

# TELSTRA CORPORATION LIMITED

ABN 33 051 775 556



1 September 2011

Dear Shareholder

It is my pleasure to invite you to the 2011 Annual General Meeting of Telstra Corporation Limited on **Tuesday 18 October 2011**, commencing at 10.00 am (Sydney time). The AGM will be held at:

**Sydney Convention and Exhibition Centre (SCEC)  
Hall No. 1, Darling Drive  
Darling Harbour, Sydney**

This year, Shareholders are being asked to consider and vote on the National Broadband Network (NBN) Proposed Transaction. To ensure that as many of our Shareholders as possible are able to view the AGM and submit questions regarding this significant transaction, the AGM will also be broadcast live to the following venues:

**Melbourne:**

Sofitel Melbourne on Collins  
Grand Ballroom  
35 Collins Street  
Melbourne

**Brisbane:**

Brisbane Convention and Exhibition Centre  
The Great Hall  
Corner of Merivale & Glenelg Streets  
South Bank, Brisbane

**Please note:** Shareholders who plan to view the AGM at the **Melbourne** or **Brisbane** venues will **not** be able to vote at those venues. However, Shareholders will be able to submit questions, relevant to each item of business, for response by the Chairman from the Sydney venue. Shareholders intending to view the live broadcast of the AGM at the Brisbane or Melbourne venues should ensure they either lodge their vote online or return their Voting Form prior to the meeting. Please refer to the back of your Voting Form or pages 2 and 3 of this Notice for further detail on voting, including the deadlines for lodgement.

Shareholder registration will commence from 9.00 am (Sydney time) at the Sydney venue and Shareholders are invited to join the Telstra Board and senior executives for refreshments prior to the meeting. A light lunch will be served during the course of the meeting. Further details on the Brisbane and Melbourne venues are contained on page 7 of this Notice.

Shareholders may view a live webcast of the AGM online at [www.telstra.com/agm](http://www.telstra.com/agm) (unmetered for BigPond customers). Telstra will also broadcast the AGM live on Telstra T-Box. Further details are contained on page 7 of this Notice.

Shareholders can also submit questions that they would like raised at the AGM using the form at the back of this Notice or online at [www.linkmarketservices.com.au/telstra](http://www.linkmarketservices.com.au/telstra). As in past years, we will respond to the more frequently asked questions at the AGM but, as you would appreciate, with Australia's largest Shareholder base of over 1.4 million Shareholders, we will not be able to respond individually to all questions.

Enclosed with this Notice is an Explanatory Memorandum dealing with the NBN Proposed Transaction and a personalised Voting Form. Shareholders should read the Explanatory Memorandum in full before deciding whether or not to vote in favour of the transaction. **The Telstra Board unanimously recommends that Shareholders vote in favour of this resolution.**

This year there are two Directors standing for re-election – Mr John Mullen and myself. Mr John Stewart has notified the Board of his intention to retire effective at the conclusion of the 2011 AGM and is not standing for re-election. The Board thanks John for his invaluable contribution over the period of his tenure. **The Telstra Board (other than the relevant Director in relation to his/her own re-election) recommends the re-election of your two serving Directors.**

If you can't attend the meeting, please use the personalised Voting Form to either lodge your vote directly, or appoint a proxy to vote on your behalf. The back of your Voting Form contains more information on how to vote. Votes can be lodged online at the Telstra Share Registry website [www.linkmarketservices.com.au/telstra](http://www.linkmarketservices.com.au/telstra) or by following the lodgement instructions on the back of your Voting Form.

I look forward to welcoming you to the meeting.

Yours sincerely

**Catherine B Livingstone AO**

Chairman

# NOTICE OF 2011 ANNUAL GENERAL MEETING

## ITEMS OF BUSINESS

### 1. Chairman and CEO Presentations

### 2. National Broadband Network (NBN) Proposed Transaction

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

‘THAT for all purposes, including the ASX Listing Rules, approval is given to the Company taking action to co-operate with NBN Co and the Commonwealth through implementing the Proposed Transaction described in the Explanatory Memorandum, accompanying and forming part of this Notice of Meeting’.

### 3. Discussion of Financial Statements and Reports

To discuss the Company’s financial statements and reports for the year ended 30 June 2011.

### 4. Re-election of Directors

To consider and, if thought fit, pass the following resolutions as separate ordinary resolutions:

(a) ‘THAT Mr John Mullen, being eligible, be re-elected as a Director’; and

(b) ‘THAT Ms Catherine Livingstone, being eligible, be re-elected as a Director’.

### 5. Remuneration Report

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

‘TO adopt the Remuneration Report for the year ended 30 June 2011’.

## ADDITIONAL INFORMATION

Please refer to the Explanatory Memorandum enclosed with this Notice of Meeting for detailed information on Item 2.

Please refer to the explanatory notes on pages 4 and 5 for more information on Items 4 and 5.

The order in which the candidates appear in Item 4 has been independently determined by Ernst & Young.

In the interests of representing the views of as many Shareholders as possible, the Chairman of the Meeting intends to call a poll in relation to Items 2, 4 and 5.

## SUBMITTING QUESTIONS FROM THE MELBOURNE AND BRISBANE VENUES

Shareholders viewing the AGM from the Melbourne and Brisbane venues will be able to submit questions at the Information Desk available near the registration area. Questions from those venues will be relayed to the Chairman of the Meeting who will endeavour to respond to as many questions as possible from the meeting in Sydney. If a question is not relevant to the items of business, the Chairman will not provide a response. Shareholders in Melbourne and Brisbane are reminded they are not able to vote at either location and should lodge their vote online or return their Voting Form in the envelope provided.

## VOTING

Enclosed with this Notice of Meeting is a personalised Voting Form. The Voting Form allows Shareholders who are not attending the meeting to either lodge their vote directly, or appoint a proxy to vote on their behalf.

If you hold Telstra shares in more than one capacity, you need to use the Voting Form that is relevant to each holding. For example, if you are an ordinary Shareholder and a Telstra ESOP participant and you wish to appoint a proxy for your entire holding, you must complete both the blue Voting Form for your ordinary shares and the green Nominee Form for your Telstra ESOP holding.

**Direct Voting:** By completing Section A of the relevant Voting Form you are voting your shares directly and do not appoint a third party, such as a proxy, to act on your behalf. Shareholders should complete their voting directions by selecting “**for**” or “**against**” for each item on the Voting Form. Do not complete the “**abstain**” box if you are voting directly as it will result in an invalid vote.

If no direction is given on an item, or if Section A and Section B are both completed on the Voting Form, your vote may be passed to the Chairman of the Meeting as your proxy.

Investor	Right to vote and attend the meeting or view the proceedings	Lodging your vote – which form should I use?	Deadline for lodgement
Shareholders	Shareholders registered as at 7.00 pm (Sydney time) on Friday 14 October 2011	Use the <b>blue</b> Voting Form to either vote directly (Section A) or appoint a proxy (Section B)	10.00 am (Sydney time) on Sunday 16 October 2011
Telstra ESOP 97 and ESOP 99 Participants	Telstra ESOP 97 and ESOP 99 Participants registered at 5.00 pm (Sydney time) on Friday 14 October 2011	Use the <b>green</b> Nominee Form	5.00 pm (Sydney time) on Friday 14 October 2011
Telstra OwnShare and DirectShare Participants	Telstra OwnShare and DirectShare Participants registered at 5.00 pm (Sydney time) on Friday 14 October 2011	Votes should be lodged online at <a href="http://www.linkmarketservices.com.au/telstra">www.linkmarketservices.com.au/telstra</a>	5.00 pm (Sydney time) on Friday 14 October 2011

**Appointing Proxies or Nominees:** Shareholders, Telstra ESOP 97 and ESOP 99 Participants, OwnShare Participants and DirectShare Participants (Participants), who are entitled to attend and vote at the AGM, may appoint a proxy (in the case of a Shareholder) or a nominee (in the case of a Participant) to act generally at the meeting on their behalf, and to vote in accordance with their instruction. Complete Section B of the **blue** Voting Form or Section A of the **green** Nominee Form to appoint your proxy/nominee. Shareholders should complete their voting directions by selecting “**for**” or “**against**” for each item on the Voting Form. If no direction is given, the proxy/nominee may vote as they see fit. A proxy or nominee need not be a Shareholder of the Company. Key management personnel (as disclosed in the Remuneration Report) and their closely related parties will be excluded from voting on this item unless they are voting as proxy for a person entitled to vote and they vote in accordance with a direction on the Voting Form.

A Shareholder or Participant entitled to attend and vote can appoint up to two proxies or nominees as appropriate, and should specify the proportion or number of votes each proxy or nominee is appointed to exercise. If no proportion or number is specified, each proxy or nominee may exercise half of the Shareholder’s or Participant’s votes. If you wish to appoint two proxies or two nominees, please call **1300 88 66 77** and request an additional Voting Form.

## FURTHER VOTING INFORMATION

Further information on lodging a direct vote or on proxies or nominees generally, including: the appointment of proxies or nominees; the proportion of votes per proxy or nominee; or voting by proxy or voting directly and lodging your form, can be found on the back of the relevant Voting or Nominee Form enclosed with this Notice of Meeting.

## QUESTIONS

If you have any questions about this Notice or the Voting Form please contact:

Telstra Share Registry (Australia)  
Link Market Services Limited  
Level 12, 680 George Street, Sydney NSW 2000  
Telephone: 1300 88 66 77 (within Aust)  
Overseas: +61 2 8280 7756  
Facsimile: +61 2 9287 0309

Telstra Share Registry (New Zealand)  
Link Market Services Limited  
138 Tancred Street, Ashburton 7740, New Zealand  
Telephone: 0800 835 7872 (within New Zealand)  
Overseas: +64 3 308 8887  
Facsimile: +64 3 308 1311

By order of the Board of Directors



**Carmel Mulhern**

Company Secretary

1 September 2011

# EXPLANATORY NOTES

## ITEM 2 – NBN PROPOSED TRANSACTION

An Explanatory Memorandum in relation to the NBN Proposed Transaction is provided with this Notice of Meeting. The Explanatory Memorandum provides information about the NBN Proposed Transaction to assist Shareholders to make a decision as to whether to approve the transaction, including the reasons for the Board's recommendation, the advantages, potential disadvantages and the risks of the transaction. It explains the impact the transaction will have on the Company and the Company's position once the transaction is completed. Shareholders are encouraged to read the Explanatory Memorandum before making their decision.

**Board Recommendation: The Board unanimously recommends that Shareholders vote in favour of Item 2.**

**The Chairman of the Meeting intends to vote undirected proxies in favour of this resolution.**

## ITEM 4 – RE-ELECTION OF DIRECTORS

All directors standing for re-election will retire in accordance with the provisions of the Company Constitution and, being eligible, offer themselves for re-election.



**John Mullen**  
**Age 56**

Mr Mullen joined Telstra as a non-executive Director in July 2008. He is the Chairman of the Remuneration Committee and a member of the Nomination Committee.

Mr Mullen has worked for over two decades in a multitude of senior positions with different multinationals. His corporate experience includes 10 years with the TNT Group, with two years as its Chief Operating Officer. From 1991 to 1994, he held the position of Chief Executive Officer of TNT Express Worldwide, based in the Netherlands. Mr Mullen joined Deutsche Post World Net (DPWN) as an Advisor in 1994, becoming Chief Executive Officer of DHL Express Asia Pacific in 2002 and Joint Chief Executive Officer, DHL Express in 2005. From 2006 to 2009, Mr Mullen was Global Chief Executive Officer, DHL Express. On 14 February 2011 Mr Mullen was appointed as the new Managing Director and Chief Executive Officer of Asciano Ltd.

Chief Executive Officer and Executive Director, Asciano Ltd (2011 - ).



**Catherine Livingstone AO, BA (Hons), Hon DSc (Murdoch), Hon DBus (Macquarie), FCA, FTSE, FAICD**  
**Age 55**

Ms Livingstone joined Telstra as a non-executive Director in November 2000 and was appointed as Chairman in May 2009. She is the Chairman of the Nomination Committee and a member of the Remuneration, Audit, Technology and NBN Due Diligence Committees. She was Chairman of the NBN Committee whilst it was operative. Ms Livingstone is a Chartered Accountant and has held several finance and general management roles, predominantly in the medical devices sector. Ms Livingstone was the Chief Executive of Cochlear Limited (1994 – 2000).

Director, Macquarie Bank Limited (2003 - ), Macquarie Group Limited (2007 - ) and WorleyParsons Ltd (2007 - ).

To be successfully elected as a Director, a candidate must receive more votes cast “for” than “against”.

**Board Recommendation: The Board (other than the relevant Director in relation to his/her own re-election) recommends the re-election of John Mullen and Catherine Livingstone.**

**The Chairman of the Meeting intends to vote undirected proxies in favour of the re-election of John Mullen and Catherine Livingstone.**

## ITEM 5 – ADOPTION OF THE REMUNERATION REPORT

The Remuneration Report for the financial year ended 30 June 2011 contains information regarding:

- the remuneration philosophy and strategy of Telstra Corporation Limited;
- the principles and structure of non-executive Director, CEO and certain senior executive remuneration arrangements, together with details of the link between remuneration and Company performance; and
- the remuneration of non-executive Directors, the CEO and certain senior executives for the financial year ended 30 June 2011.

The Remuneration Report can be found on pages 69 to 83 of the 2011 Annual Report. The Annual Report is available on our investor website [www.telstra.com/annualreport](http://www.telstra.com/annualreport).

During this item there will be an opportunity for Shareholders at the meeting to comment on, and ask questions about, the Remuneration Report.

The vote on this item is advisory only and will not bind the Directors or the Company. However, the Board will take the outcome of the vote into consideration when reviewing the remuneration practices and policies of the Company.

**Board Recommendation: The Board recommends that Shareholders vote in favour of Item 5.**

**The Chairman of the Meeting intends to vote all available proxies in favour of the adoption of the Remuneration Report.**

### **Voting exclusion statement**

The Company will disregard any votes cast on Item 5 by, or on behalf of:

- a member of the key management personnel (KMP) as disclosed in the Remuneration Report; and
- a closely related party (such as close family members and any controlled companies) of those persons,

unless the vote is cast by a person as proxy for a person entitled to vote in accordance with a direction on the Voting Form.

# CONDUCTING TELSTRA'S ANNUAL GENERAL MEETING

## Telstra's Annual General Meeting is intended to give Shareholders the opportunity to:

- Hear presentations from the Chairman and CEO about the NBN Proposed Transaction, the operations and performance of the Company and the outlook for the year ahead.
- Consider and vote on the resolutions before the meeting being the NBN Proposed Transaction, re-election of Directors and the adoption of the Remuneration Report.
- Ask questions of the Board, management and the auditor generally on the items of business before the meeting, the management of the Company, or relevant to the conduct of the audit and the auditor's report. The Chairman and CEO will generally answer questions on behalf of the Board and management.

## To help achieve these objectives Telstra will:

- Provide two additional venues in Melbourne and Brisbane for Shareholders to view a live broadcast of the meeting and ask questions, but not vote.
- Webcast the meeting for the benefit of those Shareholders unable to attend the meeting in person in Sydney or unable to view the meeting in Melbourne or Brisbane. Shareholders can view the meeting live at [www.telstra.com/aggm](http://www.telstra.com/aggm). The webcast will also be archived after the meeting for replay.
- View the meeting live on Telstra T-Box.
- Allow Shareholders to raise questions in writing before the meeting, by either completing the enclosed form or via the internet at [www.linkmarketservices.com.au/telstra](http://www.linkmarketservices.com.au/telstra). Shareholders asking questions online will need to log in using their SRN/HIN (found on your Voting Form) and then select the "AGM questions" option at the bottom of the screen.
- Allow a reasonable opportunity for Shareholders, as a whole at the meeting, to ask questions of the Board.
- Provide sign language (AUSLAN) and hearing loop facilities for Shareholders with hearing difficulties.
- Answer Shareholders' questions honestly and fairly. If we can't answer a question at the meeting we will seek to provide a response to the Shareholder asking the question after the meeting.
- Inform Shareholders as to the proxy and direct voting position with respect to the resolutions to be considered by the meeting and the manner in which the Chairman of the Meeting intends to vote undirected proxies.

## To help achieve these objectives we ask that Shareholders:

- Are courteous and respectful to all Shareholders and others attending the meeting.
- Keep their questions and comments to a reasonable length of time to allow as many Shareholders as possible who wish to speak at the meeting an opportunity to do so. Generally a maximum of two minutes each time a Shareholder addresses the meeting will be appropriate.
- Confine their questions to the matters before the meeting. If a Shareholder's question appears to be more relevant to the Shareholder's own circumstances than to Shareholders as a whole, we will ask that the Shareholder raise the matter with the customer service attendants outside the meeting.
- Respect the privacy of individual Shareholders attending the meeting and assist in the orderly conduct of the meeting by not photographing, video-taping or recording the proceedings of the meeting.



Expert staff at the Telstra Store at the Sydney venue will be available to answer your customer enquiries before, during and after the AGM. Shareholders at the Brisbane and Melbourne venues will be able to direct their queries to Customer Service Representatives present at those venues.

The Telstra Store at the AGM will be showcasing the following products and services:

- Customer Service
- T-Box®
- The latest in mobile handsets & data services
- Sensis by Mobile
- FOXTEL at Home
- T-Hub®
- TECH Bar - our Telstra Store technical specialists
- BigPond®
- FOXTEL by Mobile

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# AGM LOCATIONS:

## MEETING LOCATION

**Sydney** Sydney Convention and Exhibition Centre (SCEC)  
Hall 1  
Darling Drive  
Darling Harbour  
Sydney

The venue will be open from 9.00am (Sydney time). Shareholders are invited to join the Telstra Board and senior executives for refreshments prior to the meeting. A light lunch will be served during the course of the meeting.

The Sydney Convention and Exhibition Centre is located on the edge of Sydney's CBD at Darling Harbour. It is easily accessed by all modes of transport. For further information, please refer to <http://www.scec.com.au/location/directions.cfm>

Telstra's AGM will be conducted from this location. Shareholders who attend at this venue will be able to ask questions at the meeting and cast their vote. The Board of Directors and members of the senior management team will attend the meeting in Sydney.

## VIEWING ONLY LOCATIONS

**Melbourne** Sofitel Melbourne on Collins  
Grand Ballroom  
35 Collins Street  
Melbourne

The venue will be open from 9.00am (Sydney time). Shareholders are invited to join senior executives for refreshments prior to the meeting. A light lunch will be served during the course of the Broadcast.

The Sofitel Melbourne on Collins is located in Melbourne's CBD. It is easily accessed by all modes of transport. The Grand Ballroom is located behind the escalators on the Lobby level of the hotel. For further information, please refer to [www.sofitelmelbourne.com.au](http://www.sofitelmelbourne.com.au)

**Brisbane** Brisbane Convention and Exhibition Centre  
Great Hall  
Corner of Merivale & Glenelg Streets  
South Bank, Brisbane

The venue will be open from 8.00am (local time). Shareholders are invited to join senior executives for refreshments prior to the meeting. A light lunch will be served during the course of the Broadcast.

The Brisbane Convention and Exhibition Centre is located in Brisbane's South Bank. It is easily accessed by all modes of transport. Please refer to [www.bcec.com.au](http://www.bcec.com.au)

Shareholders who are present at the Melbourne Sofitel Hotel or the Brisbane Convention and Exhibition Centre will be able to view a live broadcast of the AGM proceedings and ask questions of the Chairman of the Meeting, but WILL NOT be able to vote. Shareholders are encouraged to lodge their vote by the deadline outlined on page 3.

Shareholders WILL be able to submit a question to the Chairman of the Meeting who will endeavour to respond to as many questions as possible from the meeting in Sydney. Shareholders will need to register their question at the Information Desk located at each venue.

## VIEWING THE AGM ONLINE OR ON TELSTRA T-BOX

Shareholders can view a live webcast of the AGM online at [www.telstra.com/agm](http://www.telstra.com/agm) (unmetered for BigPond customers). Telstra will also broadcast the AGM live on Telstra T-Box. Telstra T-Box customers can tune into the AGM using its Electronic Program Guide (EPG), from 10.00 am (Sydney time) on Tuesday 18 October 2011.

## 2011 ANNUAL REPORT

The 2011 Annual Report is available for Shareholders on our investor website [www.telstra.com/annualreport](http://www.telstra.com/annualreport). If you would like to receive a hard copy of the 2011 Annual Report, free of charge, you can contact the Telstra Share Registry on 1300 88 66 77. Shareholders who have specifically requested a hard copy of the 2011 Annual Report will receive it separately in the mail.

