



AGM 2024 – Frequently asked questions by shareholders

We thank our shareholders for the questions they submitted ahead of the 2024 Telstra Group Limited Annual General Meeting held on 15 October 2024 and for the questions put forward at the meeting. The information below addresses the main themes of these questions.

Company Strategy - What is Telstra's growth strategy and where do you see long term consistent growth coming from?

We are focused on delivering our T25 strategy and setting the business up for long-term success.

We remain on track to deliver our T25 growth ambitions in underlying EBITDA, EPS and ROIC.

Underlying EBITDA is a key measure, and we have achieved a third consecutive year of underlying EBITDA growth in FY24. While our reported earnings decreased, this decrease reflected significant one-off net costs including the actions we took to address challenges in our Enterprise business. We believe these actions (among others) have set us up for growth and FY25 guidance demonstrates continued underlying EBITDA growth. Further detailed information is available in the Full Year Results and Operations Review in our [2024 Annual Report](#).

Our immediate focus remains lifting customer experience, delivering financial growth and value from our world leading mobile network and high-quality infrastructure, continuing to reset our Enterprise business and delivering on our commitment to simplify our operations and improve our productivity. These actions are essential to support our sustainable growth and to put us in a position to deliver for customers and shareholders now and in the long run.

We are optimistic about the opportunities ahead - our infrastructure and network are central to how Australians live and work. We are Australia's biggest investor in digital infrastructure; we are focused on investing sustainably to deliver for customers and shareholders.

Customer Service

We have invested very significantly in improving the outcomes for our customers, but we understand there is more work to be done. We've simplified our product range, we're digitising our core services, we've returned answering our consumer and small business calls to Australia, we've taken full ownership of our retail stores, and our customers are telling us we are improving through our improved Net Promoter Scores and reduced Telecommunications Industry Ombudsman complaints. We will continue to invest heavily into improving customer outcomes.



Customer Service - Why can't Telstra keep the 3G network open indefinitely?

The 3G network is old technology and is not fit for today's purpose and the needs of our customers, where data demand on our mobile network has grown by 3.5 times over the last five years to the end of FY24, and is currently growing at approximately 20% per annum.

The 3G network currently accounts for less than one per cent of mobile traffic on the Telstra network.

There is a cost to running a network and it is not feasible for us to maintain 3G/4G/5G at the same time. We want to deliver our customers the best experiences and to do so we need to invest in newer technology solutions rather than maintaining older solutions.

Closing the 3G network allows us to re-use that spectrum to provide our customers with better, more secure and reliable 4G and 5G services.

Customers with more questions about the 3G closure should visit: www.telstra.com.au/support/mobiles-devices/3g-closure.

Customer Service - What are you doing to improve regional connectivity?

We understand the need for improved telecommunications services in regional and rural communities – and the benefits it can deliver.

It's why we have invested to provide the largest mobile and IoT networks for our customers and why we are partnering with LEOSat providers to use new technology to deliver better services.

It also means we understand that this challenge is shared between Federal, State and Local governments and with providers such as the nbn, us and other mobile carriers.

Partnerships and co-investments in programs like the Mobile Black Spot Program and Regional Connectivity Program create value for communities across Australia and help keep regional Australians connected and improve access to the digital economy.

However, there is a need to invigorate and optimise future co-investment initiatives and prioritise deployment related reforms and cost reduction to make it simpler, faster and more efficient to extend and improve regional connectivity.



Dividends – will they increase?

FY24 total dividends of 18.0 cents per share was up 5.9% compared to the previous year – our third year of consecutive total dividend growth. This is consistent with our capital management framework to maximise the fully franked dividend and seek to grow it over time. A factor the board considered when lifting the dividend was its sustainability going forward. While we do not give guidance or forecasts on our dividend, our capital management framework and policy is to maximise the fully franked dividend and seek to grow it over time.

Remuneration -Why does your CEO get paid so much?

We are a large and complex company to lead, and critical to connectivity across the country. The reality is that the CEO of an ASX20 company is a job that not many people can do – and we all want the best people to lead the company. Our CEO pay is competitive in the Australian market and we are conscious of gender pay equity. Only half of the CEO's total remuneration is received in cash, the rest is provided as shares which vest over four years and rights which are tied to share price performance over five years. This ties CEO pay to the short and long term outcomes that shareholders receive.

Share price – what is Telstra doing to improve the share price?

Share prices are a function of many things – including broader macroeconomic and global market factors such as rising interest rates, inflation and other factors beyond our control. Our focus is on delivering our T25 growth strategy and setting the business up for long-term success in order to deliver growth and value for shareholders – our key financial ambition. We believe it's appropriate to consider total shareholder returns, including dividends and share buy backs. As set out in our [Annual Report](#), in the 5 years to 30 June 2024, Telstra's total shareholder return was among the top 51st percentile of the ASX100 (excluding resource companies). In addition, we also returned \$1.35 billion in the form of a share buy-back to shareholders in 2022 following the partial sale of Amplitel in 2021.