/14. As detailed in previous sections, the Supplier Code of Conduct states "suppliers are expected to demonstrate a commitment to minimising the adverse environmental impacts of their packaging; aim to use packaging which can be recycled; and use logos to communicate how packaging should be disposed of".

Goal 3: Product Stewardship

KPI 8: Reductions in packaging items in the litter stream.

Rating

2

Rating Comments

Your report demonstrates that your targets are still in progress, however both targets are relevant and should continue to be actioned.

You might like to consider progressing on this target further by reviewing the action plans and annual reports of other high-performing signatories and identify opportunities to improve your plan. They are available here: <http://bit.ly/1dgrtHk>



## Your Experiences

This section lets you share with us any achievements, good news stories and areas of difficulties in making progress against your plan and the Covenant goals and KPIs.

### 29. Key achievements or good news stories

During the reporting period Telstra developed and implemented a 4-step Packaging Life Cycle Assessment process as per APC guidance. All Telstra-branded and manufacturer branded packaging was subject to the Packaging Life Cycle Assessment process. Information from suppliers, including the recycled content of existing packaging, was used in the assessment. During the reporting period, one opportunity (to reduce the size of our SIM Starter Kit) was implemented. Other identified opportunities will be implemented in FY13/14.

During the reporting period, a new Master Sourcing Agreement (MSA) was put in place, applicable to all suppliers of consumer packaging including suppliers of mobile handsets, tablets and data devices. These contracts represent almost a quarter of Telstra's total annual expenditure. Packaging is included in all annual Vendor Assessments against MSA requirements. Telstra's ability to influence suppliers of non Telstra-branded consumer products (the greater proportion of consumer products sold) is strengthened by the MSA.

During the reporting period Telstra's Supplier Code of Conduct was being developed. It is due to be delivered during FY13/14. Telstra's Supplier Code of Conduct states that "suppliers are expected to demonstrate a commitment to minimising the adverse environmental impacts of their packaging; aim to use packaging which can be recycled; and use logos to communicate how packaging should be disposed of". Telstra's Supplier Code of Conduct will be publically available and apply to all suppliers, contractors, agency and temporary staff to Telstra.

During the reporting period, awareness raising by Brightstar resulted in more Paper/Plastics/Cardboard being recycled and much less landfill waste being produced. Recycling of non-conforming pallets and waste timber also improved. Although the amount of waste generated increased during the reporting period, 10% more was recycled compared to the baseline and 10% less was sent to landfill.

### 30. Areas of difficulties in making progress against your plan, Covenant goals or KPIs

### Summary of ratings:

KPI	2014 Rating (0-5)	2013 comparison
KPI 1	4	3
KPI 3	3	3
KPI 4	4	2
KPI 6	3	3
KPI 7	3	2
KPI 8	2	2
<b>Average rating for this signatory</b>	<b>3.2</b>	<b>2.5</b>
<i>Average rating across all signatories</i>	<i>TBC</i>	<i>2.9</i>

Good report overall. You have made progress in some of the KPI areas and this is commendable. You are encouraged to continue working towards your targets and note any challenges or constraints that might be experienced. To support further improvements, consider reviewing the following resource, which will assist in identifying further opportunities and possible future actions and targets around Product Stewardship: <http://bit.ly/1gZAxzT>