

Corporate Social Responsibility

At Telstra our corporate social responsibility vision is to connect with our people, customers, communities and suppliers in an accessible, healthy and environmentally sound way. Telstra is proud of its record supporting the community.

Corporate Social Responsibility (CSR) reporting is managed by the Community Investment Team in the Public Policy and Communications business unit. However, all parts of the business have accountability for their own CSR activities.

This year, we participated in the third Business in the Community Corporate Responsibility Index, overseen in Australia by the St James Ethics Centre. We again scored higher than the average score achieved by the 29 companies participating. The Corporate Responsibility Index is a tool which assists Telstra to benchmark our performance in relation to CSR and identify both areas where we are doing well, and where we can implement action to improve our performance. We also regularly participate in the FTSE4Good and a number of ethical investment surveys and indices.

Our activity over the year included:

The community

Telstra supported communities affected by natural disasters, such as cyclones Larry and Monica, the Katherine floods and a range of bushfires across Australia in January 2006. Our support efforts were aimed at helping people in affected areas maintain access to communications, and have contact with family and friends to advise them of their circumstances. Support included relief packages for affected customers consisting of:

- free call diversion from a fixed service to a fixed or mobile service of the customers' choice, regardless of carrier;
- Telstra mobile customers who report the loss of their Telstra fixed service due to these natural disasters will be charged at fixed line rates, in accordance with their selected HomeLine plan, for local and STD calls made on their mobile service;
- a one-off \$50 credit for Telstra mobile customers who do not have a fixed line and whose homes have been destroyed by bushfires; and
- the suspension and reconnection at no cost of one fixed home phone and BigPond® service per household, where homes were destroyed by the disaster.

Additional assistance varied according to the nature and impact of the event and included the distribution of pre-paid mobiles and phone cards to community agencies that were assisting in affected areas.

Telstra also provided assistance for customers who were affected by the Bali explosions in October 2005, the London explosions in July 2005 and the Pakistan earthquake in October 2005 including:

- rebating calls from Telstra fixed and mobile services to check on the well being of family members in the affected areas;
- rebating of mobile calls for Telstra customers who were travelling in the affected areas to advise relatives in Australia of their circumstances; and
- the rebate of calls for one month for Telstra customers or their family members who were hospitalised as a result of the events.

Telstra Friends, our volunteer network, donated more than 11,100 volunteer hours at 162 community events and raised in excess of \$84,000 for charities. This year Telstra Friends undertook a major project in cooperation with the Australian Red Cross Blood Service to encourage staff to donate blood and increase awareness of the need for regular blood donations. On 19 October, 2005 on Telstra's 'Blood for Life Day' more

Corporate Social Responsibility

than 2000 Telstra staff donated blood on the one day at Red Cross blood banks nationally. Telstra Friends also continued to support the sponsorship commitment with Telstra Child Flight helicopter retrieval service by creating fundraising events and providing volunteer support that helped to raise over \$37,000 to assist the service this year.

Now in its fifth year, the Telstra Foundation continues to support Australian children and young people to reach their potential and build stronger and more cohesive communities. Through the Foundation's Community Development Fund and the Telstra's Kids Fund, we supported 738 community projects and provided grants to the value of \$4.275 million.

Workplace

Telstra has focused on enabling women to reach their full potential by identifying opportunities to move into senior management positions and providing support for women returning from maternity leave. Telstra has assisted women move into non-traditional roles through various pre-employment and career development programs both internally and externally.

The overall representation rate for women in senior management has improved from 21.1% in fiscal 2005 to 23.71% in fiscal 2006.

Telstra employees celebrated International Women's Day through a series of Women Speaker Forums across the nation. Telstra also holds Foundation Partner member status with the Serious Women's Business Conference and sent a host of high potential female employees to the conference in 2005.

Telstra celebrated National Aboriginal and Islander Day of Celebration (NAIDOC) Week 2005 with a range of corporate and business-unit level activities. Telstra also hosted lunches and morning teas for local indigenous communities such as the Thornbury Primary School in Melbourne, Victoria.

Telstra is committed to providing a flexible workplace which focuses on employee well being and work life balance. Results are achieved through initiatives such as part time work and job share guidelines, and Telstra's commitment to health and well being programs such as Skin Cancer Awareness Week and Healthy Heart Week.

Marketplace

This year, Telstra provided over \$200 million in benefits to low-income Australians through a range of concessions and products and services, available through the Access for Everyone package.

A 2005 survey showed high satisfaction among the users of the products and services provided through this package. In January 2006 Telstra launched an additional program in the package, the Telstra Phonocard Assistance Program, through which Telstra will provide community agencies with up to \$1 million of Phonocards per annum to assist clients who rely on Telstra public payphones for their communications needs.

In July 2005 Telstra released a Big-Button/Multipurpose phone through our Disability Equipment Program. The features of the new phone help our customers who have difficulty reading or dialling numbers on their phone, holding a phone handset, hearing or making themselves heard on the phone or getting to the phone in time to answer it. It is one example of Telstra's extensive range of products and services available to eligible customers through our Disability Equipment Program at no additional cost to their standard monthly phone rental. See our website www.telstra.com.au/disability/catalogue/equipment.htm for more information.