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ELECTRONIC LODGEMENT

Connected Future 30 Strategy - Investor Presentation

In accordance with the Listing Rules, attached for release to the market is a presentation to be delivered by the CEO and members of senior management at Telstra's Investor Day being held today.

The briefing will be held in-person, and via webcast live from 10:00am (AEST) which is available at

<https://www.telstra.com.au/aboutus/investors/financial-information/investor-presentations>

A transcript of the event will be lodged with SGX when available.

Release of announcement authorised by:

Craig Emery
Company Secretary



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Forward-looking statements

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A number of these risks, uncertainties and other factors are described in the "Chair's message", "CEO's message", "Our material risks", "Outlook" and "Acting on climate and nature" sections of Telstra's 2024 Annual Report which was lodged with the ASX on 29 August 2024. Further disclosures were made in Telstra's financial results for the half-year ended 31 December 2024 which were lodged with the ASX on 20 February 2025. These documents are available on Telstra's Investor Centre website www.telstra.com.au/aboutus/investors.

In addition, there are particular risks and uncertainties in connection with the implementation of Telstra's Connected Future 30 strategy. Those risks include the response of customers to changes in products and the way Telstra interacts with customers, the risks of disruption from changes in Telstra's ways of working, and Telstra's ability to execute and manage the elements of the strategy in a sequenced, controlled and effective manner and realise the planned benefits, cost savings and growth opportunities.

The accuracy of Telstra's greenhouse gas (GHG) emissions data and other metrics may be impacted by various factors, including inconsistent data availability, a lack of common definitions and standards for reporting climate-related information, quality of historical emissions data, reliance on assumptions and changes in market practice. These factors may impact Telstra's ability to meet commitments and targets or cause Telstra's results to differ materially from those expressed or implied in this presentation. For further information on Telstra's GHG emissions targets, refer to the forward-looking statement summary disclaimer in the "Acting on climate and nature" section of Telstra's 2024 Annual Report. Telstra does not provide financial guidance beyond the current financial year. Telstra's financial targets and growth ambitions across our portfolio (including the targets to FY30 in connection with the Connected Future 30 strategy) are not guidance and there are greater risks and uncertainties in connection with these targets. The targets to FY30 provided in this presentation are provided to illustrate some of the outcomes management is currently focused on delivering in connection with the Connected Future 30 strategy. Each target is subject to a range of assumptions and contingencies including the factors referred to above.

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Unaudited information

All forward-looking figures and proforma statements in this presentation are unaudited and based on A-IFRS unless otherwise indicated. Certain figures may be subject to rounding differences. All market share information in this presentation is based on management estimates having regard to internally available information unless otherwise indicated.

Other information

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Today's agenda



- 1 **Connected Future 30** Vicki Brady
- 2 **Customer Engagement** Brad Whitcomb, Amanda Hutton, Oliver Camplin-Warner
- 3 **Network as a Product** Shailin Sehgal, Kim Krogh Andersen
- 4 **Digital Infrastructure** Brendon Riley
- 5 **Financial discipline** Michael Ackland
- 6 *Q&A session*



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We are at an inflection point



Demand continues to grow and become more complex



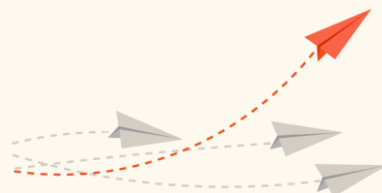
Customer needs are changing

The connectivity we provide needs to become more sophisticated and flexible



Demand will only increase

New devices, use cases, and greater digital activity will drive demand



The competitive environment is changing

Many players see the opportunity, and we need to move fast

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(1) As of H1 FY25; (2) Since FY21; (3) Key targets are annual for FY26 to FY30 unless otherwise stated. See the Disclaimer and Glossary slides in relation to key targets and financial goals; (4) Target baselined from FY25

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Network as a Product

Goal

to build and operate Australia's leading network and reinvent how we capture value from it

(1) As of H1 FY25; (2) Key targets are annual for FY26 to FY30 unless otherwise stated. See the Disclaimer and Glossary slides in relation to key targets and financial goals



Network leadership

- Sustain our **best network** and **maintain our mobile coverage lead** by investing to improve capacity and efficiency
- Lead in **new tech** like satellite-to-mobile and 6G, while maintaining a focus on **security and resilience**
- Create an **autonomous network** that runs, heals and ultimately designs itself



Reinventing how we create and capture value

- Enable new, scalable commercial models and capture **new value** fuelled by automation and programmability
- Productise** sophisticated network capabilities
- Work with **global partners** to capture value

T25 progress¹

91% 5G mobile population coverage

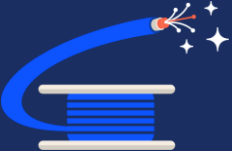
>\$40b invested in capex and spectrum over 10 years

Our key targets²

Lift Network Experience Index by 1 point every year

Transform our connectivity platform, with the majority of connectivity revenue enabled by NaaP by FY30

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Digital Infrastructure

Goal

to be Australia's leading digital infrastructure provider

(1) As of May 2024; (2) As of H1 FY25; (3) Key targets are annual for FY26 to FY30 unless otherwise stated. See the Disclaimer and Glossary slides in relation to key targets and financial goals



InfraCo

- Deliver **Intercity Fibre** and associated revenue objectives
- Provide **solutions** supporting the new era of AI and connectivity and explore new **growth opportunities** with partners
- Provide a **seamless customer experience** through digital interfaces exposing dynamic inventory
- Modernise our **footprint**
- Redirect capital to **maximise returns**



Amplitel

- Maintain towers leadership, expand services business and have 90% of all new business transacted digitally

T25 progress

>4,000km Intercity Fibre in the ground!

>Low-single digit growth InfraCo Fixed EBITDAaL²

Our key targets³

Sustained Cash EBIT growth

Mid-teens IRR on strategic investments & partnerships

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Our enablers help deliver our strategy

Work as one

Look beyond

Make a difference



People and culture

driving high performance through investing in new skills and technology, engaging and enabling our people



Technology leadership

leading AI adoption, modern software practices, resiliency and security, simplification and decoupled architecture



Sustainability

delivering business value and creating positive impact in ways that support our broader communities and environment



Financial discipline

driving positive operating leverage through commercial, cost and BAU capex discipline

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Our value creation is underpinned by levers of growth and cash generation

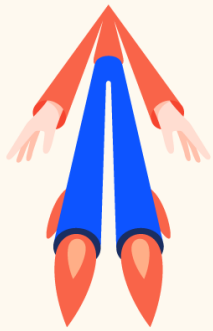


Growth in core business cashflow

- Growth in **mobile and digital infrastructure**
- Operating leverage with **cost** and **BAU capex** efficiency
- Supports growth in **balance sheet capacity**

+ Portfolio & investment management

+ Disciplined capital management



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Our key targets

Customer Engagement



Grow strategic NPS by more than 50% by FY30⁽¹⁾



Top 10 strongest brand in Australia

Network as a Product



Lift Network Experience Index by 1 point every year



Transform our connectivity platform, with the majority of connectivity revenue enabled by NaaP by FY30

Digital Infrastructure



Sustained Cash EBIT growth



Mid-teens IRR on strategic investments and partnerships

People and culture



Maintain top quartile Employee Engagement

Technology leadership



Achieve top quartile AI maturity by FY30

Sustainability



70% reduction in absolute scope 1+2 emissions by 2030⁽²⁾

50% reduction in absolute scope 3 emissions by 2030⁽²⁾

Financial discipline



Cost discipline through positive operating leverage⁽³⁾

Our financial goals:

Growing shareholder value



Grow cash earnings by mid-single digit CAGR to FY30



10% underlying ROIC by FY30



Disciplined capital and portfolio management

Key targets are annual for FY26 to FY30 unless otherwise stated. See the Disclaimer and Glossary slides in relation to key targets and financial goals; (1) Target baselined from FY25; (2) Target baselined from FY19; (3) Positive operating leverage defined as underlying income percentage growth greater than Cash EBIT cost percentage growth

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Three things give us conviction

We are positioned for success and growth



Demand is growing

Global, local, and industry trends all indicate that demand for connectivity will only continue to grow



Competitive advantages

Our core connectivity business is strong, with a unique set of competitive advantages that mean we are well placed to lead



Disciplined execution

We have a solid track record of disciplined delivery and have returned the company to sustainable growth

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Connected Future 30 Video



Video introducing Connected
Future 30 strategy



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Customer Engagement



Customer Q&A

Brad Whitcomb
Amanda Hutton
Oliver Camplin-Warner



Consumer Creating customer value



Brand
strength

Safe
place

AI
fuelled

Premium
retailer

Differentiated
connectivity



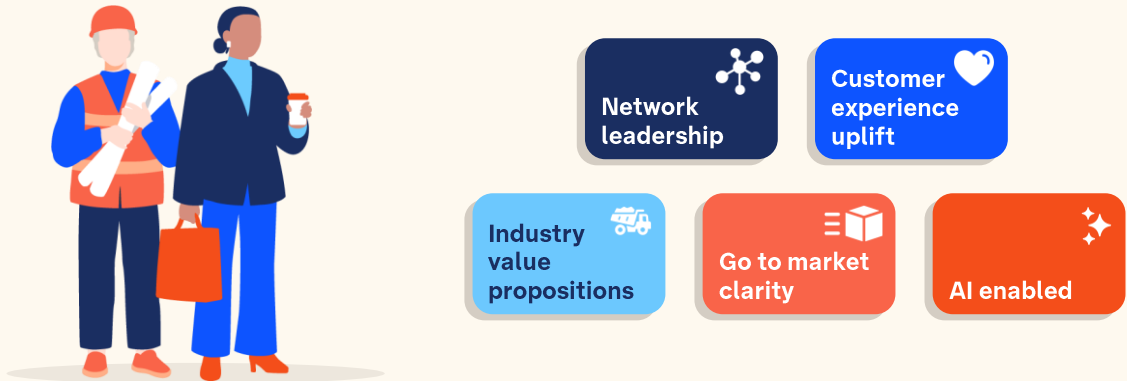
Business

Creating customer value



Enterprise

Creating customer value



Network as a Product



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PART 1

with Shailin

network leadership

PART 2

with Kim

reinventing how we create & capture value



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We are continuing our leadership through evolutionary new tech

Our **physical assets** are **core** to providing connectivity across Australia, with **breadth** that is unrivalled

AI and cloud drives the **next evolution of technology and network differentiation**

AI

Cloud

Telstra Autonomous Network

Uses AI to simplify the network interaction with self-configuring, self-optimising, and self healing properties

Fibre Mobile Satellite

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Continuing our network leadership

(1) Key targets are annual for FY26 to FY30 unless otherwise stated. See the Disclaimer and Glossary slides in relation to key targets and financial goals

Sustain our best network

- Invest & deploy capacity
- Maintain our mobile coverage lead
- 5G Advanced Capabilities

Capacity to meet evolving needs

and capture increased value

More efficient networks

Better performance; reduced energy

Future-ready networks

Ready for ORAN

Target: **Lift Network Experience Index by 1 point every year¹**

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As we lead with new technologies

security and resilience remains key to maintaining trust

Lead in new technologies



- Launch satellite-to-mobile (direct-to-handset)
- Create momentum toward 6G
- Enable world leading optical

Focus on security and resiliency

- Security by design practices
- Reduce customer impact minutes



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Autonomous networks ambition

A paradigm shift

today



Customer experience



Security & resilience



Capturing new value

Static and manual optimisation based on average customer needs

Manual operations and reactive troubleshooting

Complex integration & manual service exposure to build products



our future

Dynamic, intent-based optimisation to meet real time customer needs

Predictive monitoring and self-healing to avoid customer impact

Programmable, intent-driven interfaces to support new modes of value capture

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Connected Future

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T

PART 2

with Kim

PART 1

with Shailin

network leadership

reinventing

how we create & capture value

lightbulb icon

person with binoculars on arrows

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Network as a Product

allows us to reinvent our business model

T

stack of blocks

Industry fundamentals

- Continued growth in demand
- Greater dependency on networks
- Increasingly sophisticated customer needs

Our objectives

scalable business model

automation and programmability

global playbook

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Potential business models with sophisticated network attributes

Scalable business models

Pay-as-you-go models

Based directly on usage

Subscription / tiered

Based on predefined inclusions

Dynamic adjustments

Live adjustment of pricing

Revenue sharing

Agreed % of revenue for API provider

Indirect

Emerging indirect models

with a range of attributes

control

financial

location

observability

quality

resilience

security

... and more

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We will capture the value of our network through three key channels

The diagram illustrates the flow of value capture through three key channels. At the top, 'End Users' (Consumers, Businesses, Enterprise & Govt) and 'Developers/B2B2X' (Hyperscalers, Software developers, OEMs & systems integrators, Carriers & MVNOs) are shown. Below them, three channels are identified: 1. Customer Engagement (Retail) including Consumer, Business, Enterprise and International segments; 2. Traditional MVNO and Wholesale Fixed; 3. Aggregators and emerging indirect models like Aduna and B2B2X. These channels feed into 'Network as a Product', which sells to (1) retail segments, (2) traditional Wholesale, and (3) API-based B2B2X. 'Network as a Product' is supported by 'Third parties' (Like nbn, satellite operators and others) and 'Digital Infrastructure' (Provides products to NaaP layer). 'Direct sales' are also shown as a separate path.

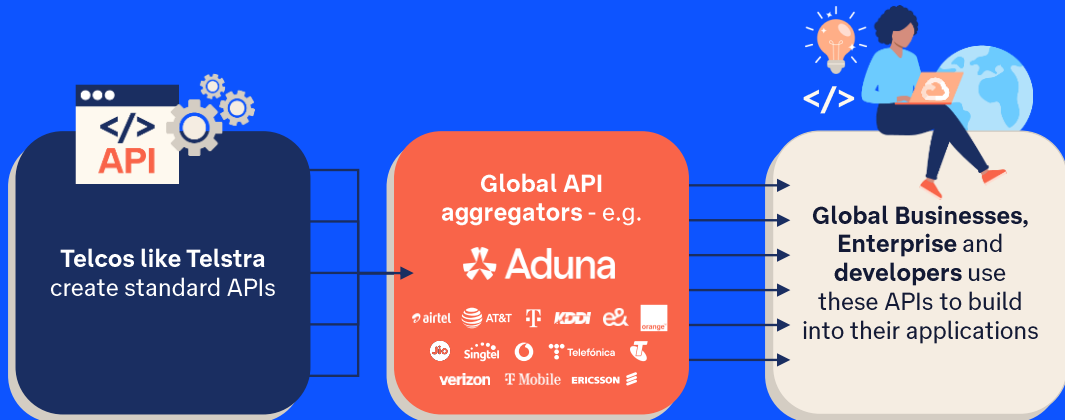
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Global API aggregators like Aduna

enable us to capture value



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Connected Future 30



Digital Infrastructure



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Australia's most extensive portfolio

International assets

International network

- 400,000km of cables intra-Asia and connecting Asia to the world
- 30 subsea cable systems including 3 fully owned
- 38 cable landing stations, including 11 owned

International links

- 3 path diversity / resiliency on all major APAC routes
- The largest subsea capacity in Taiwan, Korea, and Philippines among foreign carriers
- Reaching >60 satellites globally (inc. 3 teleports)

Domestic assets

Intercity network

- 370,000km duct length with 7.5m pits and manholes
- ~250,000km fibre which includes the new intercity network
- 111 of 121 nbn Points of Interconnect (POIs) are InfraCo fixed network sites

Inter-exchange network

- 2 large and 5 small data centres (DCs)
- Connections to 150+ data centres and all 121 nbn POIs
- >7,500 sites with 100+ potential edge sites that have 160MW capacity

Customer access network

- ~160,000 poles for small cells, IOT, and emergency services
- Amplitel has >8,000 towers, masts & mobile poles
- 150 amplifier sites supporting the next generation fibre network

Towers and rooftops

Largest terrestrial intercity network in Australia

One of the largest Asia Pacific networks operated by an Australian carrier

Reliable and trusted partner

All data points as of May 2025. "Largest" defined by total route kms of fibre

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Diverse and growing customer base

Underpinning strong, stable, long-term cashflows

nbn, Telstra, carriers & wholesalers

Infrastructure and high capacity backhaul that supports Telstra's leadership, growth of other carrier footprints and underpins the nbn

Hyperscalers

Bespoke, high-capacity connectivity within and between data centre availability zones

New growth

Solutions covering connectivity, land and power for satellite operators, and connectivity infrastructure supporting data centres, CDNs, SDNs and OTTs¹

Government, industry & major projects

Sovereign, scalable and secure connectivity to support cloud, AI and productivity, and infrastructure services supporting major projects

(1) CDN = Content Delivery Networks; SDN = Software-Defined Network providers; OTTs = Over The Top providers

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Our plan for growth

Australia's leading digital infrastructure provider

Strategy & investment areas

Maintain & expand our core infrastructure leadership
with a focus on IRR-attractive investments

New and better ways to make our assets accessible
through digitisation, new products and partnerships

Modernise our footprint
to improve operating leverage, support resiliency and unlock new value pools

Targets¹

Sustained Cash EBIT growth

Mid-teens IRR on strategic investments and partnerships

Supported by

Operating efficiency focus to reduce further cost pools

Accelerated capital recycling to deploy and expand faster

New partnerships and channels to efficiently scale

(1) Key targets are annual for FY26 to FY30 unless otherwise stated. See the Disclaimer and Glossary slides in relation to key targets and financial goals

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Australia's largest terrestrial intercity network

Sydney-Canberra coastal route set to go live on 25 June 2025

Melbourne to Sydney

- Standard Ends
- Melbourne-Canberra ILAs
- Canberra-Sydney ILAs
- Canberra bypass

144 fibre pairs per route with >~60 Tbps capacity per fibre pair¹

First routes going live servicing the in-demand eastern data corridor:

- Largest population centres**, which coincide with the major **hyperscaler availability zones**
- ~95% of national data centre demand** is served by Melbourne, Sydney and Canberra with ~80 operational data centres (another 25+ planned or under construction)²
- 16 subsea cables** landing in Sydney and Melbourne with more planned³

ICF moves large data sets between data centres, clouds and regions

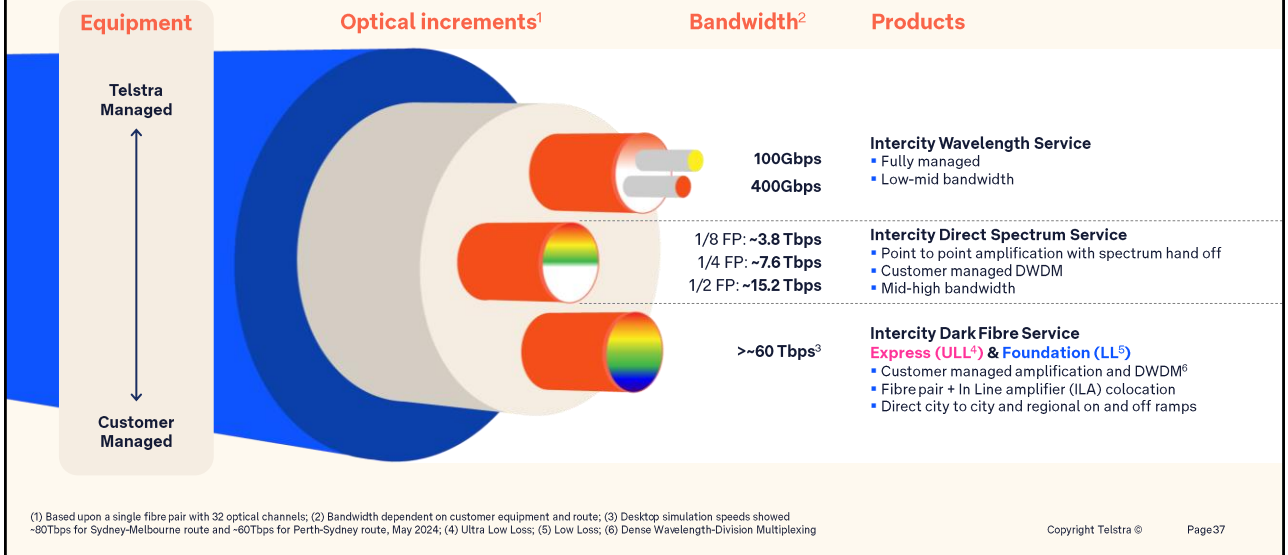
All data points as of May 2025 unless otherwise stated; "Largest" defined by total route kms of fibre; ILA = In-line Amplifier. (1) Desktop simulation speeds showed ~80 Tbps for Sydney-Melbourne route and ~60 Tbps for Perth-Sydney route, May 2024; (2) Source: Cushman & Wakefield, H2 2024. 80 and 25+ refers to only the DCs within Melbourne, Sydney and Canberra regions; (3) Across all operators. Source: TeleGeography, 2025

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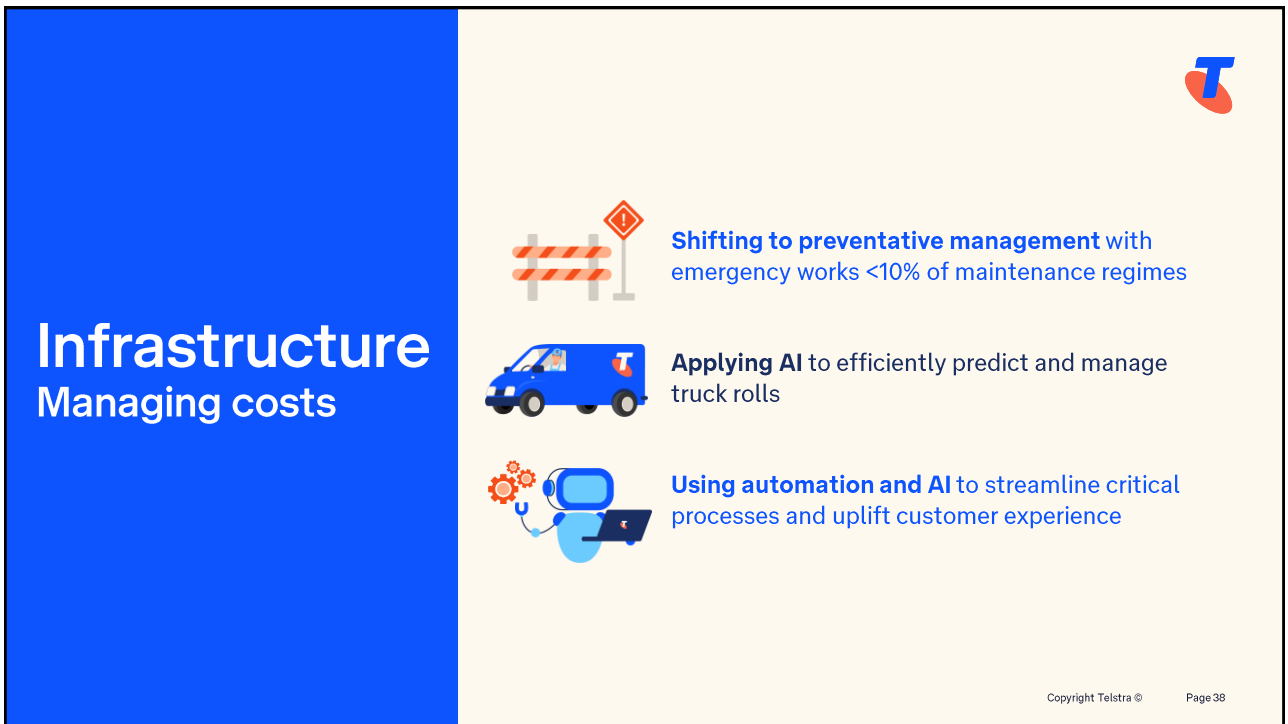
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Options to suit customer needs



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Amplitel

We've built Australia's leading towers business

The **largest digital twin program** in Australia and NZ with 90% of mobile sites digitised¹

Signed **long term agreements** with all major MNOs

Improved **land tenure** and **ongoing cost efficiencies**

Built **300 new sites** with 400 under development

Additional tower capacity and portfolio life unlocked

Processed **5,000 projects for customers** (~1,500 adds moves and changes per annum)

Launched a **customer digital portal**

All data points as of May 2025 and calculated from September 2021; (1) Only for drone flyable mobile sites

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We have momentum to deliver

InfraCo

Established 2019

~3% EBITDAaL CAGR¹
62% EBITDAaL margin³

AMPLITEL

Established 2021

~8% EBITDAaL CAGR²
64% EBITDAaL margin³

Network investments

- New intercity fibre network** with >4,000 km of fibre laid
- Delivering **metro fibre rings between data centres** for hyperscalers
- Delivering **satellite ground infrastructure** including 300 satellite access nodes

Innovation

- Achieved a **world first of 1.6Tb/s** through a single optical channel over 700km
- Scaled **standalone power systems** and trialling **next gen batteries**
- Australia's **first terrestrial optical spectrum sharing** product, Direct Spectrum

Capability and track record

- Major programs for **copper extraction, property divestment** and **commercial works**
- Responded to **29 major incidents** impacting power availability and **4 natural disasters** in FY25 to date
- Stood up the **Power Resilience Taskforce** to develop contemporary industry solutions and uplift resilience

All data points as of May 2025 unless otherwise stated; (1) EBITDAaL excluding commercial works and legacy asset sales CAGR FY21-24; (2) EBITDAaL excluding gain from contract CAGR FY21-24; (3) As of H1 FY25

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ICF Video



Video focused on the Sydney, Melbourne, Canberra routes



Michael Ackland
Chief Financial Officer

Our financial goals



Our goal is to deliver consistent growth
in shareholder value and returns



Grow cash earnings by
mid-single digit CAGR to FY30
supporting sustainable and
growing dividends



**10% underlying
ROIC** by FY30
demonstrating growth
and returns



**Disciplined capital and
portfolio management**
underpinned by balance sheet
settings consistent with
an A band credit rating

Key targets are annual for FY26 to FY30 unless otherwise stated. See the Disclaimer and Glossary slides in relation to key targets and financial goals

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Disciplined allocation of capital helps enable shareholder value creation



1 Growth in core business cashflow

- Growth in **mobile and digital infrastructure**
- Operating leverage with **cost** and **BAU capex** efficiency
- Supports growth in **balance sheet capacity**

+ 2 Portfolio & investment management

- **Strategic capex** investments in infrastructure
- Active **divestment pipeline** of non-core assets
- **Commercial partnership** and **M&A** opportunities

+ 3 Disciplined capital management

- Strong commitment to **A band credit rating**
- Sustainable and growing **dividend**
- Potential for additional **shareholder returns**

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Key drivers of core business performance



Sustainable mobile growth



Delivering high-quality **long-term** returns and growth



Commercial excellence driving growth and returns
BAU capex discipline to help drive financial momentum
Cost reduction and efficiency supported by AI

(1) Key targets are annual for FY26 to FY30 unless otherwise stated. See the Disclaimer and Glossary slides in relation to key targets and financial goals

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Tripled

~1-2% p.a.

Low

High



ALDI Mobile
everyday mobile



Leading branded value proposition

- **Best network**
- Maintain **mobile coverage lead**
- **~270** retail stores Australia-wide²
- **>2,500** onshore contact centre FTEs³
- **Millions** of scam calls, texts and emails blocked²

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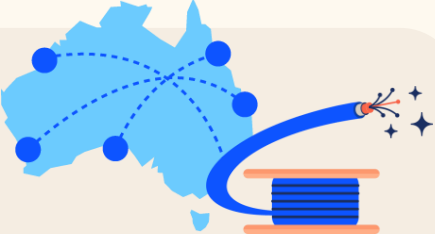
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Growing demand for digital infrastructure drives infrastructure growth





Leading value proposition¹

- **Largest** terrestrial intercity network in Australia
- **~250,000km** fibre across 135 cities and >1,400 regional towns
- **370,000km** duct length with 7.5m pits
- **>8,000** towers, masts and mobile poles
- **>7,500** fixed network sites

Demand drivers

>25% p.a.
Australian internet backbone traffic growth forecast 2025-29²

Data & tech
Gen AI, cloud-based processing and immersive reality

Valuable
includes assets with long-term, CPI-linked contracts

Satellite
LEO satellite activity growing

Intercity Fibre + Viasat key financial metrics³

**\$1.6b**
Total capex FY23-27

**Mid-teens**
Expected IRR

**~9 year**
Cash payback

(1) All data points as of May 2025. "Largest" defined by total route kms of fibre; (2) Source: Telegeography, Corning; (3) These are forecasts. See the Disclaimer and Glossary slides for further details

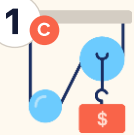
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Commercial, cost and capex efficiency drives positive operating leverage





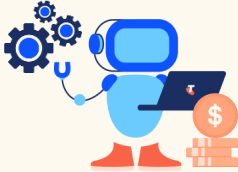
Commercial excellence driving growth and returns

- Focus on **economics and competitive dynamics in each layer**, to reinvent our commercial models
- Incentivise across the business what matters to **create and capture value**



BAU capex discipline to drive financial momentum

- **Driving efficient** delivery through BAU capex
- Shifting capital to **higher returning products**; legacy rolling-off



Cost reduction and efficiency supported by AI

- Strong **track record of cost efficiency** over T22 and T25
- Ongoing **product simplification** and **digitisation** of legacy platforms
- **AI use cases at scale** supporting transformation of network, customer and people experience

Key targets are annual for FY26 to FY30 unless otherwise stated. See the Disclaimer and Glossary slides in relation to key targets and financial goals

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We have a strong track record in effectively managing cost

\$3b

annual core fixed cost

reduction across T22 and T25⁽¹⁾

Cost efficiency will continue to come from

Product simplification

Digitisation

Productivity improvements

Active portfolio management

(1) Based on reduction in underlying core fixed costs FY19-FY21 and targeted fixed cost core FY22-FY25

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Artificial Intelligence will be transformative

Artificial Intelligence will be transformative

We are set up to lead...

Investing in getting our fundamental tech and data right

Partnered with global leaders like Accenture and Microsoft

Focus on re-inventing processes and parts of our business

... and unlock potentially transformative benefits, for example

Total transformation of customer engagement

Building autonomous, self-healing, highly efficient and resilient networks

Enhancing software development processes

Simplifying and streamlining business processes

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Disciplined portfolio and investment management drives returns



Key targets are annual for FY26 to FY30 unless otherwise stated. See the Disclaimer and Glossary slides in relation to key targets and financial goals



Portfolio discipline supports ROIC growth



Disciplined on risk-adjusted returns

- Pipeline of non-core asset **divestments**
- Strong **adherence to M&A criteria** to drive value creation

Disciplined on strategic investment



Flexibility to invest or partner for growth

- **Strategic growth investment** opportunities (including digital infrastructure) targeting **mid-teens IRR**
- **Flexibility to partner** to optimise balance sheet and returns

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Disciplined capital management drives shareholder value





Strong balance sheet

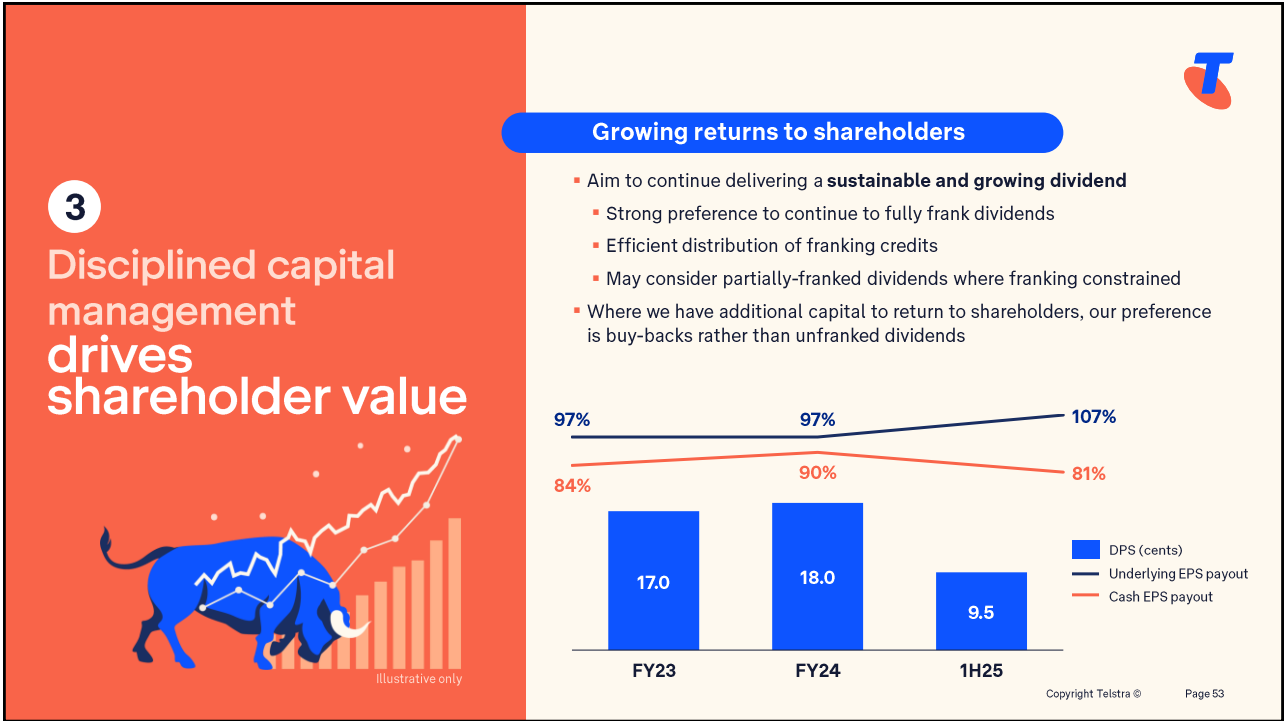
- Committed to settings consistent with an **A band credit rating**
- **Optimise capital structure** between debt and equity with flexibility
- Balance sheet supported by **strength and quality of cashflows**
- **Debt servicing comfort zone updated to 1.75 - 2.25x net debt/EBITDA**
- **Earnings growth** drives additional **capacity** over time

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FY25 guidance



	FY24	1H25	FY25 guidance ¹
Underlying EBITDA ²	\$8.2b	\$4.2b	\$8.5b to \$8.7b
Business-as-usual capex ³	\$3.4b	\$1.6b	\$3.2b to \$3.4b
Strategic investment ⁵	\$0.3b	\$0.1b	\$0.3b to \$0.5b
Free cashflow after lease payments (FCFaL) ⁴ before strategic investment ⁵	\$3.2b	\$1.1b	\$3.0b to \$3.4b

1. This guidance excludes material one-offs, such as mergers and acquisitions, disposals, impairments, spectrum, restructuring costs and such other items as determined by the Board and management.

2. Underlying EBITDA excludes guidance adjustments.

3. BAU capex is measured on an accrued basis and excludes spectrum, guidance adjustments, strategic investment, externally funded capex and capitalised leases.

4. Free cashflow after lease payments defined as 'operating cash flows' less 'investing cash flows' less 'payments for lease liabilities' and excludes spectrum and guidance adjustments. FY25 FCFaL guidance includes around \$300m cash outflow related to FY24 restructuring costs.

5. Strategic investment capex is measured on an accrued basis and relates to the intercity fibre network and Viasat projects.

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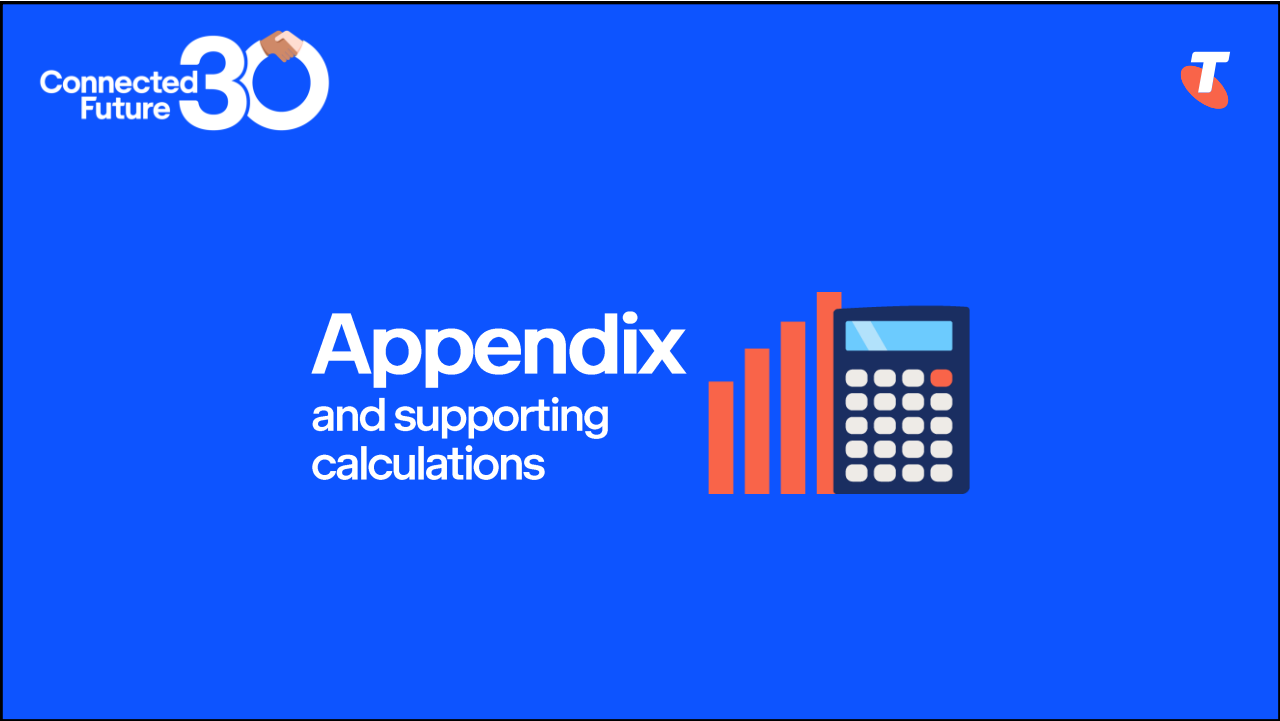
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Our capital management framework



Fiscal discipline

Objectives



Maximise returns for shareholders



Maintain financial strength



Retain financial flexibility

Principles

- 1 Committed to balance sheet settings consistent with an **A band credit rating**
- 2 Disciplined **BAU capex** to support core business growth
- 3 **Sustainable and growing dividend** (prefer fully-franked)
- 4 Disciplined **portfolio management** and **strategic investment**
- 5 Use balance sheet capacity for additional **shareholder returns**

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Cash earnings



Cash earnings	FY23	1H24	2H24	FY24	1H25
Underlying EBITDA ¹	\$7,950m	\$4,016m	\$4,227m	\$8,243m	\$4,248m
Lease amortisation	\$574m	\$303m	\$316m	\$619m	\$282m
Underlying EBITDAaL ¹	\$7,376m	\$3,713m	\$3,911m	\$7,624m	\$3,966m
BAU capex ¹	\$3,297m	\$1,795m	\$1,610m	\$3,405m	\$1,631m
Spectrum amortisation	\$296m	\$136m	\$145m	\$281m	\$161m
Cash EBIT ¹	\$3,783m	\$1,782m	\$2,156m	\$3,938m	\$2,174m
Net finance costs	\$529m	\$317m	\$267m	\$584m	\$316m
Underlying Income tax expense	\$805m	\$419m	\$455m	\$874m	\$415m
Minorities	\$123m	\$77m	\$89m	\$166m	\$88m
Cash earnings	\$2,326m	\$969m	\$1,345m	\$2,314m	\$1,355m
Cash EPS (cents)	20.2	8.4	11.7	20.0	11.7

Grow cash earnings from FY25 by mid-single digit CAGR to FY30

Support additional per share growth through portfolio & investment management and disciplined capital management

D&A higher than cash equivalent due to:

- Accelerated D&A on certain assets
- Legacy and historic higher capex in D&A
- Shorter lived assets such as software forming a higher proportion of our capex

Key targets are annual for FY26 to FY30 unless otherwise stated. See the Disclaimer and Glossary slides in relation to key targets and financial goals; (1) Refer to definition in the Glossary

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Operating leverage

Operating leverage	FY23	1H24	2H24	FY24	1H25	% Change vs PCP
Underlying income ¹	\$23,173m	\$11,705m	\$11,696m	\$23,401m	\$11,823m	A
Underlying operating expenses ¹	\$15,196m	\$7,674m	\$7,468m	\$15,142m	\$7,561m	
Lease amortisation	\$574m	\$303m	\$316m	\$619m	\$282m	
BAU capex ¹	\$3,297m	\$1,795m	\$1,610m	\$3,405m	\$1,631m	
Spectrum amortisation	\$296m	\$136m	\$145m	\$281m	\$161m	
Cash EBIT costs	\$19,363m	\$9,908m	\$9,539m	\$19,447m	\$9,635m	B



Positive operating leverage¹ =

$$\begin{matrix} \text{A} \\ \text{underlying income} \\ \% \text{ growth} \end{matrix} > \begin{matrix} \text{B} \\ \text{Cash EBIT cost} \\ \% \text{ growth} \end{matrix}$$

FY26 to FY30

Key targets are annual for FY26 to FY30 unless otherwise stated. See the Disclaimer and Glossary slides in relation to key targets and financial goals; (1) Refer to definition in the Glossary

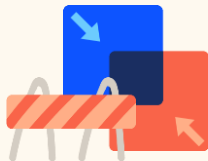
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Investment criteria



Clear guardrails for mergers and acquisitions

- EPS accretive (Year 2)
- Cash earnings accretive (Year 2)
- ROI above WACC (Year 3)
- More accretive than a buy-back



Potential to partner with external and private capital

- Shared risk
- Access to specialist capability
- Investment size or access to special pools of capital



Strategic investment opportunities

- Targeting mid-teens IRR

Key targets are annual for FY26 to FY30 unless otherwise stated. See the Disclaimer and Glossary slides in relation to key targets and financial goals

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Glossary

Term	Definition
Key targets – non-financial	
AI maturity	Refers to external AI maturity measure against global enterprises
“enabled by NaaP”	Refers to connectivity products that monetise a sophisticated network feature
Network Experience Index	Refers to an internal composite metric based on the availability and speed of mobile and fixed services
Strongest brand	Refers to external Brand Strength Index (BSI)
Financial terms	
BAU capex	Business-as-usual (BAU) capex is measured on an accrued basis and excludes spectrum, guidance adjustments, strategic investment, externally funded capex and capitalised leases
Cash earnings	Underlying EBITDAaL less BAU capex, spectrum amortisation, finance costs, tax and minorities. Refer to reconciliation in “Cash earnings” slide
Cash EBIT	Underlying EBITDAaL less BAU capex and spectrum amortisation
Cash EPS (cents)	Cash earnings per share
EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortisation
EBITDAaL	Earnings Before Interest, Taxes, Depreciation and Amortisation, and after Lease amortisation
Free cashflow after lease payments	Free cashflow after lease payments defined as ‘operating cash flows’ less ‘investing cash flows’ less ‘payments for lease liabilities’ and excludes spectrum and guidance adjustments
Guidance adjustments	Guidance adjustments include material one-offs, such as mergers and acquisitions, disposals, impairments, spectrum, restructuring costs and such other items as determined by the Board and management



Glossary cont.

Term	Definition
Financial terms cont.	
IFRS	International Financial Reporting Standards issued by the IASB. When ‘IFRS’ is used to describe an item of information, that item should be taken to be prepared in accordance with IFRS
IRR	Internal Rate of Return
Operating leverage	Underlying income % growth greater than cash EBIT cost % growth (including operating costs, BAU capex, and lease and spectrum amortisation)
ROIC	Return on Invested Capital. Calculated as Net Operating Profit After Tax (NOPAT) as a percentage of total capital
Strategic investment	Strategic investment capex is measured on an accrued basis and currently relates to intercity fibre network and Viasat
Total income	Total income excluding finance income
Underlying EBITDA	EBITDA excluding guidance adjustments
Underlying EBITDAaL	EBITDAaL excluding guidance adjustments
Underlying EPS	Profit for TLS shareholders attributable to each share, excluding guidance adjustments
Underlying income	Total income excluding guidance adjustments
Underlying operating expenses	Total operating expenses excluding guidance adjustments
Underlying ROIC	Calculated as NOPAT as a percentage of total capital, excluding guidance adjustments less tax