



28 August 2020

The Manager

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ELECTRONIC LODGEMENT

Dear Sir or Madam

Corporate Governance Statement and Appendix 4G

In accordance with the Listing Rules, please find attached Telstra's 2020 Corporate Governance Statement and Appendix 4G for release to the market.

Authorised for lodgement by:

Sue Laver
Company Secretary



Governance at Telstra

2020 Corporate
Governance Statement



We are committed to excellence in corporate governance, transparency and accountability.

This is essential for the long term performance and sustainability of our company, and to protect and enhance the interests of our shareholders and other stakeholders.

We are pleased to present our 2020 Corporate Governance Statement, which provides you with information about governance at Telstra.

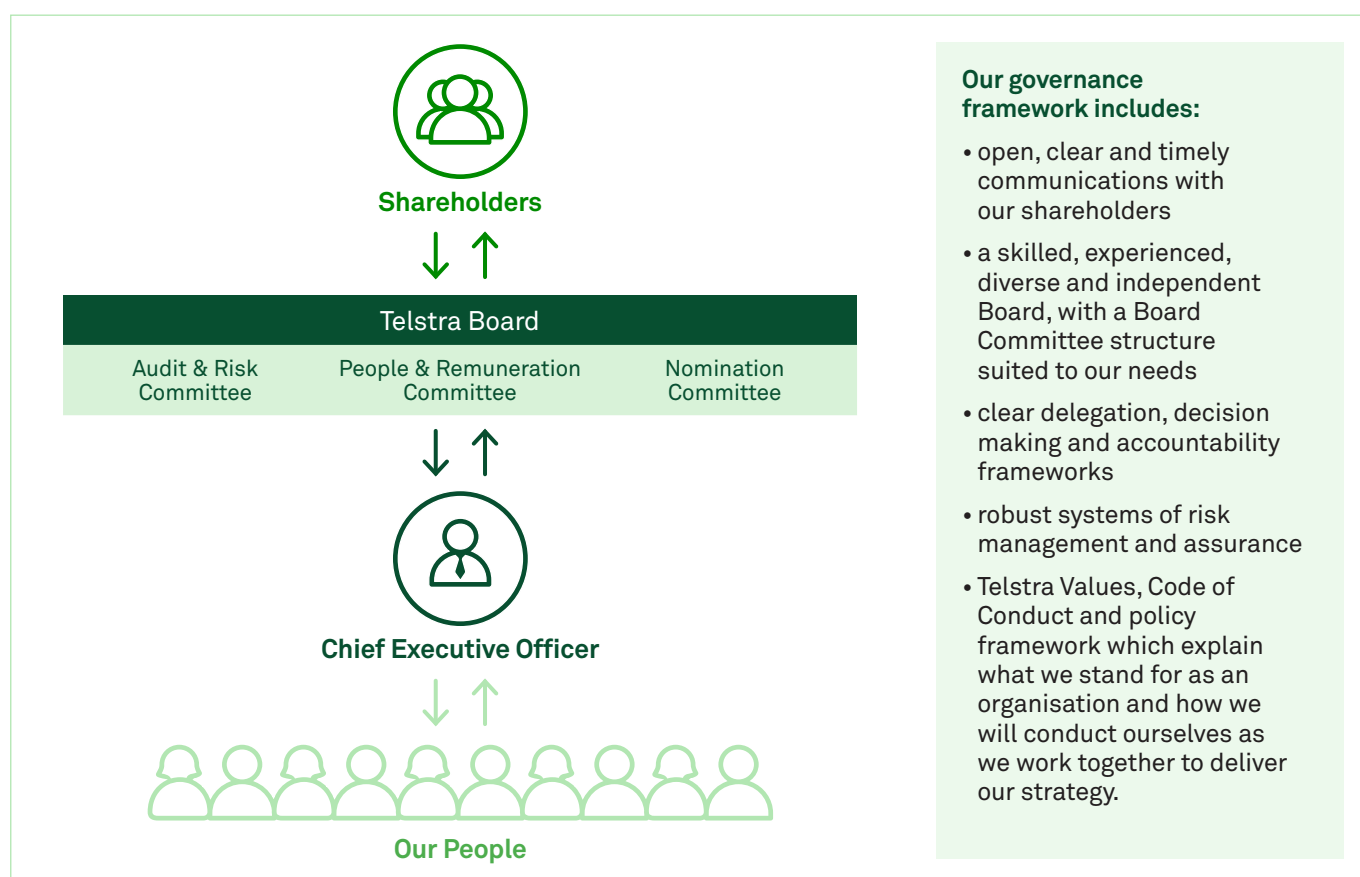
We comply with the fourth edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (ASX Recommendations), which we have early adopted this year. This is reflected in this statement, as well as our Appendix 4G.

Further information about governance at Telstra can be found in the corporate governance section of our website at telstra.com/governance (governance website).

We regularly review our governance practices in light of both current and emerging corporate governance developments of relevance to our company, to reflect market practice, expectations and regulatory changes as appropriate.

Our governance framework plays an integral role in supporting our business and helping us deliver on our strategy. It provides the structure through which our strategy and business objectives are set, our performance is monitored, and the risks we face are managed.

It includes a clear framework for decision making and accountability across our business and provides guidance on the standards of behaviour we expect of each other.





Telstra CEO Andy Penn visits a restored mobile tower in Jingellic, NSW. Source: James Wiltshire, The Border Mail.

Areas of governance focus during FY20 – a snapshot

Some of our areas of governance focus and key activities undertaken by the Board, its Committees and management during FY20 included:

Strategy and performance	Companies seldom get to choose the moments that define them. The choices they do have are how they act, and react, and the 2020 Financial Year has been a defining period for Telstra. Through the COVID-19 global pandemic, the bushfire crisis, ongoing market disruption and our transformation initiatives, we continued to execute on our T22 strategy and deliver for our customers and shareholders. Telstra ended the year with good momentum and growing confidence in our ability to deliver our strategic ambitions. As we passed the midway point of our T22 strategy to transform Telstra for the future, we had delivered, or were on track to deliver, three quarters of our T22 objectives. For all of our progress this year, the enormous disruption caused by the COVID-19 pandemic made 2020 an extraordinarily challenging year and one that highlighted the importance of connectivity in our society, and the role Telstra plays. During this challenging year, a significant focus of the Board has been continuing to monitor the implementation of our T22 strategy and our performance, including the impacts of the COVID-19 pandemic on the health, safety and wellbeing of our people, our financial performance, our customers and suppliers, and the nation more broadly. Further information about our strategy and performance during FY20, and how Telstra responded to the bushfire and COVID-19 crises, can be found in our 2020 Annual Report.
Board renewal	The Board continues to focus on ongoing renewal and putting in place the right balance of experience, expertise and fresh thinking. We have recruited some very talented telecommunications professionals in recent times, and Elana Rubin's and Bridget Loudon's appointments in February and August 2020 respectively have added to the wealth of experience we have on the Board. Ms Rubin brings more than 20 years' board experience across the financial service sector, including superannuation and funds management as well as the property, infrastructure and government sectors. She is an experienced Director who understands the challenges currently faced by large organisations, and the diversity of organisations and businesses in which she has been involved provides her with valuable and often unique insights. Ms Loudon is an entrepreneur and business leader. She understands and is a leader in how organisations transform themselves to capture the opportunities presented by developments in technology. Her passion for solving customer problems and entrepreneurial thinking is also evident and critical for Telstra in today's environment.

Risk management	The Board, including through the work of its Committees, has continued to: • oversee the embedding of risk identification, assessment and management in every aspect of our business • monitor whether the level of compliance and governance within the company is appropriate, with a particular focus on effective risk management (including risk culture and reporting) • oversee Telstra's climate change risk and our adoption of the Taskforce on Climate-related Financial Disclosures (TCFD) framework • evolve our responsible business work to progress our oversight for how we achieve the right outcomes for customers, and • oversee consequences management for poor risk behaviour and misconduct.
Our people, culture, values and responsible business	We continued to think deeply about our role and responsibilities in the community. We believe the obligations we have to our customers are not defined only by the small print of our contracts but by our organisational Purpose, Values and Code of Conduct. There is also a growing community expectation for businesses to take a stand on important social issues and a broader acceptance that companies will only be successful for their shareholders if their customers, employees and communities enjoy success too. For Telstra, during the COVID-19 pandemic, that sense of responsibility included many things that we did in the interests of our people, customers and the economy. Since the start of the COVID-19 pandemic, Telstra's primary focus was on protecting the health and safety of our employees, helping our customers and communities stay connected, and contributing to the national response. In relation to our Code of Conduct, in March 2020 we launched our revised code, which reflects the enormous amount of change we have been going through. At the heart of operating as a truly responsible business is complying with the letter and spirit of the Code. Alongside our Purpose and Values, it drives fair, balanced and ethical decision making, and explains who we are, what we do and what we believe. It informs the behaviours we all need to deliver our strategy and meet our customers' expectations. When considering how to be a responsible business, how we do things is just as important as why we do them. While we are making progress and a positive contribution in many areas, we acknowledge that we have also let down some of our customers in Indigenous communities, as discussed in our 2020 Annual Report. The lessons we have learned through this experience have informed important changes in how we do business and are helping us re-define our understanding of what responsible business looks like in the new decade.



1 | Engaging with our shareholders and investors



Telstra 2019 Annual General Meeting, Melbourne

We value and facilitate a direct, two-way dialogue with our shareholders and investors. It is important we provide relevant information as quickly and efficiently as possible to shareholders (recognising the importance of meeting our continuous disclosure and other legal obligations), and listen to and understand their perspectives and respond to their feedback.

Our AGM plays an important role in providing our shareholders with an opportunity to hear directly from the Chairman and CEO about our business, governance, financial performance and prospects. It also provides an opportunity for shareholders to ask questions of the Board, management and the auditor on the management and performance of our company.

Our 2019 AGM was held on 15 October 2019, with more than 620 shareholders and other attendees joining us in person at the venue in Melbourne.

2020 has been an extraordinary year for us all. The COVID-19 pandemic has had a profound impact on all our lives and required us to quickly adapt to new ways of doing things in order to keep ourselves safe. As a result, we recently announced some changes to the way we will host our 2020 AGM to be held on 13 October 2020. The safety of our shareholders, our people and the broader community are key considerations for our Board. Accordingly, like many other companies, our 2020 AGM will be held online (virtually) rather than at a physical location.

A virtual AGM presents us with an opportunity to try something new this year. Telstra has 1.2 million shareholders located all over Australia and overseas and all shareholders will be able to utilise technology to participate in our 2020 AGM regardless of their geographic location. Further information about our 2020 AGM is available at www.telstra.com/agm, including our virtual AGM online guide on how to use the online facility as well as answers to some frequently asked questions.

We have a number of initiatives in place to facilitate shareholder participation and engagement at our AGM. These include:

- **Encouraging pre-asked Q&A** – shareholders are encouraged to provide us with their questions ahead of the AGM. We received more than 920 questions and comments in the lead up to our 2019 AGM, which helped us further understand shareholder issues and concerns and enabled us to address areas of shareholder feedback at the AGM. We also provided responses to frequently asked shareholder questions on our website
- **Webcasting the event** – shareholders are able to view a live webcast of the AGM online. The webcast is also recorded and made available to view after the AGM
- **Conducting a poll** – our standard practice at the AGM (and any other general meeting) is for all resolutions to be decided by a poll rather than by a show of hands, in the interests of representing the views of as many shareholders as possible.

Recognising the large and geographically diverse nature of our shareholder base, we held a virtual retail shareholder meeting on 3 September 2019 ahead of our 2019 AGM. Shareholders were able to view the live webcast of the meeting with Andrew Penn – our CEO and Vicki Brady – our CFO, and were able to ask questions before and during the event.

Ahead of our 2020 AGM, we are holding a similar virtual retail shareholder meeting on 15 September 2020. Please visit www.telstra.com/shareholdermeeting for further information about this event.

We also have an investor relations program that aims to provide investors and other financial market participants with a greater understanding of Telstra and our business, and facilitates effective two-way communication with them. During FY20 our program included:

- **2019 Investor Day** – In November 2019 we held an investor day. The presentations included updates on the key market dynamics in the Enterprise and Consumer & Small Business segments, and the transformation of those businesses under T22; a deep dive into 5G; an update on the progress being made in setting up Telstra InfraCo (including fine tuning the scope of assets and internal arrangements

between Telstra InfraCo and Telstra Retail); and an update from the CFO. The briefing was webcast and a transcript of the event was lodged with the ASX following the event

- **Virtual retail shareholder meeting** – this was webcast live and presented by our CEO and CFO a few weeks after our Full Year financial results briefing. Retail shareholders were provided with the opportunity to submit questions prior to and during the meeting, with the CEO and CFO addressing the major themes raised by shareholders
- **Roadshows and conferences** – domestic and international investor roadshows and conferences to formally meet with institutional investors to discuss Telstra's strategy and performance
- **Environmental, Social and Governance (ESG) survey** – we distributed an ESG survey to institutional investors to provide their perspectives on Telstra's sustainability impacts and the adequacy of our ESG disclosures, and hosted a subsequent sustainability roundtable to discuss ESG matters
- **Other interactions** – scheduled ad hoc interactions with institutional investors, retail brokers, sell side analysts and proxy advisers.

Some of our other initiatives to promote effective communication with shareholders and investors during FY20 included:

- **Electronic communications** – we continued to encourage shareholders to provide us with their email addresses so we could communicate with them electronically. Shareholders can also contact us (and our share registry) electronically.
- **Webcasting other important company events** – in addition to our AGM, we also webcast important events such as our Half Year and Full Year financial results briefings and other investor events discussing the performance and strategy of our business. For some of our major events and briefings, in addition to lodging the presentation materials with the ASX, we also make transcripts of those events available on the ASX and our website.



2 | The Board of Directors



John P Mullen



Andrew R Penn



Eelco Blok



Roy H Chestnutt



Craig W Dunn



Peter R Hearl



Bridget Loudon



Elana Rubin



Nora L Scheinkestel



Margaret L Seale



Niek Jan van Damme

2.1 The responsibilities of the Board

The Board is responsible for managing Telstra's business, and is accountable to shareholders in performing that role. In addition to the matters the Board is required by law to approve, the key responsibilities of the Board include:

Strategy and corporate plan	• approving our strategy and monitoring its implementation • approving our corporate plan and monitoring our performance against it
Financial reporting and capital management	• overseeing our financial position and approving our full year and half year financial reports • overseeing our external audit activities • approving decisions about our capital management, including share buy-backs and dividends • approving significant expenditure and acquisition and divestment transactions
Risk management and controls	• reviewing the risks relevant to Telstra that have the potential to have a material impact on Telstra's business, setting the risk appetite within which the Board expects management to operate in respect of those risks, and overseeing the risk management framework implemented by management to identify and manage those risks • monitoring our internal audit activities and internal control and reporting systems
CEO and senior management	• appointing the CEO, assessing his performance and determining his remuneration • approving the appointment and remuneration of senior management and overseeing their performance, as well as approving our overall remuneration framework
Culture, conduct, governance and compliance	• monitoring and influencing our culture, reputation, ethical standards and legal compliance, and overseeing our corporate governance framework (including approving the Telstra Group Code of Conduct, which includes our Telstra Values) • overseeing that Telstra's overall remuneration framework, and the remuneration arrangements and outcomes for the CEO and senior management, encourage employees to pursue Telstra's strategy and success without rewarding conduct that is contrary to Telstra's Values or risk appetite • overseeing and monitoring the effectiveness of our sustainability strategy • monitoring Telstra's health, safety and environmental (including climate change) performance • overseeing shareholder reporting and communications and the process for complying with our continuous disclosure obligations • setting our diversity objectives

The Board has adopted a Board Charter that details its role and responsibilities (which can be found on our governance website).

Delegation to management

The Board has delegated to the CEO responsibility for day-to-day management of Telstra. A formal delegations structure is in place which sets out the powers delegated to the CEO and those specifically retained by the Board. The Board reviews these delegations annually. The matters that have not been delegated to management include matters that relate to:

- significant expenditure and acquisition and divestment transactions in excess of limits delegated to the CEO by the Board
- material variations to strategy and/or the annual corporate plan
- capital management initiatives including the payment of dividends, share issues and buy-backs and returns of capital
- related party transactions that require shareholder approval
- transactions between a Telstra Group entity and any Director of Telstra Corporation Limited (or an entity controlled by a Director), unless the transaction is trivial or domestic in nature
- National Broadband Network transaction related matters expressly reserved for the Board
- matters requiring approval by the Board or one of its Committees under the terms of their respective Charters, and
- transactions imposing personal obligations on Directors.

The delegations from the Board to the CEO are complemented by a formal structure setting out the delegations from the CEO to our people, which are also reviewed from time to time. Any material changes to those delegations are notified to the Board or Audit & Risk Committee.

Responsibilities of the CEO

The CEO is responsible to the Board for, among other things:

- developing and implementing our strategy and managing the organisation in accordance with our strategy and corporate plan
- the day to day management and performance of Telstra (including instilling and reinforcing Telstra's Values and Code of Conduct), and
- together with senior management, making recommendations to the Board regarding an appropriate risk appetite within which Telstra should operate, making recommendations on any changes to the risk appetite set by the Board and notifying the Board (or relevant Committee) if Telstra is operating outside of its risk appetite.



Telstra team member Khang Ngo welcomes a customer to our COVID-Safe Sydney Icon store

The CEO is accountable to the Board for the exercise of the delegated authority, and reports to the Board on the exercise of the delegated authority through the provision of reports, briefings and presentations on a regular basis throughout the year.

The CEO, together with senior management, must provide the Board with accurate, timely and clear information on Telstra's operations (including risks, incidents and issues) to enable the Board to perform its responsibilities, and are responsible for ensuring that an appropriate framework exists for relevant information to be reported by management to the Board.

This is not just limited to information about Telstra's financial performance, but also its compliance with material legal and regulatory requirements and any conduct that is materially inconsistent with the Telstra Values or Code of Conduct.

Management is responsible for the preparation, presentation and integrity of information provided to the Board (and its Committees).

2.2 Our Chairman

Our Chairman must be an independent Director appointed by the Board and the role of Chairman and CEO cannot be fulfilled by the same person. Our Chairman, John Mullen, is an independent non-executive Director. He has been a Director of Telstra since July 2008 and was appointed Chairman in April 2016.

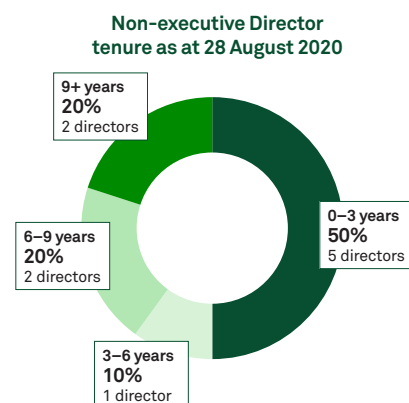
The Chairman's overarching responsibilities are to provide appropriate leadership to the Board and Telstra and to ensure the Board fulfils its obligations under its Charter. The Chairman's responsibilities are set out in more detail in the Board Charter.

2.3 Board composition, tenure, renewal and Director appointment

The Board actively seeks to ensure it has an appropriate mix of diversity, skills, experience and expertise to enable it to discharge its responsibilities effectively and to be well equipped to help our company navigate the range of opportunities and challenges we face.

As at the date of this statement, the Board comprises 11 Directors (ten non-executive Directors and the CEO): Chairman John Mullen, CEO and Managing Director Andrew Penn and non-executive Directors Eelco Blok, Roy H Chestnutt, Craig Dunn, Peter Hearl, Bridget Loudon, Elana Rubin, Nora Scheinkestel, Margaret Seale and Niek Jan van Damme.

Details of the Directors, including their qualifications and experience, together with details of their length of service, can be found in the Board of Directors section of our 2020 Annual Report and at www.telstra.com.au/aboutus/our-company/present/the-board.



During FY20 there was one new non-executive Director appointment, with Elana Rubin joining the Board in February 2020.

We have continued to reshape our Board to put in place the right balance of experience, expertise and fresh thinking. We have recruited some very talented telecommunications professionals in recent times, and the appointments of Elana Rubin and Bridget Loudon in February and August 2020 respectively have added to the wealth of experience we have on the Board.

Ms Rubin is an experienced Director who understands the challenges currently faced by large organisations, and the diversity of organisations and businesses in which she has been involved provides her with valuable and unique insights.

She has more than 20 years' Board experience across the financial service sector, including superannuation and funds management, as well as the property, infrastructure and government sectors. Her executive career spanned industrial relations, social and economic policy and superannuation.

On 11 August 2020, we announced that Bridget Loudon would be joining the Board as a non-executive Director with effect from 14 August 2020. Ms Loudon, an entrepreneur and business leader, understands and is a leader in how organisations transform themselves to capture the opportunities presented by developments in technology. Her passion for solving customer problems and entrepreneurial thinking is also evident and critical for Telstra in today's environment.

In 2013, at age 25, Ms Loudon founded Expert360. Today, Expert360 is Australia's number one skilled talent platform, using sophisticated vetting and matching technology to connect more than 1,000 companies with more than 30,000 elite consultants, project managers, data analysts and developers. She has won numerous accolades such as Forbes 30 Under 30, Women's Agenda Emerging Entrepreneur of the Year, AFR Top 100 Women of Influence in Australia and FutureMakers list of Australia's top 25 Emerging Entrepreneurs under 25.

Board composition

Matters relating to Board (and Board Committee) composition are considered by the Board and Nomination Committee in accordance with the framework set out in the Nomination Committee Charter and through processes implemented by the Board.

To assist in identifying areas of focus and maintaining an appropriate and diverse mix in its membership, the Board utilises a skills matrix which it reviews during the year.

The matrix sets out the skills the Board currently has and is looking to achieve in its membership. Our Board skills matrix focusses on three broad categories of skills and experience, as well as personal skills, which the Board considers particularly relevant in ensuring the Board has the appropriate mix to discharge its obligations effectively and to add value in the current environment and Telstra in a T22 world and beyond.

Category	Includes skills and experience in areas such as:
Telecommunications and technology	Telecommunications – extensive experience in the telecommunications industry (including global experience) Technology, innovation and digital – experience in organisations with a focus on technology and innovation, experience in areas such as digital commerce, commercialisation of digital products and services, and ways of working Products and services – experience in organisations providing products and services to large retail customer bases
Large ASX or other listed company experience at a CEO or senior management level	Senior executive and Board experience – experience in CEO or senior executive position and other non-executive director experience Financial – high level of financial acumen, qualifications or experience in accounting, financial reporting and financial controls Capital markets and investor relations – knowledge of corporate financing, treasury, equity and debt markets and retail and institutional investors People – experience in remuneration, workplace culture, people management and succession planning
Governance, stakeholders, reputation and conduct	Reputation and standing – experience with managing reputation, standing in the community and relationships with key stakeholders (including industry, government and regulators) Governance – sound knowledge of governance and sustainability issues, including the legal, compliance and regulatory environment applicable to large ASX listed entities and highly regulated companies Risk management – understanding of risk management frameworks and controls, and the identification, assessment and management of risk across large organisations Rural, regional and remote – understanding of the communication needs of regional, rural or remote areas of Australia

Personal attributes				
Integrity and high ethical standards	Curiosity, creativity and courage	Critical thinking	Good business acumen and sound judgment	Strong interpersonal skills (good listener, tactful but able to communicate views candidly)

The matrix is utilised by the Board to review whether there is strong developed capability represented on the Board for each of the three categories. Directors will often possess a range of skills and experience to various degrees across a number of general and specific areas. The matrix intentionally does not seek to capture this on a grading scale, or to reflect every skill which may be relevant to being a Director on the Telstra Board. The skills matrix is an important tool, but does not set out the only criteria applying to the Board's composition, Director appointment and succession planning considerations.

Each of the three categories set out in the matrix is currently well represented on the Board, with multiple Directors identified as possessing strong developed capability for each category. In addition, the Board benefits from the combination of Directors' individual skills and experience in particular areas, as well as the varying perspectives and insights that arise from the interaction of Directors with diverse backgrounds. The Board also continues to seek ways to augment the skills and experience represented on the Board to best equip the Board to fulfil its role effectively.

The personal skills reflected in the matrix are also important factors in the Board's ability to work constructively and effectively together and with senior management. The Board considers these aspects as part of its Board composition, and Director appointment and performance deliberations throughout the year.

In respect of diversity, at Telstra diversity means difference, in all its forms, both visible and not visible, and includes differences that relate to gender, age, cultural background, disability, religion and sexual orientation, as well as differences in background and life experience, and interpersonal and problem solving skills.

Consistent with this, the Board considers diversity through a number of lenses – both gender and beyond – to provide fresh thinking and different perspectives on the Board (whether through age, experience or otherwise). In appointing new Directors, the Board is very conscious of putting in place the right balance of skills, knowledge, experience and diversity on the Board to enable it to discharge its responsibilities effectively and add value.

For FY20, the Board's diversity objective was that there will be at least four women on the Board, representing a female gender representation among non-executive Directors of at least 40 per cent, recognising that the level of gender diversity of the Board may be temporarily affected during periods of Board renewal. The Board has maintained this objective for FY21.

As noted earlier, the Board has been undergoing a process of renewal which has impacted the level of female representation on the Board in recent times. As at 30 June 2020, there were three female Directors on the Board, equating to 33.3% female representation among non-executive Directors (or 30 per cent of the overall Board).

Following Bridget Loudon joining the Board from 14 August 2020, as at the date of this statement there are four female Directors on the Board, equating to 40% non-executive Director female representation (or 36.3 per cent of the overall Board).

Board tenure and renewal

In recognition of the importance of Board renewal and succession planning, the Board has adopted the following principles in relation to Board and Board Committee tenure:

- **Director Positions** – where a non-executive Director is approaching the end of his/her third three-year term, a more formal review of his/her continuing directorship should take place, taking into account broader Board renewal and Board composition considerations and the requirements of the Telstra Corporation Act
- **Board Committee Chair Positions** – the maximum term for a non-executive Director to hold the position of Chairman of a Board Committee is generally five years, and
- **Board Committee Membership** – Committee membership should rotate every three to five years, subject to considerations of Committee succession planning and the overall composition/skills/experience of the Committee.

The Board also considers the length of service of each non-executive Director as part of its assessment of Director independence.

During FY20, the Nomination Committee considered the tenure of John Mullen – Chairman who was appointed Chairman in April 2016, has been a non-executive Director of Telstra since July 2008, and is standing for re-election at our 2020 AGM.

As stated in our 2020 AGM Notice of Meeting, the Board has recommended Mr Mullen's re-election. In making this recommendation, the Board took into account factors including Mr Mullen's performance, the skills, experience and leadership he provides to the Board and Telstra as we continue to execute on our T22 strategy, the length of time he has served as Chairman (and as a Director) and the importance of continuity on the Board, in particular in light of the changes on the Board in recent times and the current COVID-19 environment. The Board believes that Mr Mullen continues to bring

invaluable leadership, experience and expertise to the Board as Chairman and an independent non-executive Director.

Director appointment, election and re-election

Our process for the selection, nomination and appointment of Directors involves a formal selection process undertaken by the Board, and an executive search firm is often engaged to assist in the process. As part of this process, the Board establishes criteria about the general qualifications and experience, as well as the specific qualifications, skills and expertise, that a candidate should possess. We undertake appropriate checks on any potential candidates before a person is appointed by the Board or put forward to shareholders as a candidate for election as a Director.

In respect of the two new non-executive Directors appointed to the Board since 1 July 2019, Ms Rubin was identified as a desirable and qualified candidate by the Board and an executive search firm was engaged to assist in Ms Loudon's appointment process. We undertook appropriate checks before they were appointed by the Board.

We provide formal letters of appointment to all new Directors (as well as senior management) in their personal capacity setting out the terms and conditions of their appointment. Director letters of appointment include a requirement for Directors to inform the Chairman if they accept any new non-executive director or executive appointments. In particular, Directors are required to consult with the Chairman before accepting any additional commitments which might conflict with, or impact on the time they are able to devote to, their role as a Telstra non-executive Director. Appropriate commitment of time to the affairs of Telstra is also one of the issues addressed in Directors' performance reviews.

In accordance with the ASX Listing Rules, we hold an election of Directors at our AGM each year. Directors stand for election or re-election in accordance with the process set out in our Constitution. No non-executive Director may hold office for more than three years, or beyond the third AGM following their appointment, whichever is the later, without re-election. Any new non-executive Director appointed by the Board during the year is required to stand for election at the next AGM.

If no Director would otherwise be required by our Constitution to submit for election or re-election then, in accordance with the procedure specified in our Constitution, any non-executive Director who wishes to retire and offer himself or herself for re-election may stand, otherwise the non-executive Director who has been longest in office since their last election or appointment is required to retire and

stand for re-election. As the tenure of the CEO as a Director is linked to his or her executive office, the CEO is not required to stand for re-election through this process.

Following their appointments in February and August 2020 respectively, Elana Rubin and Bridget Loudon will be standing for election at our 2020 AGM in October. John Mullen and Peter Hearl are also due to stand for re-election this year.

A recommendation to re-elect a non-executive Director at the end of their term is not automatic. Before each AGM, the Board determines if it will recommend that shareholders vote in favour of the re-election of the non-executive Directors standing for re-election. This decision is made by the Board, having regard to the needs of the company, the outcome of the annual Board performance review and any other matters it considers relevant.

We provide shareholders with all material information in our possession that is relevant to a decision on whether to elect or re-elect a Director in our AGM Notice of Meeting.

2.4 Director independence

The Board recognises the important contribution that independent Directors make to good corporate governance. All Directors, whether independent or not, are required to act in the best interests of Telstra and to exercise unfettered and independent judgement.

The Board intends that the CEO is the only executive Director and that all non-executive Directors are also independent Directors.

The Board assesses, at least annually, the independence of each non-executive Director. We consider that an independent Director is a non-executive Director who is free of any interest, position or relationship that might influence, or could reasonably be perceived to influence, in a material respect, their capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of Telstra, rather than in the interests of an individual security holder or other party.

When assessing the independent status of a Director, the Board considers the relationships potentially affecting the independent status of a director as described in Box 2.3 of the ASX Recommendations. Materiality is assessed on a case-by-case basis from the perspective of both Telstra and the relevant Director, and consideration is given to both qualitative and quantitative factors.

The Board may determine that a Director is independent notwithstanding the existence of a relationship of the kind referred to above. However, the Board will state the reasons for making its determination in such a case.

If at any time during the year a Director ceases or may have ceased to be independent, they are required to advise the Chairman immediately. Where the Board determines that a Director is no longer independent, Telstra will make an announcement to the market.

With the exception of the CEO, all of our Directors are non-executive Directors and have been determined by the Board to be independent. As part of its independence assessment, the Board considered the length of service of each non-executive Director on the Board and concluded that no Director had been a Director of Telstra for such a period that their independence may have been compromised. In respect of John Mullen – Chairman and Nora Scheinkestel, who have both been on the Board for more than nine years, the Board believes they continue to retain their independence of character and judgement notwithstanding their period of service on the Board.

2.5 Review of Board and Director performance and performance of the CEO and senior management

The Board reviews its performance annually, as well as the performance of each Committee and individual Directors (including the performance of the Chairman as Chairman of the Board). These performance reviews are conducted both internally and, on a periodic basis, externally with the assistance of a facilitator.

The Board had originally intended that the 2020 performance review would be conducted with the assistance of an external facilitator, commencing in the first half of 2020. Given the complexities and challenges created by the COVID-19 environment, the external Board review was deferred and instead the performance review was undertaken internally. The process comprised a number of elements, including:

- surveys to Directors and senior management
- the Chairman meeting with individual Directors to discuss Director, Committee and Board performance
- the Audit & Risk Committee Chair meeting with individual Directors to discuss the Chairman's performance, and meeting with the Chairman in respect of the review of the Chairman's performance, and

- a structured discussion among the Directors on Board and Committee performance.

The review included consideration of a number of matters, including governance, Board processes, Board culture and the Board's relationship with management. The overall assessment was that the Board continued to perform well in a challenging environment.

In addition, the Board has undertaken an assessment of its performance against the requirements of its Charter in respect of FY20, and self-assessment reviews were similarly undertaken by each standing Board Committee and provided to the Board.

The Board has considered the performance of the Directors standing for election or re-election at the 2020 AGM when determining the Board's recommendation to shareholders regarding the election or re-election of those Directors.

The Board reviews the CEO's performance annually against agreed measures and other relevant factors. The CEO undertakes a similar exercise in relation to senior management. The outcomes of the CEO's annual review of senior management performance and remuneration are subject to Board review and approval. Reviews of the performance of the CEO and senior management were undertaken at the end of FY20.

Information about our remuneration framework and policies, and details of the remuneration outcomes for FY20 for the CEO and senior management who were Key Management Personnel, can be found in our 2020 Remuneration Report (which forms part of the Directors' Report in our 2020 Annual Report).

2.6 Board operating rhythm

The Board has an established Board cycle, which provides a high-level overview of items to be considered over a 12-month period. Its purpose is to link the Board program with strategic and operational priorities and to ensure the Board devotes appropriate time to consideration of the various dimensions of our business across the cycle.

The items covered across the cycle include matters ranging from implementation of our strategy, performance against our corporate plan, the status of the risks relevant to Telstra that have the potential to have a material impact on our business and matters requiring Board approval, to matters relating to our people, culture and governance framework.

The Board cycle is reviewed on an ongoing basis to ensure it reflects the current needs of the Board and the business.

Some of the activities and areas of focus of the Board during FY20 included:

- Board renewal and continuing to reshape the Board, putting in place the right balance of experience, expertise and fresh thinking
- continuing to monitor the implementation of our T22 strategy, as well as monitoring the impacts of the COVID-19 pandemic on the health, safety and wellbeing of our people, our financial performance, our customers and suppliers and the nation more broadly
- Telstra's response to the 2019/20 disaster season, particularly the bushfires across southern and eastern Australia in late December 2019 and early January 2020, including employee health and safety, disruption to services, damage to network infrastructure and customer relief packages
- overseeing Telstra's responsible business activities (including the ACCC investigation into Telstra's sales, complaint handling and debt collection practices discussed in our 2020 Annual Report) and how Telstra strives to achieve the right outcomes for customers
- continuing to monitor whether the level of compliance and governance within the company was appropriate, with a particular focus on effective risk management (including risk culture and reporting) and providing deeper input with regard to risk appetite
- Telstra's new climate ambitions and goals, including our commitments announced in March 2020 to becoming carbon neutral in 2020, enabling renewable energy generation equivalent to 100 per cent of our consumption by 2025, and reducing our absolute emissions by 50 per cent by 2030.

2.7 Director induction, training and continuing education

All new Directors participate in an induction process coordinated by the Company Secretary, which assists in providing a smooth transition for new Board members. The induction process for our non-executive Directors includes briefings from senior executives on our structure, our strategy, business operations and the sectors and environments in which we operate, our material risks and our people, as well as site visits.

We also have in place a continuing education program for Directors, and we provide other appropriate professional development opportunities for Directors to develop and maintain the skills and knowledge needed to perform their role as Directors effectively.

During the year, our program included education sessions on Telstra's new ways of working (including the impact of the operating model on Telstra's transformation) and cyber security, as well as a site visit to one of Telstra's exchanges. It also incorporated attendance by some Directors at a relevant industry conference. Some of the activities planned for the second half of FY20 were unable to occur due to the impact of the COVID-19 pandemic.

2.8 Board access to management and independent professional advice

Directors have complete access to our senior management team through the Chairman, CEO or Company Secretary at any time. In addition to regular presentations by senior management at Board meetings, Directors may seek briefings from senior management on specific matters.

The Board has the authority to conduct or direct any investigation required to fulfil its responsibilities and has the ability to retain, at Telstra's expense, such legal, accounting or other advisers, consultants or experts as it considers necessary from time to time in the performance of its duties. All Board Committees also have access to independent professional advice on this basis. In certain circumstances, each Director has the right to seek independent professional advice at Telstra's expense within specified limits.

2.9 Conflicts of interests

In accordance with the requirements of the Corporations Act and our Constitution, Directors must declare any conflict of interest they may have, and must follow the procedures set out in our Directors' Interests Policy including, in certain circumstances, abstaining from participating in any discussion or voting on matters in which they have a material personal interest.

2.10 Company Secretary

The Company Secretary is appointed by the Board. She reports directly to the Board through the Chairman, and all Directors have access to the Company Secretary. The Company Secretary's role in respect of matters relating to the proper functioning of the Board includes advising the Board and its Committees on governance matters, monitoring that Board and Committee policies and procedures are followed, coordinating all Board business and providing a point of reference for dealings between the Board and management.

3 | Board Committees

The Board has three standing Committees. Together they play a significant role by focusing in more detail on specific areas of our operations and governance framework, which assists in strengthening the Board's oversight of Telstra.

As at the date of this statement (and for all of FY20), the following three standing Committees assist the Board in carrying out its responsibilities:

- Audit & Risk Committee
- People & Remuneration Committee (formerly known as the Remuneration Committee prior to February 2020), and
- Nomination Committee.

This section provides an overview of each standing Committee's role and responsibilities, focus areas during FY20, composition and membership as at 30 June 2020. Each Committee reports to the Board and makes recommendations to the Board for its consideration, as appropriate.



	Audit & Risk Committee	People & Remuneration Committee	Nomination Committee
Roles and Responsibilities	The Audit & Risk Committee (A&RC): - assists the Board with matters relating to financial reporting, risk management, compliance (including health, safety and environmental performance), external audit, internal control, internal audit, corporate governance and matters that may significantly impact the financial condition or affairs of the business - oversees Telstra's compliance with its Structural Separation Undertaking and the activities of the Director of Equivalence - provides a forum for communication between the Board, management and both the internal and external auditors - provides a conduit to the Board for external advice on audit, risk management and compliance matters. The A&RC has primary oversight of management in its performance of certain functions and responsibilities as set out in the A&RC Charter, including: - the preparation, presentation and integrity of Telstra's financial statements - maintaining appropriate accounting and financial reporting principles and policies, risk management processes, and internal controls and procedures designed to ensure compliance with accounting standards and applicable laws and regulations, and - managing risks relevant to Telstra (including the design and implementation of an appropriate and effective risk management framework) and ensuring there is an appropriate risk culture within the organisation	The People & Remuneration Committee (P&RC) assists the Board with matters relating to: - remuneration of the Board, CEO and Company Secretary - performance and remuneration of senior management - remuneration strategies, practices and disclosures generally (including non-routine remuneration arrangements) - employee equity plans and cash incentive plans - people, culture and conduct - management succession, capability and talent development - diversity (excluding Board diversity). The P&RC has primary oversight of management in its performance of certain functions and responsibilities as set out in the P&RC Charter, including: - the implementation of Telstra's remuneration framework, strategies, policies and plans as approved by the P&RC and/or Board, and - developing initiatives to instil and reinforce Telstra's Values and compliance with Telstra's Code of Conduct, and implementing an appropriate framework for relevant information to be reported to the P&RC or the Board regarding culture and any conduct that is materially inconsistent with the Telstra Values or Code of Conduct.	The Nomination Committee assists the Board with matters relating to: - composition and performance of the Board, including Board diversity - Director independence - appointment of the CEO and succession planning for this role - CEO and Company Secretary performance - outside directorship requests from executives in relation to publicly listed companies or managers of listed managed investment schemes.
Activities/ areas of focus during FY20	- Reviewing selected risks, as well as reports from management on emerging and escalating sources of risk and the risk management plans management has put in place to deal with those risks - Continuing to oversee the design, implementation and effectiveness of Telstra's risk management framework (including risk culture) and the embedding of risk identification, assessment and management in every aspect of our business - Continuing to monitor whether the level of compliance and governance within the company was appropriate, with a particular focus on effective risk management (including risk culture and reporting) - Closely monitoring regulatory programs of work - Continuing to evolve our responsible business work to progress our oversight for how we achieve the right outcomes for customers - Overseeing the process for the management of matters raised by whistleblowers and reviewing significant matters raised through the process.	- Reviewing selected people related risks, the risk management plans that management has put in place to deal with those risks and monitoring whether Telstra is operating within its risk appetite in respect of those risks - Overseeing the culture within Telstra and the effectiveness of management's initiatives to instil and reinforce Telstra's Values and compliance with Telstra's Code of Conduct - Reviewing and making recommendations on the design and outcomes under Telstra's FY20 Executive Variable Remuneration Plan (EVP) and short term incentive plans - Monitoring that Telstra's overall remuneration framework, and the remuneration arrangements and outcomes for the CEO and Senior Management, encourage employees to pursue Telstra's strategy and success without rewarding conduct that is contrary to Telstra's Values or risk appetite. Further information about the P&RC, and remuneration at Telstra, can be found in our 2020 Remuneration Report (which forms part of the Directors' Report in our 2020 Annual Report).	Board renewal (including consideration of a diverse range of potential Board candidates) and the appointment of 2 new non-executive Directors since 1 July 2019.

	Audit & Risk Committee	People & Remuneration Committee	Nomination Committee
Composition	Composition requirements include: - there must be at least three independent non-executive Directors on the A&RC - the members must, between them, have sufficient accounting and financial knowledge to allow them to discharge their duties and actively challenge information presented by management, and internal and external auditors - the Chairman must be an independent Director who is not Chairman of the Board. Our A&RC structure complies with the ASX Listing Rules and the ASX Recommendations.	Composition requirements include: - there must be at least three independent non-executive Directors on the P&RC - each member is expected to be familiar with the legal and regulatory disclosure requirements in relation to remuneration and have adequate knowledge of remuneration practices and issues (including executive retention and termination policies, and short term and long term incentive arrangements) and matters relevant to workplace culture and people management. Our P&RC structure complies with the ASX Listing Rules and the ASX Recommendations.	Composition requirements include there must be at least three independent non-executive Directors on the Nomination Committee, including the Chairman of the Board. Our Nomination Committee structure complies with the ASX Recommendations.
Membership as at 30 June 2020	Craig Dunn – Chairman Roy Chestnutt Margie Seale Nora Scheinkestel	Peter Hearl – Chairman Niek Jan van Damme Elana Rubin Nora Scheinkestel	John Mullen – Chairman All other non-executive Directors*
Consultation	- Other members of the Board may attend A&RC meetings and the A&RC may invite management, the external auditor and others to attend meetings as it considers necessary or appropriate. - The A&RC meets with the internal auditor and the external auditor in the absence of management.	- Other members of the Board may attend P&RC meetings. The P&RC may also invite other people, including any Telstra employees, to attend all or part of its meetings provided that the person is not present for consideration of any item in which they have a material personal interest. This ensures that no senior executive is directly involved in deciding their own remuneration. - The P&RC may obtain external advice from independent remuneration consultants in determining Telstra's remuneration practices where considered appropriate.	The Nomination Committee can also invite other people, including any Telstra employees, to attend all or part of its meetings provided that the person is not present for consideration of any item in which they have a material personal interest.

* Our practice had been to schedule Nomination Committee meetings to coincide with Board meetings, to enable all non-executive Directors to attend. From October 2018, all non-executive Directors became formal members of the Nomination Committee.

Each Committee operates in accordance with a written Charter approved by the Board, which can be found on our governance website. The role, Charter, performance and membership of each Committee are reviewed each year.

Only independent, non-executive Directors can serve on our three standing Board Committees. The Board appoints the members and the Chairman of each Committee.

A verbal report is provided by the Committee Chairman at the next Board meeting. In addition, for each half year and full year, the Chairman of the Audit & Risk Committee reports to the People & Remuneration Committee providing an

overview of the key issues considered by the Audit & Risk Committee that are likely to be relevant to assessing the performance and remuneration outcomes for the CEO and Senior Management by the People & Remuneration Committee. Information and papers considered by a Committee are also provided to other Committees and the Board as relevant.

Details of the number of meetings held by the Board and its standing Committees during FY20, and attendance by Directors, can be found in our 2020 Directors' Report included in our 2020 Annual Report. Information on the relevant qualifications and experience of Committee members can be found in the Board of Directors section of our 2020 Annual Report.

From time to time the Board also establishes ad hoc committees to support the Board in carrying out its responsibilities. The Board established a special purpose Board committee to oversee a review into Telstra's sales, complaint handling and debt collection practices (including the matters being investigated by the ACCC referred to in note 7.3.1 to the financial statements in our 2020 Annual Report). The members of the Committee were John Mullen (Chairman), Craig Dunn (Audit & Risk Committee Chairman) and Peter Hearl (People & Remuneration Committee Chairman).

4 | Assurance and risk management



4.1 External auditor

Our external auditor is Ernst & Young (EY) and our lead EY partner is Mr Andrew Price.

Our EY lead auditor attends our AGM and is available to answer shareholder questions about the conduct of our audit and the preparation and content of the auditor's report.

The Audit & Risk Committee oversees our relationship with EY, including:

- reviewing and assessing the performance, independence and objectivity of EY
- monitoring management's adherence to our policy on audit and non-audit services provided by EY
- reviewing and agreeing on the terms of engagement and fees for EY, and
- reviewing EY's proposed annual audit scope and audit approach, including materiality levels.

During FY20, the Audit & Risk Committee was provided with regular formal, written reports detailing the nature and amount of any non-audit services rendered by EY and an explanation of how the provision of those non-audit services was compatible with auditor independence. Details of amounts paid or payable to EY for non-audit services provided during the year are disclosed in Note 7.2 to our Financial Statements in our 2020 Financial Report (included in our 2020 Annual Report).

4.2 Internal audit

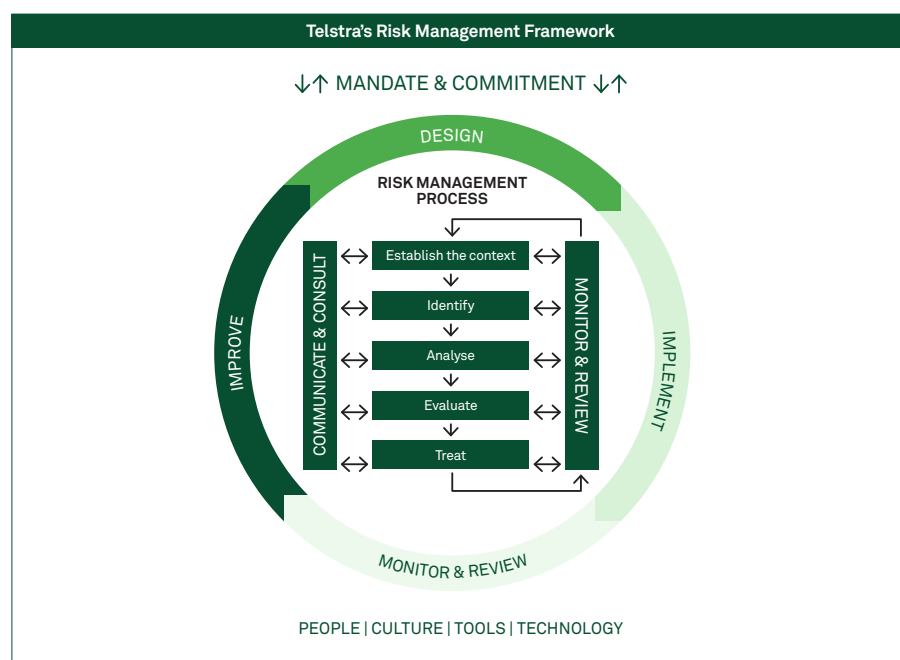
Our internal audit activities are undertaken by Group Internal Audit, Telstra's dedicated internal audit function. The role of Group Internal Audit is to provide the Board and management with independent and objective assurance on the effectiveness of our governance, risk management and internal control processes. To maintain the necessary independence it needs to carry out its role, Group Internal Audit has no direct operational responsibility or authority over any of our business or risk management activities.

Functional responsibility for Group Internal Audit resides with the Group Internal Audit Executive, whose appointment is approved by the Board. The Group Internal Audit Executive reports to the Audit & Risk Committee and the CFO. Group Internal Audit has full and unrestricted access to all of our information systems, records, physical properties and employees in order to carry out its activities. The work of Group Internal Audit is guided by The International Professional Practices Framework provided by the Institute of Internal Auditors. The Audit & Risk Committee monitors Group Internal Audit's activities and performance, including its independence.

4.3 Managing our risks

Understanding and managing our risks is part of how we work. It helps us meet our strategy and business objectives and our legal and regulatory obligations, and enables us to make informed business decisions and act ethically in the best interests of the Telstra Group and our shareholders.

We have a risk management framework in place that provides the foundations and organisational arrangements for how we manage risks across the Group. The framework aligns with ISO 31000:2018, the International Standard for risk management, and consists of a set of components for designing, implementing, monitoring, reviewing and continually improving risk management at Telstra. The objective of our risk management framework is to ensure risk management is embedded within our governance, strategic decision-making, business activities, operations and culture.



Our risk management framework is underpinned by our 'three lines of defence' accountability model, which comprises the following:

- **First Line** – business stakeholders and operational management who are responsible for identifying, assessing and managing their risks
- **Second Line** – The Chief Risk Office who work together with risk management teams in each business area, and other second line oversight functions (e.g. Health, Safety, Wellbeing and Environment, Cyber Security, Supplier Governance, and Group Compliance), which are responsible for our risk and compliance frameworks, oversight and monitoring, and
- **Third Line** – our Group Internal Audit function, which is responsible for providing independent assurance on governance, risk management and internal control processes.

One of the core components of our framework is the risk management process which provides a set of co-ordinated activities to identify, assess and take actions to manage the many risks that can affect success. This process is aligned to the risk appetite statements and indicators for our key risks. The risk management process ensures consideration of all types of risks from internal and external sources, including strategic, operational, financial and regulatory, as well as conduct, economic, environmental and social sustainability risks.

A summary of the material risks that could affect Telstra (including any material exposure to economic as well as environmental and social risks), and how we seek to manage them is provided in the

Our material risks section of our 2020 Annual Report. We maintain ongoing processes for identifying emerging and escalating sources of risk to our business, this includes undertaking risk assessments on products and services from design through to market launch; industry and market trend analysis; risk workshops with our partners; and regular risk forums with senior management.

Our CEO Leadership Team acts as the peak management governance forum for risk management across Telstra. We have a series of risk governance forums with the CEO Leadership Team to ensure that our teams implement an effective risk management and internal control framework to identify, manage and monitor our risks, and for the review and consideration of risk management responsibilities.

The forums provide senior management with more detailed and timely information in relation to our key risks and controls, including current and emerging risks, compliance, privacy, fraud, customer experience, responsible business, business continuity and network resilience, cyber and data security, supplier governance, health, safety and wellbeing, climate change and internal audit activities.

We consider environmental and social factors as part of our consideration of our risks. Each year we undertake an assessment to help us determine the risks and opportunities relating to these factors and how they may impact our business, stakeholders and society more broadly.

Maintaining clear oversight of our climate change related risks and opportunities is one of our sustainability governance priorities. We have adopted the Taskforce

on Climate-related Financial Disclosures (TCFD) framework and are committed to enhancing our climate-related disclosures. More information about climate change and other sustainability risks, our approach to managing them, and our performance is available in the Our material risks section of our 2020 Annual Report and our 2020 Bigger Picture Sustainability Report at telstra.com/sustainability/report.

Identified risks, along with their controls and treatment plans, are monitored for changes in their exposure, or effectiveness, and are reported to the Board (including its Committees) during the course of the year. The Audit & Risk Committee assists the Board in the review and identification of risks through more detailed consideration of selected risks.

The Audit & Risk Committee oversees the design, implementation and effectiveness of Telstra's risk management framework (including risk culture). This includes:

- reviewing Telstra's risk management framework at least annually to satisfy itself that it continues to be sound and effective, and that Telstra is operating with due regard to the risk appetite set by the Board; and
- reviewing reports from management on risk culture and any conduct that is materially inconsistent with the Telstra Values or Code of Conduct (including material breaches and the action taken, or proposed to be taken, in response to those breaches) which are of relevance to the Audit & Risk Committee's responsibilities.

We undertake a number of activities to monitor and review our risk management framework to ensure that it is operating as intended. We conduct reviews and self-assessments of our framework at least annually across the enterprise and report the results to our senior management risk forum and the Audit & Risk Committee. We use the results of those reviews, as well as recommendations from Group Internal Audit, to identify and implement opportunities that improve our framework.

In FY20 we implemented a number of initiatives in relation to risk management, which have continued to drive an uplift in our risk management maturity. This has included enhanced oversight of critical and key cross-functional risks, and reporting where inconsistent approaches are affecting the effectiveness of our risk management.

We have continued to evolve our approach to network and product resilience. We have also continued to promote the consideration of risk in key decision making meetings and forums, enabled by extending our risk appetite methodology to a broader set of our key risks. We have also worked this year to ensure we spend

greater time and receive deeper input from the Board and Audit & Risk Committee with regard to risk appetite. We have continued to enhance our approach to articulating, documenting and utilising risk appetite as an important input into our decision making, building on the work done in FY19.

We have developed a mechanism to track and monitor the key cultural and behavioural indicators which best reflect our risk culture, and we continue to foster a collaborative and functional risk community across all areas of our organisation.

In respect of FY20, the Audit & Risk Committee has reviewed Telstra's risk management framework and is satisfied that it continues to be sound and effective, and that Telstra is operating with due regard to the risk appetite set by the Board.

4.4 CEO and CFO declarations

In connection with our financial statements for the financial year ended 30 June 2020, and the half-year ended 31 December 2019, our CEO and CFO have provided the Board with declarations that:

- in their opinion, the financial records of Telstra have been properly maintained
- in their opinion, the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of Telstra, and
- their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

4.5 Verifying the integrity of periodic corporate reports

Our annual Financial Report and the Remuneration Report included in the annual Director's Report are audited by our external auditor. Our half yearly Financial Report is reviewed by our external auditor.

We have policies and processes in place to verify the integrity of other periodic corporate reports we prepare for the benefit of investors before we release them to the market.

Any periodic corporate report must receive approval before it is released externally. Generally speaking, our approvals process includes review and approval by a number of internal groups as follows:

- **Function subject matter expert** – The appropriate executive within the Function responsible for the report is responsible for ensuring the material submitted is factually accurate (including that any relevant financial information or data has been verified), fairly represents Telstra's position, is commercially correct and that the timing of the release is appropriate
- **Investor Relations (IR)** – IR approval is required where the report contains any commercial or financial information or is commercially strategic in nature and may be considered to be market sensitive. The IR approver is responsible for ensuring that aspects of the report which are significant to the market (if any) are consistent with other public domain information, Telstra's financial accounts disclosures and Investor Relations policies, including the requirement for consistent messages

• **Communications** – All new information or material requires approval from the Communications team. Among other things, the Communications approver is responsible for ensuring that the material in the report is aligned to our company strategy, there is no conflict in terms of timing with other announcements, the material submitted meets professional standards of presentation and that, where appropriate, a stakeholder issues management plan has been prepared and relevant stakeholder relationship owners have been briefed

• **Legal** – Legal approval is required except where that approval has been obtained previously and remains current. Legal approval is not required for information that is purely factual or technical in nature. Legal reviewers are responsible for ensuring that, based on the certifications provided by other approvers, prepared communications materials reviewed by Legal comply with all relevant laws and regulations, such as the Competition and Consumer Act, the Telecommunications Act, the Corporations Act and the ASX Listing Rules. The Legal reviewer must also assess whether or not the material could relate to a material issue or agreement and if it should be notified to the Continuous Disclosure Committee.

In regard to our Sustainability Report, we seek external assurance over a selected number of environmental and social topics and supporting indicators on a rolling basis. This includes environmental indicators that form part of our regulatory disclosures (e.g. National Greenhouse and Energy Reporting).



5 | Acting lawfully, ethically and responsibly

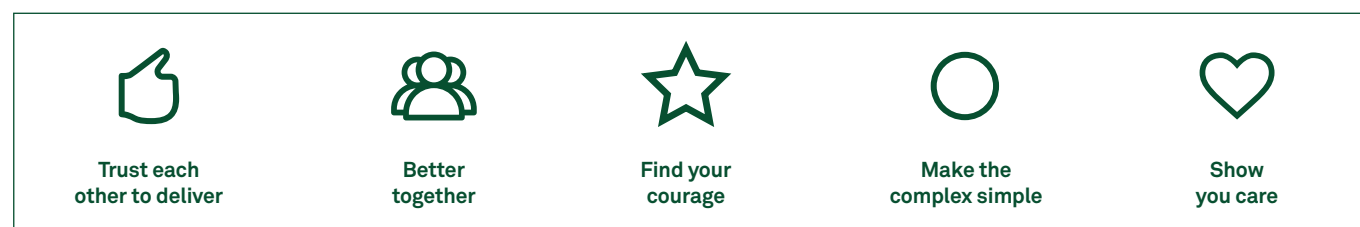
Character and conduct matter for organisations just as much as they do for individuals. At Telstra, how we do business and support our customers is just as important as the business outcomes we deliver.

5.1 Our Purpose, Values and Culture

Our Purpose and Values

We believe it is people who give purpose to our technology. So we are committed to staying close to our customers and providing them the best experience. And delivering the best tech. On the best network. Our Purpose is to build a connected future so everyone can thrive.

A purpose on its own is not enough. We also need values to express what we stand for and guide the way we do things. Our Values are core to our business and we align everything we do with them.



These are the Values we stand for – the values by which we measure all of our actions. And our Values demand action. Being a values-led organisation means we must have the:



Willingness to take responsibility



Determination to never think, 'I have no choice'



Humility



Desire to learn



Courage to challenge ourselves and others when values are not met

We know that we will not achieve our strategy unless we get our values right.

Putting these Values into action will help us to build a connected future so everyone can thrive.

Our people and our culture

At Telstra, we have a proud tradition of rising to a challenge and doing what needs to be done to keep Australians connected. In FY20, our people have demonstrated incredible resilience, adaptability and dedication. The willingness of our people to step up is a product of our culture, and our Purpose and Values that guide us. A culture founded on empowering our people by giving them the tools, capabilities and leadership they need to thrive.

For our customers to thrive, we need to enable our people to thrive. A successful transformation requires changes to our underlying systems of work (operating model and rhythm) and the behaviour of our workforce. Leaders play the most critical role in setting standards of behaviour that in turn form our culture. Since T22 was announced in June 2018, we have focused on identifying the key cultural characteristics of a successful Agile organisation and used this knowledge to reshape our culture.

Keeping our people connected and engaged has been a priority for us during COVID-19. We introduced regular livestreams to keep our people updated on the evolving situation and provide frequent opportunities to ask questions. In addition, we provided e-learning modules about making the most of the technology solutions we have available to stay connected with teammates. Our most recent Experience Pulse results demonstrates this approach has been successful.

More information about our people, culture and responsible business approach can be found in our 2020 Bigger Picture Sustainability Report available on our website at telstra.com/sustainability/report.

5.2 Our Code of Conduct and key governance policies and practices

In March 2020 we launched our revised Code of Conduct, which reflects the enormous amount of change we have been going through. At the heart of operating as a truly responsible business is complying with the letter and spirit of the Code.

Alongside our Purpose and Values, it drives fair, balanced and ethical decision making, and explains who we are, what we do and what we believe. It informs the behaviours we all need to deliver our strategy and meet our customers' expectations. The Telstra Board, CEO and Leadership Team are all deeply committed to our Code.

Telstra is also committed to a culture where concerns may be raised with confidence and our people are protected from detriment for doing so. When things go wrong, we need to be open and honest, so we can put things right. The Code outlines where to go for further help, and how to raise concerns through various channels, including our whistleblowing service and Speak-Up platform.

Our guiding principles outlined in the Code, which are underpinned by our Values, express how we seek to meet the expectations of our customers, shareholders, regulators and the community.



We do the right thing by acting fairly, with due care, lawfully, in the best interests of the company and shareholders; and by honouring our commitments to customers.

We act with honesty and integrity. We never make or receive improper payments, benefits or gains, and always deal ethically.

We use information and property responsibly, and we keep it safe and secure.

We maintain a safe and inclusive working environment where we treat each other with respect.

We seek to make positive and sustainable economic, social, and environmental contributions wherever we operate.

We communicate responsibly and use technology appropriately.

We're all individually accountable for complying with the Code, and we call things out that don't seem right.

In addition to our Code, we have a number of governance policies and practices that are central to how we promote good corporate governance, and a culture of acting lawfully, ethically and responsibly.

Our people

Health, Safety & Wellbeing (HSW) – recognising our commitment to the health, safety and wellbeing of our people, our partners and the communities in which we operate. In addition to highlighting the importance of caring about the health and safety of our people, it sets out our commitment to initiatives that reduce HSW risk in our operations.

Our people and our partners are asked to report HSW issues, incidents and hazards, we use data and analytics to support managers in making sound decisions to improve safety and we have established governance forums to monitor our performance including through regular reporting to the Board, Audit & Risk Committee, executive leadership team and senior managers.

We enable our employees to bring their best selves to work by providing tools, resources and health management support for those seeking help to improve their physical or mental health and wellbeing. Supporting our employees to remain at or return to safe, sustainable and valued work following injury or illness is a fundamental part of our commitment.

More information about HSW at Telstra can be found in our 2020 Bigger Picture Sustainability Report available on our website at telstra.com/sustainability/report.

Diversity and inclusion – reflecting the way we value diversity and inclusion and the benefits they bring to the Telstra Group in achieving our objectives, enhancing our reputation, and attracting, engaging and retaining talented people. Further information about diversity and inclusion at Telstra is provided in section 6 below.

Discrimination, bullying and harassment – aiming to make sure our workplace is free from unlawful discrimination, bullying and harassment.

Our customers

Privacy – which reflects our commitment to protect our customers' personal information. We have a set of internal principles which guides how and why we collect personal information, how we may use and disclose it, how we keep it secure and accurate, and how customers may access their personal information. Further information on privacy at Telstra can be found in our 2020 Bigger Picture Sustainability Report and on our website at telstra.com.au/privacy (which includes our Privacy Statement).

Good corporate governance and responsible business practice

Anti-bribery and anti-corruption – aiming to ensure we comply with all applicable anti-bribery and anti-corruption laws. We also seek to ensure that gifts and hospitality are not given or accepted in inappropriate circumstances, including where the offering or acceptance may (or may be perceived to) compromise independence or be construed as a bribe.

Conflicts of interest – setting out how we identify and manage conflicts of interest.

Gifts and Hospitality – seeking to ensure that gifts and hospitality are not accepted in inappropriate circumstances, including where acceptance may (or may be perceived to) compromise independence or be construed as a bribe.

Continuous disclosure – outlining responsibilities and the process for the approval of our ASX announcements, including where Board approval is required in respect of announcements that relate to matters that are within the reserved powers of the Board (and responsibility for which has not been delegated to management) or matters that are otherwise of fundamental significance to Telstra, as well as the role of our CEO, CFO and Continuous Disclosure Committee in relation to disclosure matters.

We aim to ensure that we provide our shareholders, investors and the financial community with appropriate and timely information while ensuring we fulfil our statutory reporting obligations under the Corporations Act and the ASX Listing Rules, and we review and update our market disclosure policies and practices on a regular basis.

We provide advance notification of significant group briefings, such as our results announcements, and make them widely accessible through the use of webcasting and placing all announcements made to the market on our website at telstra.com.au/aboutus/investors/announcements.

We provide the Board with copies of all material announcements promptly after they have been released to the ASX. Where we give a new and substantive investor or analyst presentation, we also release a copy of the presentation materials on the ASX Market Announcements Platform before the presentation occurs.

Securities trading – setting out the rules and restrictions relating to buying, selling and otherwise dealing in Telstra securities by our Directors, CEO, senior management, specified other staff and their closely related parties (Designated Persons), through a trading windows approach.

Designated Persons are also prohibited from using Telstra securities as collateral in financial transactions (including margin loan arrangements), and engaging in short selling or stock lending arrangements and short term trading in respect of our securities, as well as entering into hedging arrangements that limit the economic risk of holding Telstra securities (including any held under our equity plans).

All of our people are required to comply with the insider trading laws, and must also consider how their proposed dealing in Telstra securities (or the securities of another company), could be perceived by the market before they deal.

External communications and social media – providing guidance on how we manage information or communications intended for external release.

Structural separation undertaking – reflecting our commitment to compliance with the Structural Separation Undertaking (SSU).

The SSU includes our undertaking to structurally separate over time through migrating voice and broadband customers from Telstra's copper and HFC networks to the nbn™. It also encompasses our commitment to not provide regulated fixed network services to premises within nbn co's fixed line footprint which have been disconnected either as part of migration to the nbn, or in accordance with Telstra's Migration Plan obligations. Our obligations under the SSU include the requirement to report annually to the Australian Competition and Consumer Commission (ACCC) on our compliance. The ACCC reports annually to the Minister for Communications, Cyber Safety and the Arts on our compliance with the SSU.

Sustainability – seeking to ensure that we minimise our social and environmental impacts, and help our customers, employees, shareholders, communities and other stakeholders thrive in a digital world. Our sustainability strategy reflects the issues that are most material for our business, the areas in which we have the expertise to make a meaningful impact, and where we see opportunities to use innovative, tech-based solutions to help address major societal challenges and opportunities. The emergence of COVID-19 has reinforced these priorities. In line with our responsible business agenda, we have introduced a number of initiatives this year to help our customers, employees and the nation manage the impacts of the COVID-19 pandemic.

Our approach is informed by an annual materiality assessment, through which we identify and prioritise the environmental, social and governance (ESG) topics of greatest significance to our business, stakeholders and society more broadly, as well as our efforts to develop quality stakeholder relationships through meaningful engagement and dialogue.

As part of our sustainability strategy commitments, we make donations and partner with many community and non-profit organisations. In line with other major publicly listed companies, we do not make cash donations to political parties. We do however, pay fees to attend or facilitate events which allow for discussion of major policy issues with policy makers and opinion leaders that may be organised by political parties or related entities. These payments can be considered as political donations in some circumstances, and are therefore declared to the relevant electoral commission or government agency as appropriate.

More detailed information about our approach to sustainability can be found in our 2020 Bigger Picture Sustainability Report, available on our website at telstra.com/sustainability/report.

Whistleblowing – encouraging people to take action if they have concerns about unethical, illegal or improper behaviour, or about an improper state of affairs at Telstra. Our whistleblowing policy is supported by a confidential process that provides appropriate protections for anyone to report their concerns, a Whistleblowing service where people can report their concerns anonymously and professional investigators and case managers. Telstra's Whistleblowing Committee, which is chaired by the Company Secretary, receives any whistleblowing disclosures and oversees an investigation of each matter and any follow-up actions that are required. The Audit & Risk Committee oversees the process for the management of matters raised by whistleblowers and reviews significant matters raised through the process.

Our Code (which includes our Telstra Values) is approved by the Telstra Board. Material breaches of our Code, key governance policies (including our Anti-bribery and Anti-corruption policy) or legal and regulatory requirements by us or our people are reported by management to the Board and/or relevant Committee, together with details of the actions taken, or proposed to be taken, by management in response.

Additional information about our governance framework (including copies of our Code, as well as our Securities Trading, Continuous Disclosure, Diversity and Inclusion, Health and Safety, Anti-bribery & Anti-corruption and Whistleblowing policies) can be found on our governance website.

6 | Diversity and inclusion at Telstra

We value diversity and inclusion and the benefits they bring to the Telstra Group in achieving our Purpose and objectives.



Telstra serves millions of diverse customers. We recognise the value of having diverse employees who represent their unique perspectives. Diversity of thought drives innovation, which is essential to achieve our business strategy, and supports our Purpose to build a connected future so everyone can thrive.

We are passionate about creating an environment that is inclusive and supportive; a place where everyone can truly be themselves.

As we transform Telstra, we are taking a holistic view of diversity, beyond measuring demographics like gender, age and ethnicity, while continuing to prioritise fairness and opportunity for under-represented employees and candidates.

We are also creating a very different business with new ways of working, leading and innovating. We are investing in technology skills in online learning, micro-credentials and stronger collaboration with education providers who share our commitment to diversity.

All Telstra people can help create a culture where people feel safe, valued and empowered to speak up. Our new strategy to achieve our ambition is built around three foundational streams:

- attract, accelerate and amplify diverse talent
- invest in the pipeline – internal and external
- flexibility and fairness – flexibility enabled by technology, fair policies and processes.

We have a single, organisation wide Diversity and Inclusion Council, which is chaired by the CEO, Andrew Penn and is made up of Executive level representatives from each function. The Council is responsible for:

- championing diversity and inclusion at Telstra
- supporting each function to meet their diversity targets

- ensuring diversity and inclusion activity across each function is aligned to our overall diversity and inclusion strategy
- leveraging diverse perspectives and expertise from the employee representative groups, and
- identifying enterprise level strategic priorities in diversity and inclusion.

Among other activities, the Diversity and Inclusion Council is exploring ways for Telstra to become a great incubator of female technology talent. We have partnered with five Australian universities to jointly develop critical skills and capabilities in areas such as network and software engineering, cyber security and data analytics. We have established new scholarships for diverse STEM talent, including female and Indigenous students. We have extended our commitment to offer sponsorship and paid internships to 20 Indigenous tertiary students per year, entering into a ten-year partnership with Career Trackers.

Our diversity and inclusion policy (which is available on our governance website) provides the framework for the Board to set our measurable objectives for achieving diversity. Throughout the year, management and the Board (including through the Nomination and People & Remuneration Committees) assess our progress in achieving our objectives. The table below summarises our objectives and our progress against them as at 30 June 2020.

Diversity objectives and performance

Measure	Result in respect of FY20 (or as otherwise stated)	Objective in respect of FY21 (or as otherwise stated)
Women on the Board	Objective – There will be at least four women on the Board, representing a female gender representation among non-executive Directors of at least 40%. Progress – As at 30 June 2020, there were 3 women on the Board, representing a female gender representation among non-executive Directors of 33.3%.	There will be at least four women on the Board, representing a female gender representation among non-executive Directors of at least 40%.
Diversity representation in graduate intake	Objective – 50% female representation in the graduate intake selected in 2019, with an aspiration to also achieve 10% representation of people with a disability and 5% Indigenous representation among the graduate intake by 2020. Result and progress – The cohort that commenced in 2020 had 48% female representation, 5% representation of people with a disability and 3.5% Indigenous representation. There has been a more personalised supported process for diverse candidates in the 2020 recruitment round.	50% female representation in the graduate intake selected in 2020, with an aspiration to also achieve 10% representation of people with a disability and 5% Indigenous representation among the graduate intake by 2021.
Female representationⁱ at 30 June	Objective – Female representation at 30 June 2020 of 32% (Telstra Total), 32% (Executive Management) and 29% (all people management roles excluding Executive Management). Result and Progress – Female representation at 30 June 2020 of: • Telstra Total – 32.3% • Executive Management (Bands A-C) – 30.5% • All people management roles (excluding Executive Management) – 30%	Female representation at 30 June 2021 of 33% (Telstra Total), 33% (Executive Management) and 31% (all people management roles excluding Executive Management).

i Includes full time, part time and casual staff in Telstra Corporation Limited and its wholly owned subsidiaries, excluding contractors and agency staff. It does not include staff in any other controlled entities within the Telstra Group.

The key changes to our measurable objectives for FY21 are to increase levels of female representation across the categories outlined above, which are aligned with our focus on building our internal pipeline of future female technology leaders.

6.1 Board diversity

The Board considers diversity through a number of lenses – both gender and beyond – to provide fresh thinking and different perspectives on the Board (whether through age, experience or otherwise). In appointing new Directors, the Board is very conscious of putting in place the right balance of skills, knowledge, experience and diversity on the Board to enable it to discharge its responsibilities effectively and add value.

For FY20, the Board's diversity objective was that there will be at least four women on the Board, representing a female gender representation among non-executive Directors of at least 40 per cent, recognising that the level of gender diversity of the Board may be temporarily affected during periods of Board renewal. The Board has maintained this objective for FY21.

As noted earlier in section 2.3, the Board has been undergoing a process of renewal which has impacted the level of female representation on the Board in recent times.

As at 30 June 2020, there were three female Directors on the Board, equating to 33.3% female representation among non-executive Directors (or 30 per cent of the overall Board).

Following Bridget Loudon joining the Board from 14 August 2020, as at the date of this statement there are four female Directors on the Board, equating to 40% non-executive Director female representation (or 36.3 per cent of the overall Board).

The Board has a number of initiatives in place to meet its strategic imperative of ensuring the company has a diverse Board including ensuring a diverse range of qualified candidates is considered for appointment and developing a pipeline of potential Board candidates. A number of Directors also participate in formal and informal programs and arrangements to assist in the development of a broader pool of skilled and experienced Board candidates, such as mentoring for executives and non-executive directors (both female and male) across public, private and not-for-profit sectors.

6.2 Gender equality

This year we saw a small increase in female representation across Telstra Corporation Limited and its wholly owned subsidiaries. We achieved our objective for women to make up 32% of our overall workforce and have also succeeded in creating more opportunities for women to gain valuable Agile and people management skills.

We are committed to achieving gender equality at Telstra and have a broad range of policies, programs and engagement initiatives in place to help us achieve this goal. Our initiatives include:

- our CEO, Andrew Penn, is a member of the 'Male Champions of Change'. The founding group have met regularly to ensure that hard-won gains in gender equality are not lost as organisations respond to COVID-19
- we launched a gender-equal and flexible Australian parental leave policy which challenges traditional gender roles, encouraging more men to share the care of young children, enabling the careers of women and giving men a more equal opportunity to spend time with their families. The policy was formally launched on 1 July 2019. Men now represent more than half of the Telstra employees who've taken more than two weeks of paid parental leave
- to formally drive gender equality across Telstra and ensure a standard of equality across our recruitment process, our Recruitment Equality Procedure mandates a minimum female representation of 50 per cent on shortlists and interview lists for all roles (except some specified roles where a 25 per cent requirement applies due to a known significant gender imbalance in the job market)
- we encourage our people to get involved by joining our Brilliant Connected Women network – a forum that now has over 2,500 members, male and female, who are committed to advancing gender equality in our business
- we recruit, develop, promote and pay our people in a way that supports our commitment to being more diverse and inclusive. Gender pay equity continues to be a key area of focus and we remain vigilant about how we administer and apply policy to avoid any bias in performance assessment and remuneration decisions.



Representation of women in Telstra as at 30 June 2020

Role	Number	%
Board ⁱ	3	33.3%
Executive management ^{*ii}	50	30.5%
– CEO	0	0%
– CEO-1	3	30%
– CEO-2	18	34.6%
– CEO-3	29	28.4%
Middle management ^{*iii}	2,591	28.2%
Operational ^{*iv}	6,152	34.6%
Telstra Total*	8,839	32.3%
Telstra Group Total**	9,083	32.3%

* Includes full time, part time and casual staff in Telstra Corporation Limited and its wholly owned subsidiaries, excluding contractors and agency staff. It does not include staff in any other controlled entities within the Telstra Group.

** Includes full time, part time and casual staff in controlled entities within the Telstra Group, excluding contractors and agency staff.

Information regarding the controlled entities in the Telstra Group can be found on our website at telstra.com.au/aboutus/investors/financial-information/financial-results.

Notes:

- Number and percentage relates to non-executive Directors.
- Executive management comprises persons holding roles within Telstra designated as Bands A, B and C. CEO is also included in the executive management total.
- Middle management comprises persons holding roles within Telstra designated as Bands 1 or 2, or equivalent.
- Operational comprises persons holding roles within Telstra designated as Bands 3 or 4, or equivalent.

We are required by the Workplace Gender Equality Act 2012 to report our workforce gender profile as at 31 May each year. Our 2020 report was lodged with the WGEA on 5 June 2020 and is available on our website at telstra.com/governance.

6.3 Employee diversity and inclusion

During the year, our initiatives to enhance diversity and inclusion at Telstra included:

Diversity and Inclusion (D&I) Council chaired by the CEO

Telstra's D&I Council, which includes executive members from every function, meets twice every quarter to discuss our progress toward our diversity objectives, as well as our Reconciliation Action Plan and Accessibility Action Plan objectives, and share functional roadmaps and key calendar events. Diversity objectives are included in monthly business reports and in Group Executive scorecards.

Our "interview guarantee" for shortlisted candidates means if any external candidates who identify as being Indigenous or living with a disability are shortlisted for a role, they will be offered an interview. The Indigenous component of the new procedure applies to all external candidates for roles in Australia. The people living with a disability component applies globally.

All recruitment decisions continue to be based on merit, and all quality candidates will continue to make their way through our recruitment process. However, by ensuring that candidates who meet our key diversity criteria – and who have already been shortlisted – are then interviewed, we can maximise our opportunity to consider these people for open roles, and therefore increase our pipeline of diverse talent.

Indigenous Employment

In FY20 we continued to deliver commitments in the Reconciliation Action Plan (RAP) and achieved the Year Two employment target of 0.9% representation of the Australian workforce. We also continued our partnership with Career Trackers Indigenous internship program to help improve the participation of Indigenous Australians in the workforce and develop future talent. Two former Career Tracker interns who applied for the FY20 Graduate Program were offered a place. We also entered into a ten-year partnership agreement with Career Trackers, extending this commitment until 2030.

We launched an online learning module on Indigenous Cultural Awareness and our Dharrang employee representative group has educated our workforce on Indigenous history and reconciliation through storytelling and events.

Employment for People with a Disability

During FY20 we became the thirteenth Australian organisation to complete the Disability Confident Recruiter program through the Australian Network on Disability (AND), which included an audit of our processes and online training for our recruiters. We also offered the AND Stepping into Internship program, for four university students with a disability and sponsored the AND Annual Conference.

We made significant improvements to our workplace assessment and adjustment processes, making it simpler for our employees with disabilities to thrive at work. Our TelstrAbility employee representative group has raised awareness of the importance of accessibility through events and corporate news stories on Global Accessibility Awareness Day and International Day of People with Disabilities.

LGBTQI inclusion

Lesbian, Gay, Bisexual, Transgender, Queer and Intersex (LGBTQI) inclusion is important to us. We want our people to have 'out' role models and allies that encourage them to bring their whole selves to work. We are active members of Pride in Diversity and our Spectrum network continues to thrive in its 12th year.

In FY20 we joined the Intertech alliance and hosted the launch of an inter-organisational mentoring program. We hosted an event on the importance of allyship on Wear it Purple Day and made a significant donation to enable the distribution of wristbands in schools to encourage open conversations about inclusion. We continued our relationship as technology sponsor for the Midsumma queer arts and entertainment festival.

6.4 Gender Pay Equity

Gender pay equity is of key importance at Telstra as we continue to develop and implement policies and initiatives to drive greater equity across the organisation. We are continuously looking to identify, target and reduce any gender pay gaps that exist within the organisation, including compensation ratios within bands. In aggregate, we do not believe that we pay women and men differently for like roles.

Similar to last year, a pay gap exists at the operational level and is predominantly driven by a significant portion of operational employees being managed against fixed pay rates under our Enterprise Agreement known as Workstream. These fixed pay rates, which are typically in male dominated professions, are notably higher when compared to the pay of peers at the same level not employed under the Enterprise Agreement.

Compa-ratio is an employee's fixed remuneration divided by the midpoint of the market remuneration range they are mapped against and provides us a measure of the 'fairness' of pay. Using the market remuneration range and focusing on compa-ratios allows us to show the gender pay gap for males and females carrying out similar work.

The two tables below show Telstra's overall position when averaging the compa-ratios for both male and female employees. We are close to parity and will continue to strive for absolute equity.

Australia Avg. Compa-ratio*

Year	Male	Female	Delta
2015	1.04	1.01	0.031
2016	1.04	1.00	0.035
2017	1.01	0.99	0.024
2018	1.01	0.98	0.023
2019	1.01	0.97	0.034
2020	0.98	0.95	0.035

Australia Avg. Compa-ratio* excl Workstream employees^

Year	Male	Female	Delta
2015	1.00	0.99	0.012
2016	0.99	0.98	0.011
2017	0.98	0.97	0.006
2018	0.97	0.97	0.000
2019	0.96	0.95	0.011
2020	0.93	0.94	0.015

* Compa-ratio analysis includes full time and part time staff in Telstra Corporation Limited and its wholly owned subsidiaries, excluding casuals, contractors and agency staff. It does not include staff in any other controlled entities within the Telstra Group. Ratio calculated as base salary plus superannuation (female FR as % of male FR).

^ Workstream employees are paid fixed pay rates as determined under the Enterprise Agreement.

Other information

This Corporate Governance Statement has been approved by the Board of Telstra Corporation Limited and the information contained in it is current as at 28 August 2020, unless stated otherwise.

This statement, together with our 2020 ASX Appendix 4G (which is a checklist cross-referencing the ASX Recommendations to the relevant disclosures in this statement and our website (our ASX Appendix 4G)), have both been lodged with the ASX on 28 August 2020. This statement and our ASX Appendix 4G can also be found on our governance website at [telstra.com/governance](https://www.telstra.com/governance).

Our 2020 Annual Report has been lodged separately with the ASX on 28 August 2020 and is also available on our website at [telstra.com/investor](https://www.telstra.com/investor). Our 2020 Bigger Picture Sustainability Report was also released separately on 28 August 2020 and is available at [telstra.com/sustainability/report](https://www.telstra.com/sustainability/report).

More information on our governance arrangements, including our Board Charter, standing Board Committee Charters and key policies, can be found on our governance website at www.telstra.com/governance.



Appendix 4G

Key to Disclosures

Corporate Governance Council Principles and Recommendations

Name of entity

Telstra Corporation Limited

ABN/ARBN

33 051 775 556

Financial year ended:

30 June 2020

Our corporate governance statement¹ for the period above can be found at:²

- ☐ These pages of our annual report:
- ☒ This URL on our website: telstra.com/governance

The Corporate Governance Statement is accurate and up to date as at 28 August 2020 and has been approved by the board. Throughout the course of the above period, Telstra transitioned from complying with the 3rd edition of the Corporate Governance Principles and Recommendations ("**ASX Recommendations**") to the 4th edition of the ASX Recommendations, and as at the end of the period noted above, Telstra was fully compliant with the 4th edition as set out in the annexure below.

The annexure includes a key to where our corporate governance disclosures can be located.³

Date: 28 August 2020

Name of authorised officer authorising lodgement: Sue Laver

¹ "Corporate governance statement" is defined in Listing Rule 19.12 to mean the statement referred to in Listing Rule 4.10.3 which discloses the extent to which an entity has followed the recommendations set by the ASX Corporate Governance Council during a particular reporting period.

Listing Rule 4.10.3 requires an entity that is included in the official list as an ASX Listing to include in its annual report either a corporate governance statement that meets the requirements of that rule or the URL of the page on its website where such a statement is located. The corporate governance statement must disclose the extent to which the entity has followed the recommendations set by the ASX Corporate Governance Council during the reporting period. If the entity has not followed a recommendation for any part of the reporting period, its corporate governance statement must separately identify that recommendation and the period during which it was not followed and state its reasons for not following the recommendation and what (if any) alternative governance practices it adopted in lieu of the recommendation during that period.

Under Listing Rule 4.7.4, if an entity chooses to include its corporate governance statement on its website rather than in its annual report, it must lodge a copy of the corporate governance statement with ASX at the same time as it lodges its annual report with ASX. The corporate governance statement must be current as at the effective date specified in that statement for the purposes of Listing Rule 4.10.3.

Under Listing Rule 4.7.3, an entity must also lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX. The Appendix 4G serves a dual purpose. It acts as a key designed to assist readers to locate the governance disclosures made by a listed entity under Listing Rule 4.10.3 and under the ASX Corporate Governance Council's recommendations. It also acts as a verification tool for listed entities to confirm that they have met the disclosure requirements of Listing Rule 4.10.3.

The Appendix 4G is not a substitute for, and is not to be confused with, the entity's corporate governance statement. They serve different purposes and an entity must produce each of them separately.

² Tick whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where your corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

³ Throughout this form, where you are given two or more options to select, you can, if you wish, delete any option which is not applicable and just retain the option that is applicable. If you select an option that includes "OR" at the end of the selection and you delete the other options, you can also, if you wish, delete the "OR" at the end of the selection.

See notes 4 and 5 below for further instructions on how to complete this form.

ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT			
1.1	A listed entity should have and disclose a board charter setting out: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	☒ set out in section 2.1 of our Corporate Governance Statement and we have disclosed a copy of our board charter at: telstra.com/governance	☐ set out in our Corporate Governance Statement <u>OR</u> ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.2	A listed entity should: (a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	☒ set out in section 2.3 of our Corporate Governance Statement	☐ set out in our Corporate Governance Statement <u>OR</u> ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	☒ set out in section 2.3 of our Corporate Governance Statement	☐ set out in our Corporate Governance Statement <u>OR</u> ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	☒ set out in section 2.10 of our Corporate Governance Statement	☐ set out in our Corporate Governance Statement <u>OR</u> ☐ we are an externally managed entity and this recommendation is therefore not applicable

⁴ Tick the box in this column only if you have followed the relevant recommendation in full for the whole of the period above. Where the recommendation has a disclosure obligation attached, you must insert the location where that disclosure has been made, where indicated by the line with “*insert location*” underneath. If the disclosure in question has been made in your corporate governance statement, you need only insert “our corporate governance statement”. If the disclosure has been made in your annual report, you should insert the page number(s) of your annual report (eg “pages 10-12 of our annual report”). If the disclosure has been made on your website, you should insert the URL of the web page where the disclosure has been made or can be accessed (eg “www.entityname.com.au/corporate governance/charters/”).

⁵ If you have followed all of the Council's recommendations in full for the whole of the period above, you can, if you wish, delete this column from the form and re-format it.

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
1.5	A listed entity should: (a) have and disclose a diversity policy; (b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and (c) disclose in relation to each reporting period: (1) the measurable objectives set for that period to achieve gender diversity; (2) the entity's progress towards achieving those objectives; and (3) either: (A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or (B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act. If the entity was in the S&P / ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.	☒ and we have disclosed a copy of our diversity policy at: telstra.com/governance and we have disclosed the information referred to in paragraph (c) at: telstra.com/governance (in our Workplace Gender Equality Agency Report 2019-2020) and in our Corporate Governance Statement (refer to sections 5.2 and 6) and if we were included in the S&P / ASX 300 Index at the commencement of the reporting period our measurable objective for achieving gender diversity in the composition of its board of not less than 30% of its directors of each gender within a specified period.	☐ set out in our Corporate Governance Statement <u>OR</u> ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.6	A listed entity should: (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and (b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.	☒ and we have disclosed the evaluation process referred to in paragraph (a) at: section 2.5 of our Corporate Governance Statement and whether a performance evaluation was undertaken for the reporting period in accordance with that process at: section 2.5 of our Corporate Governance Statement	☐ set out in our Corporate Governance Statement <u>OR</u> ☐ we are an externally managed entity and this recommendation is therefore not applicable

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
1.7	A listed entity should: (a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and (b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.	☒ and we have disclosed the evaluation process referred to in paragraph (a) at: section 2.5 of our Corporate Governance Statement and whether a performance evaluation was undertaken for the reporting period in accordance with that process at: section 2.5 of our Corporate Governance Statement and in our Remuneration Report (which forms part of the Directors' Report in the 2020 Telstra Annual Report), which includes details of the remuneration outcomes for the FY20 year for the CEO and senior management who were Key Management Personnel	☐ set out in our Corporate Governance Statement <u>OR</u> ☐ we are an externally managed entity and this recommendation is therefore not applicable
PRINCIPLE 2 - STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE			
2.1	The board of a listed entity should: (a) have a nomination committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.	☒ and we have disclosed a copy of the charter of the committee at: telstra.com/governance and the information referred to in paragraphs (4) and (5) at: section 3 of our Corporate Governance Statement and in the Directors' Report (and the accompanying 'Board and Committee meeting attendance' section) in the 2020 Telstra Annual Report	☐ set out in our Corporate Governance Statement <u>OR</u> ☐ we are an externally managed entity and this recommendation is therefore not applicable

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership.	☒ and we have disclosed our board skills matrix at: section 2.3 of our Corporate Governance Statement	☐ set out in our Corporate Governance Statement <u>OR</u> ☐ we are an externally managed entity and this recommendation is therefore not applicable
2.3	A listed entity should disclose: (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position, affiliation or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director.	☒ and we have disclosed the names of the directors considered by the board to be independent directors at: sections 2.3 and 2.4 of our Corporate Governance Statement and, where applicable, the information referred to in paragraph (b) at: section 2.4 of our Corporate Governance Statement and the length of service of each director at: the 'Board of Directors' section in the 2020 Telstra Annual Report and at www.telstra.com.au/aboutus/our-company/present/the-board .	☐ set out in our Corporate Governance Statement
2.4	A majority of the board of a listed entity should be independent directors.	☒ set out in section 2.4 of our Corporate Governance Statement	☐ set out in our Corporate Governance Statement <u>OR</u> ☐ we are an externally managed entity and this recommendation is therefore not applicable
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	☒ set out in section 2.2 of our Corporate Governance Statement	☐ set out in our Corporate Governance Statement <u>OR</u> ☐ we are an externally managed entity and this recommendation is therefore not applicable
2.6	A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively.	☒ set out in section 2.7 of our Corporate Governance Statement	☐ set out in our Corporate Governance Statement <u>OR</u> ☐ we are an externally managed entity and this recommendation is therefore not applicable

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
PRINCIPLE 3 – INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY			
3.1	A listed entity should articulate and disclose its values.	☒ and we have disclosed our values at: section 5.1 of our Corporate Governance Statement and at telstra.com.au/aboutus/our-company/present/purpose-values	☐ set out in our Corporate Governance Statement
3.2	A listed entity should: (a) have and disclose a code of conduct for its directors, senior executives and employees; and (b) ensure that the board or a committee of the board is informed of any material breaches of that code.	☒ and we have disclosed our code of conduct at: telstra.com/governance and refer to section 5.2 of our Corporate Governance Statement	☐ set out in our Corporate Governance Statement
3.3	A listed entity should: (a) have and disclose a whistleblower policy; and (b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.	☒ and we have disclosed our whistleblower policy at: telstra.com/governance and refer to section 5.2 of our Corporate Governance Statement	☐ set out in our Corporate Governance Statement
3.4	A listed entity should: (a) have and disclose an anti-bribery and corruption policy; and (b) ensure that the board or committee of the board is informed of any material breaches of that policy.	☒ and we have disclosed our anti-bribery and corruption policy at: telstra.com/governance and refer to section 5.2 of our Corporate Governance Statement	☐ set out in our Corporate Governance Statement

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
PRINCIPLE 4 – SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS			
4.1	The board of a listed entity should: (a) have an audit committee which: (1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (2) is chaired by an independent director, who is not the chair of the board, and disclose: (3) the charter of the committee; (4) the relevant qualifications and experience of the members of the committee; and (5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.	☒ and we have disclosed a copy of the charter of the committee at: telstra.com/governance and the information referred to in paragraphs (4) and (5) at: in the Directors' Report (and the accompanying 'Board of Directors' and 'Board and Committee meeting attendance' sections) in the 2020 Telstra Annual Report	☐ set out in our Corporate Governance Statement
4.2	The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	☒ set out in section 4.4 of our Corporate Governance Statement	☐ set out in our Corporate Governance Statement
4.3	A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.	☒ set out in section 4.5 of our Corporate Governance Statement	☐ set out in our Corporate Governance Statement

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE			
5.1	A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.	☒ and we have disclosed our continuous disclosure compliance policy at: telstra.com/governance and refer to section 5.2 of our Corporate Governance Statement	☐ set out in our Corporate Governance Statement
5.2	A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	☒ set out in section 5.2 of our Corporate Governance Statement	☐ set out in our Corporate Governance Statement
5.3	A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.	☒ set out in section 5.2 of our Corporate Governance Statement	☐ set out in our Corporate Governance Statement
PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	☒ and we have disclosed information about us and our governance on our website at: telstra.com/governance	☐ set out in our Corporate Governance Statement
6.2	A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	☒ set out in section 1 of our Corporate Governance Statement	☐ set out in our Corporate Governance Statement
6.3	A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	☒ and we have disclosed how we facilitate and encourage participation at meetings of security holders at: set out in section 1 of our Corporate Governance Statement	☐ set out in our Corporate Governance Statement
6.4	A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.	☒ set out in section 1 of our Corporate Governance Statement	☐ set out in our Corporate Governance Statement

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
6.5	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	☒ set out in section 1 of our Corporate Governance Statement	☐ set out in our Corporate Governance Statement
PRINCIPLE 7 – RECOGNISE AND MANAGE RISK			
7.1	The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.	☒ and we have disclosed a copy of the charter of the committee at: telstra.com/governance and the information referred to in paragraphs (4) and (5) at: in the Directors' Report (and the accompanying 'Board of Directors' and 'Board and Committee meeting attendance' sections) in the 2020 Telstra Annual Report	☐ set out in our Corporate Governance Statement
7.2	The board or a committee of the board should: (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and (b) disclose, in relation to each reporting period, whether such a review has taken place.	☒ and we have disclosed whether a review of the entity's risk management framework was undertaken during the reporting period at: section 4.3 of our Corporate Governance Statement	☐ set out in our Corporate Governance Statement

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
7.3	A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.	☒ and we have disclosed how our internal audit function is structured and what role it performs at: section 4.2 of our Corporate Governance Statement	☐ set out in our Corporate Governance Statement
7.4	A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.	☒ and we have disclosed whether we have any material exposure to environmental and social risks at: section 4.3 of our Corporate Governance Statement and, if we do, how we manage or intend to manage those risks at: the 'Our material risks' section of our 2020 Annual Report and our 2020 Bigger Picture Sustainability Report at telstra.com/sustainability/report	☐ set out in our Corporate Governance Statement

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY			
8.1	The board of a listed entity should: (a) have a remuneration committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.	☒ and we have disclosed a copy of the charter of the committee at: telstra.com/governance and the information referred to in paragraphs (4) and (5) at: in the Directors' Report (and the accompanying 'Board of Directors' and 'Board and Committee meeting attendance' sections) in the 2020 Telstra Annual Report	☐ set out in our Corporate Governance Statement <u>OR</u> ☐ we are an externally managed entity and this recommendation is therefore not applicable
8.2	A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	☒ and we have disclosed separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives at: our 2020 Remuneration Report (which forms part of the Directors' Report in our 2020 Annual Report) as set out in section 2.5 of our Corporate Governance Statement	☐ set out in our Corporate Governance Statement <u>OR</u> ☐ we are an externally managed entity and this recommendation is therefore not applicable
8.3	A listed entity which has an equity-based remuneration scheme should: (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and (b) disclose that policy or a summary of it.	☒ and we have disclosed our policy on this issue or a summary of it at: telstra.com/governance as set out in section 5.2 of our Corporate Governance Statement	☐ set out in our Corporate Governance Statement <u>OR</u> ☐ we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable <u>OR</u> ☐ we are an externally managed entity and this recommendation is therefore not applicable

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
ADDITIONAL RECOMMENDATIONS THAT APPLY ONLY IN CERTAIN CASES			
9.1	A listed entity with a director who does not speak the language in which board or security holder meetings are held or key corporate documents are written should disclose the processes it has in place to ensure the director understands and can contribute to the discussions at those meetings and understands and can discharge their obligations in relation to those documents.	☐ and we have disclosed information about the processes in place at: [insert location]	☐ set out in our Corporate Governance Statement <u>OR</u> ☐ we do not have a director in this position and this recommendation is therefore not applicable <u>OR</u> ☐ we are an externally managed entity and this recommendation is therefore not applicable
9.2	A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time.	☐	☐ set out in our Corporate Governance Statement <u>OR</u> ☐ we are established in Australia and this recommendation is therefore not applicable <u>OR</u> ☐ we are an externally managed entity and this recommendation is therefore not applicable
9.3	A listed entity established outside Australia, and an externally managed listed entity that has an AGM, should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	☐	☐ set out in our Corporate Governance Statement <u>OR</u> ☐ we are established in Australia and not an externally managed listed entity and this recommendation is therefore not applicable ☐ we are an externally managed entity that does not hold an AGM and this recommendation is therefore not applicable
ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES			
-	<i>Alternative to Recommendation 1.1 for externally managed listed entities:</i> The responsible entity of an externally managed listed entity should disclose: (a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity; and (b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.	☐ and we have disclosed the information referred to in paragraphs (a) and (b) at: [insert location]	☐ set out in our Corporate Governance Statement

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
-	<i>Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:</i> An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.	☐ and we have disclosed the terms governing our remuneration as manager of the entity at: <i>[insert location]</i>	☐ set out in our Corporate Governance Statement