



1 September 2023

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Office of the Company Secretary
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AUSTRALIA

ELECTRONIC LODGEMENT

Telstra Group Limited – Corporate Governance Statement and Appendix 4G

In accordance with the Listing Rules, the 2023 Corporate Governance Statement and Appendix 4G released by Telstra Group Limited is provided for the information of Telstra Corporation Limited noteholders.

Authorised for release by:

Sue Laver
Company Secretary



Governance at Telstra

2023 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.

Our governance arrangements and practices play an integral role in supporting our business and helping us deliver on our strategy.

They provide the structure through which our strategy and business objectives are set, our performance is monitored, and the risks we face are managed.

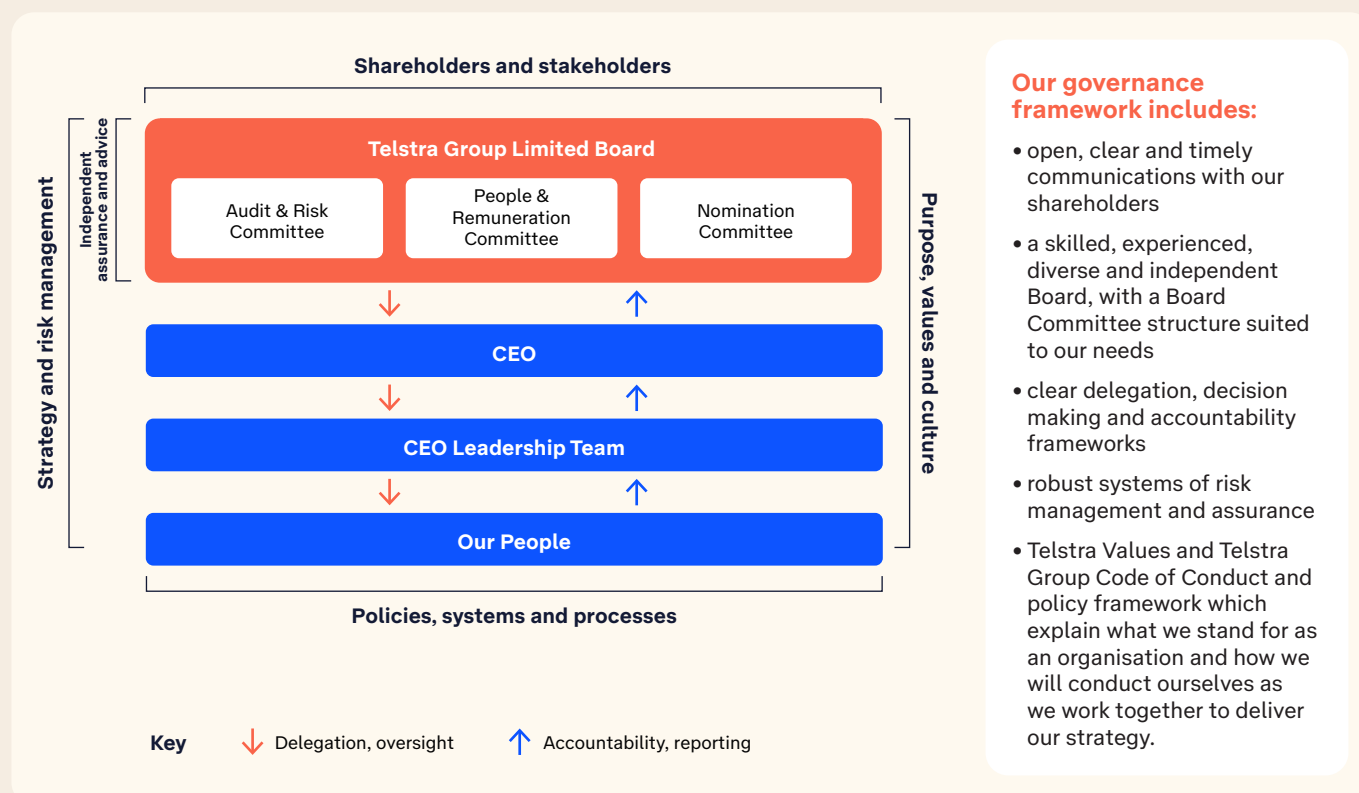
They include a clear framework for decision making and accountability across our business and provide guidance on the standards of behaviour we expect of each other.

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

This report summarises Telstra's governance arrangements and practices during FY23¹. It has been approved by the Board of Telstra Group Limited and is current as at 1 September 2023 (unless otherwise stated).

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

More information about governance at Telstra (including this statement and Appendix 4G, our Board and standing Board Committee Charters and key governance policies) can be found on our governance website at telstra.com/governance.



1. On 31 October 2022, Telstra Group Limited became the new listed head entity of the Telstra Group following implementation of the top hat component of the scheme of arrangement between Telstra Corporation Limited and its shareholders. Telstra Group Limited has substantially the same corporate governance framework and arrangements as Telstra Corporation Limited had when it was the listed head entity of the Telstra Group.

1 | Our Board of Directors



John Mullen



Vicki Brady



Eelco Blok



Maxine Brenner



Roy Chestnutt



Craig Dunn



Ming Long AM



Bridget Loudon



Elana Rubin



Niek Jan van Damme

We currently have 10 Directors on our Board (nine non-executive Directors and the CEO): Chairman John Mullen, CEO and Managing Director Vicki Brady and non-executive Directors Eelco Blok, Maxine Brenner, Roy Chestnutt, Craig Dunn, Ming Long, Bridget Loudon, Elana Rubin, and Niek Jan van Damme.

During FY23, one of our non-executive Directors retired from the Board and two new non-executive Directors were appointed to the Board. Nora Scheinkestel, having reached the end of her fourth three-year term as a Director, retired from the Board on 11 October 2022. Ming Long joined as a non-executive Director on 1 January 2023 and Maxine Brenner joined as a non-executive Director on 17 February 2023, both of whom will stand for election at the 2023 AGM.

As noted in our 2023 Notice of Annual General Meeting, Bridget Loudon and Elana Rubin, having served three years on the Board, will stand for re-election at the 2023 AGM.

On 28 August 2023, John Mullen announced his intention to retire from the Telstra Board at the conclusion of this year's AGM, after 15 years on the Board, the past seven as Chairman. He will be succeeded as Chairman by current director Craig Dunn.

On 1 September 2022, Vicki Brady became the new CEO and Managing Director of Telstra. Vicki replaced Andrew Penn who retired on 31 August 2022 after more than seven years in the role.

Further information about our Directors, including their qualifications, experience and length of service, can be found in the Board of Directors section of our 2023 Annual Report and at telstra.com.au/aboutus/our-company/present/the-board.

Roles and responsibilities

The Board

The Board is responsible for managing Telstra's business, and is accountable to shareholders in performing that role. The Board has a Charter that sets out in detail its responsibilities, as well as other matters relating to its composition, conduct and the arrangements by which it operates.

The Board's responsibilities include setting Telstra's strategy, approving and monitoring the implementation of the corporate plan, selecting and appointing the CEO, setting Telstra's risk appetite and overseeing the management, performance and governance of Telstra.

The Board has delegated responsibility for the day to day management of Telstra to the CEO in accordance with the strategy, corporate plan and policies approved by the Board, except for those matters specifically reserved to the Board or its Committees. Reserved matters include significant expenditure and acquisition and divestment transactions above the limits delegated to the CEO, material

variations to our strategy and the annual corporate plan, and capital management initiatives including the payment of dividends, share issues and buy-backs and returns of capital.

The CEO in turn may, and has, delegated some of these powers to senior management and others throughout the organisation under our Telstra delegations framework.

The CEO is accountable to the Board for the exercise of the delegated authority and is responsible for, among other things, developing and implementing our strategy, managing the organisation in accordance with our strategy and corporate plan, and instilling and reinforcing Telstra's values and Code of Conduct. With the support of senior management, the CEO provides the Board with reports, briefings and presentations on a regular basis throughout the year, and Directors challenge management and hold them to account.

Our Chairman

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. As noted above, John Mullen will retire from the Telstra Board at the conclusion of this year's AGM. He will be succeeded as Chairman by Craig Dunn, who is also an independent non-executive Director.

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.

Our Company Secretary

Our Company Secretary, Sue Laver, is appointed by the Board and reports directly to the Board through the Chairman. All Directors have access to the Company Secretary. The Company Secretary's role 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.



Our Board and Board Committee Charters, which provide further information about the roles and responsibilities of the Board, Board Committees, the CEO and management, are available on our governance website at telstra.com/governance. Information about our CEO and our leadership team can be found in our 2023 Annual Report and at telstra.com.au/aboutus/our-company/present/leadership-team.

FY23 governance activities

Some of the key focus areas of the Board, its Committees and management during the 2023 financial year included the following:

Strategy and performance

During the year we welcomed a transition in our leadership team with Vicki Brady's succession to the role of CEO and Managing Director and Michael Ackland becoming CFO on 1 September 2022.

Our results for the year show continued growth on a reported and underlying basis, with positive momentum across our key indicators. We maintained our disciplined approach, and our financial performance enabled the Board to resolve to pay a final dividend for FY23 of 8.5 cents per share, returning \$2.0 billion to shareholders over FY23 when combined with the interim dividend for FY23.

This momentum is also reflected in the progress we have made in the first year of delivery against our T25 strategy to improve customer experience, build sustainable growth, enhance our reputation, and further invest in our network and technology leadership.

While our overall trajectory is good, we have some parts of the business performing well, and others where we continue to see challenges.

While we still have a lot to deliver, financial year 2023 has been an important year. We re-prioritised the big things that will matter most for customers, continued to invest in our network leadership and infrastructure businesses, and elevated employee engagement and culture to support these ambitions.

Board renewal

The Board continues to focus on ongoing renewal and putting in place the right balance of experience, expertise and fresh thinking. Ming Long's and Maxine Brenner's appointments in January and February 2023 respectively have added to the wealth of experience we have on the Board.

On 28 August 2023, John Mullen announced his intention to retire from the Telstra Board at the conclusion of this year's AGM, after 15 years on the Board, the past seven as Chairman. He will be succeeded as Chairman by current director Craig Dunn.

People and culture

Our people – and the culture we collectively create and live – are among the cornerstones of our T25 and sustainability strategies. Success will rely upon us building a team with the right talent, but also a culture where those people share our values and expectations and are proud to work.

We continue to focus on attracting, developing and retaining the workforce required to achieve our strategic objectives, as well as having effective leadership that develops the culture of simplicity, change, accountability and collaboration that we need to embed throughout our organisation. We continue to invest strongly in our people and in succession planning.

Doing business responsibly

For Telstra, doing business responsibly means doing the right thing – for our customers, our people and the communities we serve. We believe every company has a responsibility to operate sustainably and think deeply about the role it plays in society and how it can create a positive impact. For this reason 'doing business responsibly' is one of the key pillars of our T25 strategy, and the foundation for our sustainability strategy.

This year, the Board's sustainability priorities have included overseeing our refreshed sustainability strategy and the priority focus areas for our sustainability program, and approving an increase in ambition for our device reuse/recycling and network waste targets from September 2023 (see the 2023 Bigger Picture Sustainability Report for more information).

Corporate restructure

Our corporate restructure was completed during financial year 2023, and the entities in the Telstra Group continue to work together on creating innovative products and services, supporting customers and delivering an exceptional customer experience.

Managing our risks

Managing our material risks is an important part of ensuring the success of our strategy, as well as enhancing customer experience, reputation, financial position, and capacity to pay dividends.

Privacy, data, and cybersecurity

The information and cybersecurity threat environment in which we operate continues to become more complex, both in Australia and globally. This is taking place at a time when the demand for, and dependence on, being able to live, work and learn online and from anywhere only accelerates. Data privacy, information security and cybersecurity are crucial priorities for us.

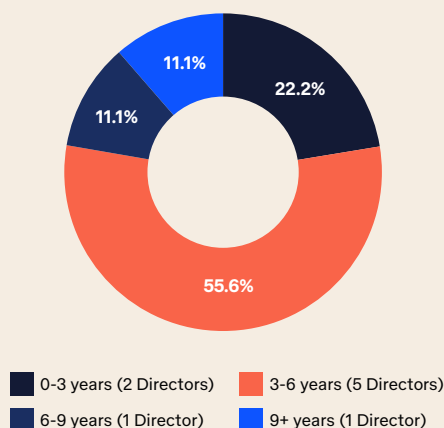
Protecting the personal information of our customers and employees is a benchmark of trust, and we continue to strive to meet our legal and regulatory obligations in this regard.



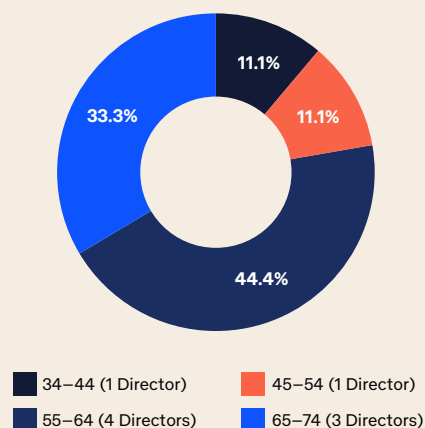
Board structure and composition

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.

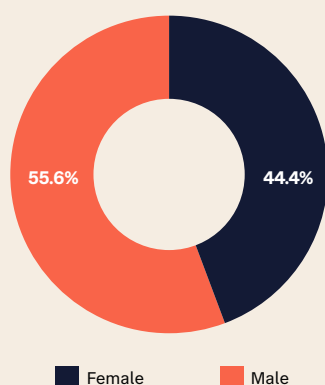
Non-executive Director tenure



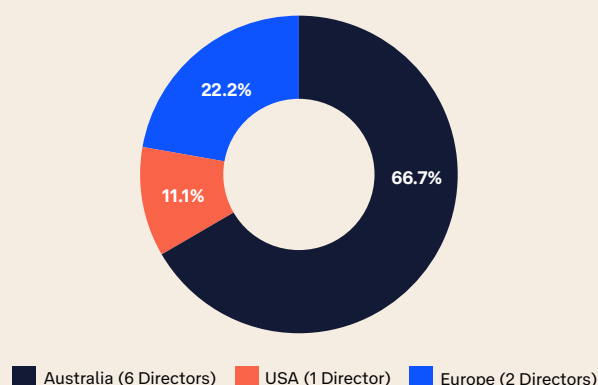
Age of non-executive Directors



Board gender diversity –non-executive Directors



Non-executive Director geographic diversity



* As at 17 August 2023

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

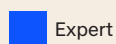
Skills, experience and diversity

The Board utilises a skills matrix to assist it in maintaining an appropriate and diverse mix in its membership and identifying areas of focus. The matrix sets out the skills the Board currently has and is looking to achieve in its collective membership.

Our Board skills matrix focusses on the skills and experience which the Board considers particularly relevant (as well as personal skills). The matrix 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.

Board skills matrix

Category	Includes skills and experience in areas such as:	Representation on the Board among non-executive Directors
Telecommunications and technology	Telecommunications – extensive experience in the telecommunications industry (including global experience)	
	Technology, innovation, digital and data – experience in organisations with a focus on technology and innovation, experience in areas such as digital commerce, commercialisation of digital products and services, data, cyber-security 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	



Expert



General working experience and knowledge



Limited working experience and knowledge

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 Board considers that each of the skills set out in the matrix is currently well represented on the Board. 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, 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 FY23, the Board's diversity objective was that there will be at least 40% representation of women among non-executive Directors.

As at 30 June 2023, four of our non-executive Directors were women, equating to 44.4 per cent representation of women among non-executive Directors. In total there are five Directors who are women on the Board (including our CEO, Vicki Brady), equating to 50 per cent representation of women on the overall Board.

For FY24, the Board is committed to maintain (at least) 40% representation of women, 40% representation of men and 20% representation of any gender among non-executive Directors.

The Board has several 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 across public, private and not-for-profit sectors.

During the year, the Board updated its Director's Leave of Absence Policy to provide for parental leave as a further initiative to support Board diversity.

Tenure, election and re-election

Each non-executive Director's term of appointment is subject to the provisions of the Corporations Act, the ASX Listing Rules and our Constitution.

The Board does not set fixed tenure limits for non-executive Directors and tenure remains a matter for the Board's discretion. In recognition of the importance of Board renewal and succession planning, the Board has adopted a policy which outlines certain principles with respect to Board and Committee tenure. These were reviewed and updated by the Board during the year and include the following principles:

Director Positions	Where a non-executive Director is approaching the end of their third three-year term, a more formal review of their 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 Membership	Committee membership is reviewed at least every three years. It is the Board's intention that periodic rotation of Committee members' appointments should occur from time to time, 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.

Our process for the selection, nomination and appointment of non-executive Directors involves a process undertaken by the Nomination Committee and the Board, and we often engage an executive search firm to assist in the process. As part of the 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. Before the Board appoints a Director or puts forward a candidate for election as a Director, we undertake appropriate background checks, including director disqualification, bankruptcy, criminal history and education.

We provide formal letters of appointment to all new non-executive 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. 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.

Non-executive Directors appointed by the Board during the year must stand for election at the next AGM, and non-executive Directors may not hold office for more than three years (or beyond the third AGM following their appointment or last election, whichever is the later) without re-election.

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.

As the tenure of the CEO as a Director is linked to their executive office, the CEO is not required to stand for election.

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.



Our Board and Nomination Committee Charters, and Constitution, are available on our governance website at telstra.com/governance. Information about our Directors, including their qualifications, experience and length of service, can be found in the Board of Directors section of our 2023 Annual Report and at telstra.com.au/aboutus/our-company/present/the-board.

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.

Other than the CEO, all 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, who has been on the Board for more than nine years, the Board has determined that he continues to retain his independence of character and judgement notwithstanding his period of service on the Board.

Performance assessments

Board, Committee and Director

The performance of the Board, its standing Committees and individual Directors (including the performance of the Chairman as Chairman of the Board) are reviewed annually. Periodically the Board engages an external consultant to facilitate its performance review, and the FY23 review was undertaken with the assistance of an external consultant.

The FY23 review comprised a number of elements, including:

- surveys which were completed by Directors and senior management;
- a review of Board and Committee documents, and observation of Board and Committee meetings, by the external consultant;
- interviews between the external consultant and Directors and senior management;
- the provision of reports and a presentation to the Board on the review findings from the external consultant;
- meetings with individual Directors to discuss their individual feedback reports, with the discussion with each Committee Chairman including feedback on Committee performance and the discussion with the Chairman including feedback on his performance as Chairman; and
- discussions between the Chairman and individual Directors.

The review included consideration of a number of aspects relating to Board, Committee and Director performance (including with respect to Board composition and renewal, Telstra's Board standing Committees, Board agendas and papers and enabling space for unstructured discussion and reflection) and the external consultant's overall assessment was that the Board, and its standing Committees, is operating very effectively.

In addition, the Board has undertaken a self-assessment of key matters considered by the Board in respect of FY23 consistent with its responsibilities under its Charter, and self-assessment reviews were similarly undertaken by each standing Board Committee and provided to the Board.

The Board also considered the performance of the Directors standing for re-election at the 2023 AGM when determining the Board's recommendation to shareholders regarding the re-election of those Directors.

CEO and senior management

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, and the Board approves the performance outcomes for senior management. Reviews of the performance of the CEO and senior management were undertaken at the end of FY23.

Information about our remuneration framework and policies, and details of the remuneration for FY23 for non-executive Directors, the CEO and senior management who were Key Management Personnel, can be found in our 2023 Remuneration Report (which forms part of the Directors' Report in our 2023 Annual Report at [telstra.com/annualreport](https://www.telstra.com.au/annualreport)).

Director induction 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 FY23, our program incorporated:

- Board visits to learn about (a) quantum computing manufacturing and the evolving quantum computing market and growth of the industry, (b) data and AI technology including use cases, and (c) a regional Board trip to Townsville which provided Directors with the opportunity to engage with employees and customers and to meet with stakeholders;
- Ongoing education sessions on Telstra Enterprise and Consumer and Small Business customer updates, and cyber-security, data breaches and privacy; and
- Attendance by some Directors at relevant industry and Telstra conferences (including Mobile World Congress) and meetings with technology companies such as Apple, Ericsson, Samsung, Telefonica, Nokia and Google to learn about emerging technology developments and trends.



The regional Board trip to Townsville provided Directors with the opportunity to engage with employees and customers and to meet with stakeholders such as universities and institutes to learn of various innovative programs and opportunities for Telstra to play a role in reducing the environmental stresses on the Great Barrier Reef. The Board also visited Palm Island and engaged with the First Nations communities to understand Telstra's role in supporting Palm Island.

Access to management and independent 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 can 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.

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 | Our 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 frameworks, which assists in strengthening the Board's oversight of Telstra.

The following three standing Committees assist the Board in carrying out its responsibilities:

- Audit & Risk Committee
- People & Remuneration Committee, and
- Nomination Committee.

The Board appoints the members and Chair of each standing Committee, and only independent, non-executive Directors can be members.

	Audit & Risk Committee (A&RC)	People & Remuneration Committee (P&RC)	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 2023	Craig Dunn – Chair Maxine Brenner Roy Chestnutt Ming Long	Elana Rubin – Chair Niek Jan van Damme Bridget Loudon Ming Long	John Mullen – Chair All other non-executive Directors
Key responsibilities – assisting the Board with matters relating to:	• Telstra Group's external financial reporting and the integrity of Telstra's key accounting and corporate reporting processes • The design, implementation and effectiveness of Telstra's risk management framework (including risk culture), compliance framework and internal control systems and processes • Selected risks, and emerging and escalating sources of risk • Internal and external audit, including independence • Telstra's ESG (environmental, social, governance) performance and significant issues relating to ESG.	• Telstra's remuneration framework, strategies, policies and practices • Remuneration of Directors, the CEO and Company Secretary, and remuneration and performance of senior management • The design of, and outcomes under, Telstra's employee equity plans • Culture and conduct within Telstra • Selected people related risks and other people related matters such as Telstra's progress in achieving its diversity objectives, talent and capability development and succession planning.	• Composition and performance of the Board, including Board diversity • Director independence • Appointment of the CEO and CEO succession planning • CEO and Company Secretary performance.

	Audit & Risk Committee (A&RC)	People & Remuneration Committee (P&RC)	Nomination Committee
Key activities and focus areas during FY23	- Continuing to oversee the design, implementation and effectiveness of Telstra's risk management framework (including risk culture) - Continuing to monitor whether the level of compliance and governance within the company was appropriate - Considering the potential implications of the corporate restructure and major acquisitions on Telstra's risk profile and governance and operating models - Closely monitoring compliance programs of work - Continuing to monitor important ongoing initiatives to enhance our management of risk and compliance, including with respect to cybersecurity, privacy and data, and network and physical infrastructure resilience - Overseeing Telstra's approach to, and success in, meeting its compliance obligations - Continuing to monitor the effectiveness of Telstra's sustainability strategy and how we achieve positive social outcomes for customers and communities - Reviewing progress against Telstra's environmental commitments and our climate change disclosures - Reviewing progress against Telstra's human rights and modern slavery commitments and disclosures - Overseeing the process for the management of matters raised by whistleblowers and reviewing significant matters raised through the process.	- Reviewing and making recommendations on the design of, and outcomes under, Telstra's FY23 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 - Reviewing selected people related risks, the risk management plans in place to deal with those risks and monitoring whether Telstra was operating within the risk appetite set by the Board in respect of those risks - Monitoring how culture and conduct is managed across the organisation and overseeing management's initiatives to instil and reinforce Telstra's values and compliance with Telstra's Code of Conduct - Reviewing and considering matters central to Telstra's workforce and culture, including diversity & inclusion, workforce demographics, employee experience, talent attraction and attrition, and learning and development.	- Considering matters relating to Board composition and renewal, including Board and Committee membership and potential new Board candidates - The FY23 Board performance review process - Reviewing the performance of the CEO and Company Secretary during FY23.

Each Committee operates in accordance with a Charter approved by the Board, and the Committee's Charter is reviewed each year. Committee membership is reviewed at least every three years. The Committees report, and make recommendations, to the Board as appropriate, and information and papers considered by a Committee are provided to other Committees and the Board as relevant.

From time to time the Board also establishes ad hoc Committees to support the Board in carrying out its responsibilities.



Our standing Board Committee Charters are available on our governance website at telstra.com/governance. Details of the number of meetings held by the Board and its standing Committees during FY23, and attendance by Directors, can be found in our 2023 Directors' Report included in our 2023 Annual Report at telstra.com/annualreport. Information on the relevant qualifications and experience of Committee members can be found in the Board of Directors section of our 2023 Annual Report.

3 | Engaging with our shareholders and investors

We value and facilitate a direct, two-way dialogue with our shareholders and investors. It is important we provide relevant information to shareholders, listen to and understand their perspectives and respond to their feedback.



Our shareholder meetings (AGM and Scheme Meeting)

Our Annual General Meeting (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.

In 2022, our AGM was followed by a Scheme Meeting. The Scheme Meeting was required as part of the Telstra corporate restructure. Shareholders heard from the Chairman on the details and reasons for the restructure and were informed on what they were asked to vote on at the Scheme Meeting.

Both shareholder meetings were held in Sydney and online (hybrid) on 11 October 2022. The meetings provided shareholders with the opportunity to attend either in person or via the online platform. If shareholders could not attend in person, we encouraged shareholders to take advantage of the online platform to join each meeting, and ask questions online or via the telephone during each meeting.

Through our Shareholder Meetings website (telstra.com/Meetings22), we provided shareholders with all the information they needed to attend each meeting, including our virtual Meetings guide.

Our websites

We provide ready access to information about Telstra on our websites, including through our:

- Investor Centre (telstra.com/investor) – which includes information on our financial results, annual reports, our ASX announcements and investor presentations.
- Governance at Telstra website (telstra.com/governance) – which provides access to key governance documents such as our Board and Committee Charters, our Code of Conduct and other governance policies, as well as other governance related Telstra reports.
- Sustainability website (telstra.com/sustainability/report) – which includes information about sustainability (and climate change) at Telstra.

Other shareholder and investor engagement and communications

We also have a range of initiatives in place to facilitate shareholder participation and engagement at our AGM, and to promote effective communication with shareholders and investors more generally. During FY23 this included:

The AGM and Scheme Meeting	Other shareholder and investor engagement initiatives	
- Encouraging shareholders to provide us with their questions ahead of the AGM and Scheme Meeting. This helps us further understand shareholder issues and concerns and enables us to address areas of shareholder feedback at the relevant meeting. - We also provide responses to frequently asked shareholder questions on our website. - Recording the AGM and Scheme Meeting and making it available for shareholders to view after the meetings. After the AGM and Scheme Meeting we also made available online the questions asked by shareholders during the meeting which were relevant to the items of business. - Our standard practice, consistent with the Corporations Act, 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.	- Recording events such as our Half Year and Full Year financial results briefings and other investor presentations, and making those presentations available on our Investor Centre. - Holding a virtual retail shareholder meeting in September 2022 ahead of our 2022 AGM, which included presentations from our CEO Vicki Brady and CFO Michael Ackland. - CFO Michael Ackland presented virtually at the ASX CEO Connect event on 7 March 2023. - Although not held in FY23, Investor Days will be included in future investor engagement. Our last Investor Days were in September and November 2021, which included the announcement of our T25 strategy. Transcripts of the events were lodged with the ASX following the events.	- Organising domestic and international investor roadshows following our Half Year and Full Year financial results briefings. - Participating in virtual and in-person conferences in Australia and overseas to formally meet with institutional investors to discuss Telstra's strategy and performance. - Having scheduled ad hoc interactions with institutional investors, retail brokers, sell side analysts and proxy advisers. - Communicating directly with retail shareholders via our Investor Centre (investor.relations@team.telstra.com). - Continuing to encourage shareholders to provide us with their email addresses so we can communicate with them electronically.

 Our Continuous Disclosure policy can be found on our governance website at telstra.com/governance. Information about our Annual General Meetings can also be found at telstra.com/agm.

4 | Risk management and assurance

Managing our risks

Understanding and managing our risks is part of how we work. It helps us meet our strategic objectives as well as 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.

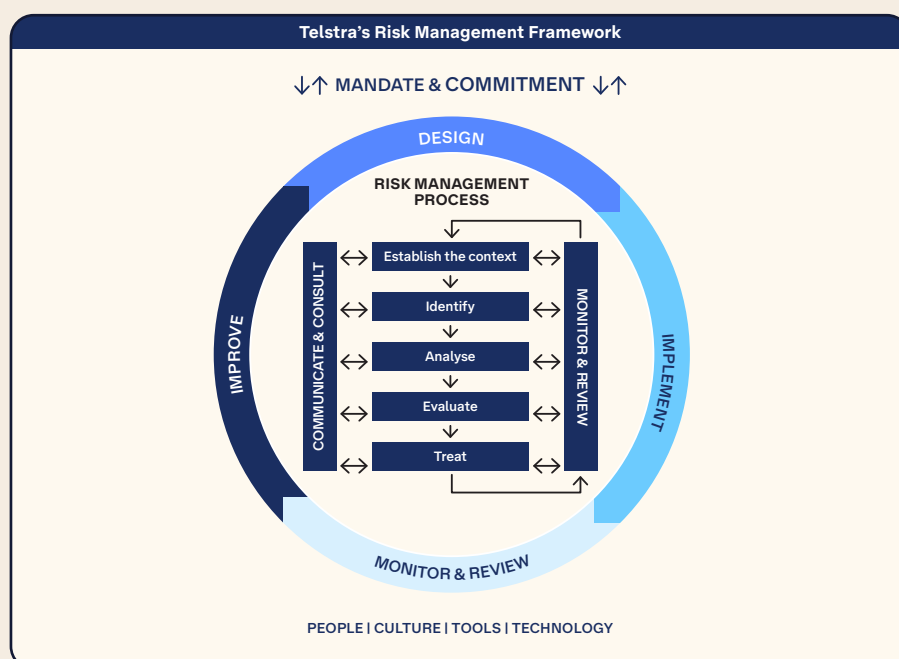
Our Risk Management Policy outlines our approach, objectives and principles for risk management at Telstra, including our commitment to ensuring a consistent approach for managing our risks via our risk management framework.

Our risk management framework

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 which works 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
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.

Our Audit & Risk Committee

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.

In respect of FY23, 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.

Management forums

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, network resilience, cyber and data security, supplier governance, health, safety and wellbeing, climate change and internal audit activities.

Our risks

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.

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 year.

We consider environmental, social and governance (ESG) factors as part of our consideration of our risks. Each year we apply a double materiality approach where we consider the inward-facing sustainability related financial factors that may influence the long-term sustainability of our business and outward-facing sustainability impact factors of greatest significance to our stakeholders, society and the environment. For more information about the sustainability related financial risks to our business, please see our 2023 Annual Report.

Maintaining clear oversight of our climate related risks and opportunities is one of our sustainability governance priorities. We are committed to enhancing our climate-related disclosures, as provided in the Understanding our climate risks section of the 2023 Annual Report, which are aligned with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

FY23 activities and initiatives

We undertake various 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 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 FY23 we implemented several improvements in our risk management. These included a focus on accountability and responsibility for risk management in our Agile operating model, the continuation of our Compliance Uplift Program, significant improvements in our controls and assurance capabilities and the implementation of our single Governance, Risk Management and Compliance technology platform, which is enabling better monitoring, reporting and alignment on risks and controls effectiveness.

Notably, our Compliance Uplift Program continues to uplift our standards. By the end of FY24 the program will be substantially completed. We have made significant improvements in our controls and assurance capabilities to ensure our processes, policies and behaviours meet our customers' expectations, minimise the risk of non-compliance and manage our key risks. The introduction of Telstra's Controls Assurance Framework in April 2022 marked a crucial milestone, enabling a consistent approach to identifying, testing, and reporting control effectiveness.

 Our Audit & Risk Committee Charter is available on our governance website at telstra.com/governance.

A summary of the material risks that could affect Telstra (including any material exposure to economic as well as ESG risks), and how we seek to manage them is provided in the Our material risks section of our 2023 Annual Report at telstra.com/annualreport.

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 and the Understanding our climate risk section of our 2023 Annual Report, as well as our 2023 Bigger Picture Sustainability Report at telstra.com/sustainability/report.

Internal audit

Our internal audit activities are undertaken by Group Internal Audit, Telstra's 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 COE Executive, Group Internal Audit, whose appointment is approved by the Board. The COE Executive, Group Internal Audit reports to the Audit & Risk Committee and administratively to the CFO. Group Internal Audit has full and unrestricted access to all our information systems, records, physical properties and employees 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.

Our external auditor

Telstra's external auditor is Ernst & Young (EY). 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, which includes reviewing and assessing EY's performance and independence, and monitoring management's adherence to our policy on audit and non-audit services provided by EY.

During FY23, the Audit & Risk Committee was provided with regular reports outlining 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 7.1 to our Financial Statements in our 2023 Financial Report (included in our 2023 Annual Report at telstra.com/annualreport).

Declarations regarding financial statements

In connection with our financial statements for the financial year ended 30 June 2023, and the half-year ended 31 December 2022, our CEO and CFO have provided the Board with declarations that:

- in their opinion, the financial records of Telstra have been properly maintained and the financial statements and notes thereto 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.

Processes for verifying 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.

For other periodic corporate reports prepared for the benefit of investors which are not required to be audited or reviewed by our external auditor, we have policies and processes in place to verify the integrity of the information contained in them before they are released to the market.

Generally speaking, our processes include review and approval by a number of internal groups (including the Function subject matter expert, Investor Relations, Communications and Legal) to confirm, among other things, that:

- the material submitted is factually accurate and fairly represents Telstra's position

- if the report contains commercial or financial information or is commercially strategic in nature and may be considered to be market sensitive, any aspects of the report which are significant to the market are consistent with other public domain information and Telstra's financial accounts disclosures, and
- the report complies with any applicable laws and regulations.

In regard to our Sustainability Report, we seek external assurance over selected performance disclosures including environmental and social topics and other supporting indicators on a rolling basis. This includes environmental (National Greenhouse and Energy Reporting) and social (Modern Slavery Act) metrics that form part of our regulatory disclosures. Our 2023 TCFD disclosures, which are set out in the Understanding our climate risks section of the 2023 Annual Report, were also externally reviewed and a pre-assurance memorandum issued.

5 | Acting lawfully, ethically and responsibly

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

Our purpose and values

Our purpose is to build a connected future so everyone can thrive. Together with our purpose, our values express what we stand for and guide the way we do things. They are core to who we are and we align everything we do with them. At Telstra, we have four values.

We are changemakers



We think big, set ambitious goals and deliver them – for our customers, shareholders and communities. By speaking up, being curious to learn and valuing different perspectives we challenge the status quo and make change.

We are better together



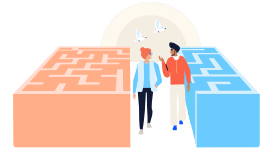
We're one team and embrace the value each of us bring. Our (super) power lies in working together to deliver for our customers. We're each accountable for our actions and do what we say we're going to do.

We care



We show care in all that we do. We do the right thing for our customers, our communities, the planet, ourselves and each other – even when no one's watching.

We make it simple



What we do is complex, but we always make things simple for our customers and each other. Simple doesn't necessarily mean quick. We keep the simple, simple.

A deep commitment to our purpose and values continues to drive Telstra's efforts to do the right thing for our customers, our people and the communities in which we operate by delivering the best products and services on the best network so our customers can thrive.

Sustainability

For Telstra, doing business responsibly means doing the right thing – for our customers, our people and the communities we serve. We believe every company has a responsibility to operate sustainably and think deeply about the role it plays in society and how it can create a positive impact. For this reason, “doing business responsibly” is one of our key pillars in our T25 strategy, and the foundation for our sustainability strategy.

Our purpose is to build a connected future so everyone can thrive. This underpins our belief that Telstra has a real opportunity to play a leadership role in creating a more sustainable and inclusive world. Our sustainability strategy reflects 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.

Through our sustainability strategy we will build on our reputation as a trusted, sustainable business and draw on our tech expertise to create a better digital world and minimise our impact on the planet, as well as helping our customers, our suppliers and Australia do the same.

More information about our Sustainability Strategy can be found in our 2023 Bigger Picture Sustainability Report at [telstra.com/sustainability/report](https://www.telstra.com/sustainability/report).

Leadership, ethics and governance

Across our operations, we promote a fair and responsible culture through the Telstra Group Code of Conduct ('Code'), Group Policies, mandatory compliance training and by recognising employees who demonstrate our values. Our purpose

and values, Code and supporting Group Policies and Standards guide our people and partners to uphold our expectation to act fairly, ethically and in accordance with the law.

The Code translates our values into standards that reflect good corporate governance and responsible business practice. The Code defines the principles and standards of behaviour that we expect from all directors, employees and contractors across the Group. Everyone across the Group is responsible for understanding and complying with our governing principles and Group Policy or Standards, along with reporting any concerns or incidents that conflict with our Code. Our Group Executives and leaders are accountable for creating and promoting a culture in which acting responsibly is core to all our daily decision making to deliver compliant and sustainable outcomes.

Whistleblowing

Our Code further fosters a culture where our people are encouraged to speak up and raise concerns with confidence.

We seek to ensure our people know how to raise a concern through a range of channels, including under Telstra's Whistleblowing Policy. The Whistleblowing Policy and the relevant legislation establish protections for a range of people – including current and former employees, their relatives and dependants and suppliers – to report concerns about illegal, unethical or improper conduct or an improper state of affairs or circumstances 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 lodge a report anonymously; and professional investigators and case managers who investigate eligible reports. Telstra's Whistleblowing Committee, which is chaired by the Company Secretary, receives whistleblowing disclosures and oversees investigations and any follow-up actions required. The Whistleblowing Committee reports to Telstra's Audit & Risk Committee.

We received 169 whistleblowing reports in FY23, which was an increase of 43 per cent compared to FY22. Of these reports 100 were eligible whistleblowing disclosures. We completed 93 investigations in FY23, with the allegations being substantiated in whole or in part for 32 reports, noting that one report might cover multiple matters and the types of issues being reported vary in terms of the seriousness of the allegation. The nature of matters reported that were eligible whistleblowing disclosures covers people and workplace culture issues (around 39 per cent), ethical behaviour (around 39 per cent), misuse of systems (around 10 per cent), and a small number of reports on other issues such as fraud and safety. The increase in reports can be attributed to the expansion of Telstra's direct workforce in Australia due to the insourcing of stores and the onshoring of our call centres, and the acquisition of Digicel Pacific.

To report a matter, please visit Telstra's Whistleblowing Service at telstra.ethicspoint.com.



Other governance policies and strategies

In addition to our values, Code of Conduct and Whistleblowing Policy, we have a number of other governance policies and practices that are central to how we promote good corporate governance, and a culture of acting lawfully, ethically and responsibly. These include:

Ethical behaviour

Anti-bribery and anti-corruption – the purpose of this policy is to prevent bribery and corruption in all forms and to ensure compliance with applicable anti-bribery and anti-corruption laws and regulations. This Policy supports our zero-tolerance approach to bribery and corruption. We prohibit corruption, bribes, kickbacks or facilitation payments of any kind. This Policy is covered in our mandatory Business Essentials induction and refresher training. A standalone Anti-Bribery and Anti-Corruption course has continued to heighten anti-bribery and anti-corruption awareness for higher risk Telstra groups across all Functions.

Conflicts of Interest and Outside Interests – the purpose of this policy is to assist employees, contractors, and managers to understand what we consider to be a conflict of interest and how to deal with any actual, perceived, or potential conflicts.

Gifts and Hospitality – this policy assists employees and contractors intending to offer or accept gifts and hospitality to avoid conflicts of interest or improper influence.

People

Discrimination, Bullying, Harassment and Victimisation – this policy sets out rules to ensure that our workplace is free from unlawful discrimination, bullying, harassment, sexual harassment and victimisation.

Diversity, equity and inclusion – this policy reflects the way we value diversity, equity 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. We aspire to have a diverse workforce that is reflective of the communities in which we operate, equitable mechanisms that will enable everyone to reach their full potential, and an inclusive environment where all people can bring their full selves to work.

Health, safety and wellbeing (HSW) – this policy sets out how we keep each other, contractors and the public safe and well at the Telstra Group. 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.

Market integrity

Continuous disclosure – this policy outlines the 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 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 and where appropriate, a transcript of the presentation (including Q&A session) is lodged with the ASX as soon as practicable after the presentation.

Securities trading – this policy sets out the rules relating to trading in Telstra securities by our people to ensure compliance with insider trading laws, with specific rules and restrictions (including in relation to hedging) applying to our Directors, CEO, senior management, specified other staff and their closely related parties.

Doing business

Competition and consumer protection – it is critical for our success to be able to compete fairly and deliver the best value to customers. Our Competition and Consumer Protection Policy sets out our obligations to prevent practices that limit or prevent competition in Australia. The policy also stipulates the responsibility of users to understand and comply with obligations of overseas jurisdictions in which we operate, as they may differ to Australian rules. We monitor performance against our Competition and Consumer Protection Policy through our Competition Law and Compliance Program, which forms part of our Group Compliance framework.

Managing our tax affairs – we are committed to the highest standards of tax governance and compliance with the tax laws and obligations in the jurisdictions in which we operate. We pay tax consistent with our business presence and operations. We apply the Australian Board of Taxation's Voluntary Tax Transparency Code and provide the recommended disclosures. Refer to Managing our tax affairs available on our governance website at telstra.com/governance as well as Note 2.4 to our Financial Statements in our 2023 Financial Report (included in our 2023 Annual Report at telstra.com/annualreport).

Human Rights – which establishes a set of principles to ensure that Telstra respects and supports human rights in its own operations and through its business relationships. Telstra can impact, both negatively and positively, on the human rights of a range of people, including employees, contractors, customers, suppliers and their workers, other business partners, and the broader community. Accordingly, it is important that all employees, contractors and others working on behalf of Telstra respect human rights in their work. We also expect that our suppliers and business partners acting on our behalf comply with our minimum standards in relation to ethical dealings, which are described in our Supplier Code of Conduct.

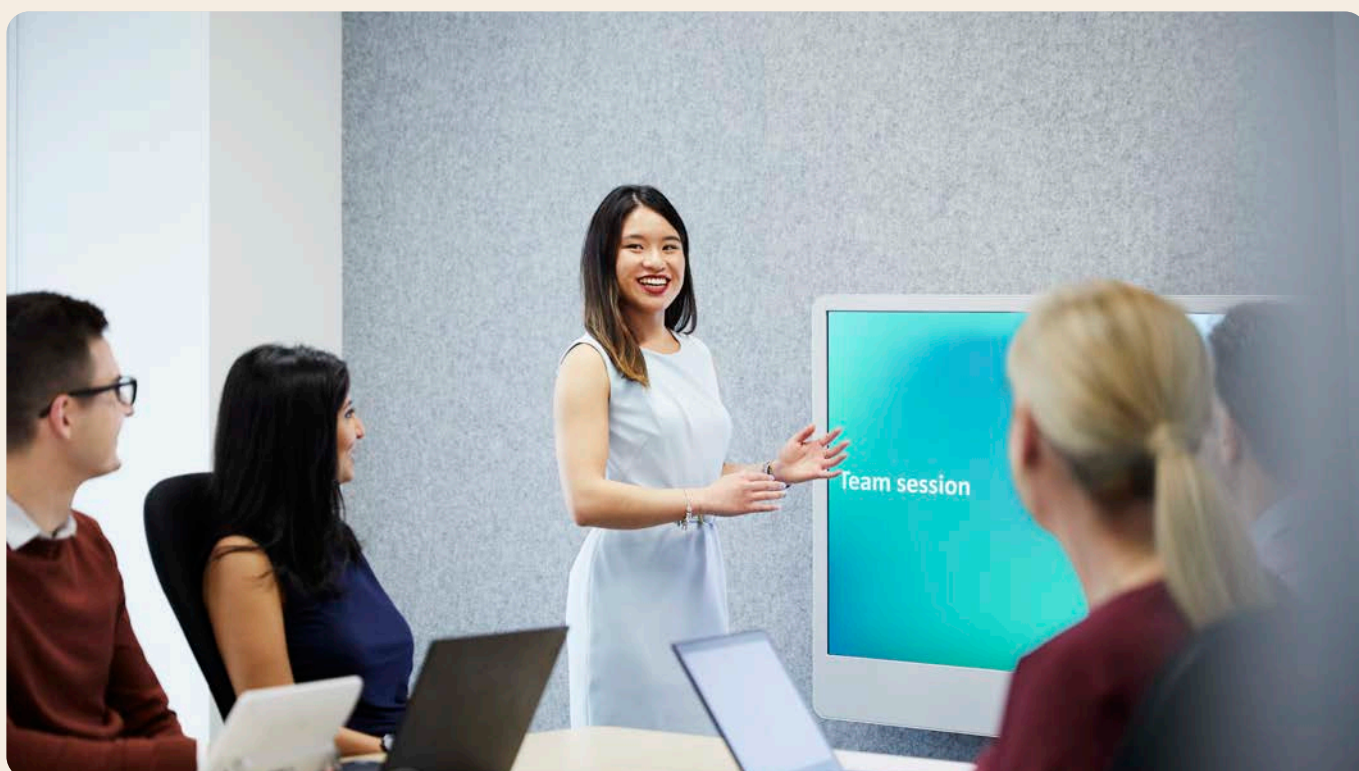
Environment – our Environment policy sets out our commitment to act on climate change and describes how we meet our environmental responsibilities and empower people and organisations to improve their environmental performance.

Management reports on conduct that is materially inconsistent with our values and our Code, as well as our key governance policies, to our Board Committees (People & Remuneration Committee and/or Audit & Risk Committee) and the Telstra Board, together with details of the actions taken, or proposed to be taken, by management in response.

Further information about diversity, equity and inclusion at Telstra is provided in section 6 below.

Our Code of Conduct, together with our Anti-Bribery and Anti-Corruption, Continuous Disclosure, Diversity Equity and Inclusion, Health Safety and Wellbeing, Discrimination Bullying Harassment and Victimisation, Securities Trading, Environment, Human Rights and Whistleblowing policies, can be found on our governance website at telstra.com/governance.

Information on Managing our tax affairs is provided in Note 2.4 to our Financial Statements in our 2023 Financial Report (included in our 2023 Annual Report at telstra.com/annualreport) and can be found on our governance website at telstra.com/governance. More information about our approach to anti-bribery and anti-corruption (including our approach to donations and sponsorships), HSW and Sustainability can be found in our 2023 Bigger Picture Sustainability Report. The Understanding our climate risks section of the 2023 Annual Report summarises our climate-related governance, strategy, risks, targets and activities. Both of these reports are available on our governance website at telstra.com/governance.



6 | Diversity, Equity and Inclusion (DEI) at Telstra

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

Every day, Telstra provides services to millions of customers from diverse backgrounds. We believe that everyone deserves to reach their full potential and be respected for their differences, valued for their contributions and celebrated for being their authentic self. We are building diverse teams and creating inclusive environments to enable our employees to be their best, which enables us to provide better service to our customers and community.

Our DEI ambitions are powered through collective action and allyship. We have five Employee Representative Groups (ERGs) – Aboriginal & Torres Strait Islander Peoples, MOSAIC (Culture & Language), Rise (Gender Equity), Spectrum

(LGBTQ+), and TelstrAbility (Accessibility) – which include over 4,500 members and are sponsored by a member of our CEO leadership team. The consultation and advocacy work by the ERGs provide us with insights into the lived experiences of marginalised groups. The ERGs also provide awareness and help strengthen our culture of inclusion and belonging for Telstra team members.

The Diversity, Equity and Inclusion Policy provides the framework for the Board to set our measurable objectives for diversity. Throughout the year, management and the Board (including through the Nomination and People & Remuneration Committees) assess our progress in achieving our diversity objectives.

Diversity objectives are included in monthly business reports and in Group Executive scorecards. Chaired by our CEO Vicki Brady, our organisation-wide DEI Council supports each function to meet their diversity objectives, understand the importance of DEI and creates a safe space to collaborate and innovate.

The table below summarises our diversity objectives and our performance against them as at 30 June 2023. We retain our ambition for a highly diverse and inclusive workforce and are currently finalising a new Global Diversity, Equity and Inclusion strategy, as part of which we will set future diversity objectives.

Diversity objectives and performance

Measure	Objective and performance for FY23 (or as otherwise stated)
Women on the Board	Objective – At least 40% representation of women among non-executive Directors. Performance – As at 30 June 2023, there were four women non-executive Directors on the Board (44.4%).
Representation of womenⁱ at 30 June 2023	Objective – Representation of womenⁱ at 30 June 2023: - Telstra Total: 34% - Executive Management (Bands A-C): 40% - People management roles (excluding Executive Management): 35% Performance – Representation of womenⁱ at 30 June 2023: - Telstra Total: 35.2% - Executive Management (Bands A-C): 38.5% - People management roles (excluding Executive Management): 34.0%
Diversity representation in graduate intake	Objective – Diversity representation in Australian graduate intake selected in 2022 for commencement in 2023: - Women: 50% - Aboriginal and Torres Strait Islander Peoples: 5% - People living with disability: 10% Performance – The graduate cohort selected in 2022 for commencement in 2023 was comprised of: - Women: 54% - Aboriginal and Torres Strait Islander Peoples: 2% - People living with disability: 8%

ⁱ Based on direct headcount comprising all permanent, fixed term, casual, contract and agency labour employees in the Telstra Group included within our Telstra Group HR System. Diversity data may not be available for some controlled entities due to incomplete records. Excludes Digicel Pacific, Fetch TV and Pacific Business Solutions as they are not captured within our HR System. Work is underway to include these entities in future disclosures.

Gender Diversity

In addition to our inclusive recruitment practices that resulted in a gender representation increase from 33.5% in FY22 to 35.2% in FY23, Telstra continues to invest in developing and retaining women through multiple programs including:

- The Women in Tech program was developed with the aim to empower women in tech roles, at all stages of their careers, to “hack the world in which they advance”. Women in Tech is made up of two distinct offerings, Iconic Experience, and Iconic Alliance, which combine for the common purpose of inspiring, connecting and enabling amazing women. The program was designed by Women in Tech, for Women in Tech, a collaborative engagement of all women in tech regardless of their role, experience and tenure in the industry.
- To grow the pipeline of diverse talent within the Cyber Security industry, Telstra partnered with the Australian Women in Security Network (AWSN) to pilot an internship supporting career changers to pivot to the Cyber Security industry. 10 interns joined the Telstra Security Operations Centre for 12 months where they undertook specialised training and received dedicated mentoring and support to build a successful career.
- We celebrated our fifth year of Collective Wisdom, our Telstra mentoring program that connects small groups of employees with senior leaders as coaches and mentors to discuss real business challenges and what skills, strategies and behaviours might be required to solve them.



“As a woman in the technology industry, there are a lot of challenges that you face day to day. The Iconic Experience introduced me to many women who have gone through the same journey and when you listen to other women in tech, you realize that they have crossed the same paths before, and I’m not the only one – this is really life changing. I was able to use these connections within my work and my life. The Iconic Experience provided me with the opportunity to share my stories and to understand that I am not alone. It inspired me and gave me more confidence to go out there and unleash my full potential. This program is a catalyst, so the journey hasn’t ended it has just begun!”

Christina Koshy, Workday Functional Lead, Functional and Configuration Team

“I think the strength of the Collective Wisdom program is in the cross collaboration you get within your allocated groups. I was paired with an exec and 3 amazing employees, all from other functions across Telstra. As we talked through each of our business challenges, it was really nice to reflect, share what has and hasn’t worked well in the past as well as throw out new ideas on how to approach things. We all learnt new things together and made new connections.”

Bree Cantrell, Global Business Services (participant)

Representation of women in Telstra as at 30 June 2023

Role	Number	Percentage
Board ⁽ⁱ⁾	4	44.4%
Executive management ^{*(ii)}	70	38.9%
– CEO	1	100.0%
– CEO-1 (Band A)	3	23.1%
– CEO-2 (Band B)	17	35.4%
– CEO-3 (Band C)	49	41.5%
Middle management ^{*(iii)}	3,074	29.6%
Operational ^{*(iv)}	7,407	38.5%
Other ^{*(v)}	280	28.8%
Telstra Group Total*	10,905	35.2%

* The Telstra Group (Telstra) refers to Telstra Group Limited and its owned and controlled entities. This includes, but is not limited to, Telstra Limited, Telstra InfraCo, Amplitel and Telstra International. Information regarding the controlled entities in the Telstra Group can be found on our website at telstra.com/financialresults.

* Based on direct headcount comprising all permanent, fixed term, casual, contract and agency labour employees in the Telstra Group included within our Telstra Group HR System. Diversity data may not be available for some controlled entities due to incomplete records. Excludes Digicel Pacific, Fetch TV and Pacific Business Solutions as they are not captured within our HR System. Work is underway to include these entities in future disclosures.

Notes:

- (i) Number and percentage relates to non-executive Directors of Telstra Group Limited.
- (ii) Executive management comprises persons holding roles within Telstra designated as Bands A, B and C. CEO is also included in the executive management total.
- (iii) Middle management comprises persons holding roles within Telstra designated as Bands 1 or 2, or equivalent.
- (iv) Operational comprises persons holding roles within Telstra designated as Bands 3 or 4, or equivalent.
- (v) 280 employees have a NA band which has been included in the Telstra Group Total.

Aboriginal & Torres Strait Islander employment

As part of our 10-year partnership with CareerTrackers, a national program that creates paid opportunities for Aboriginal and Torres Strait Islander students, we had 24 CareerTrackers interns join Telstra in FY23. Of those 24 interns, five (5) have been offered positions in our FY24 Graduate program.

As of 30 June 2023, the representation of Aboriginal and Torres Strait Islander peoples in our Australian workforce was 1.2%.

We recognize that due to systemic barriers experienced throughout life, not all candidates have an equal starting point when they join Telstra. To achieve equitable recruitment experiences for our Aboriginal and Torres Strait Islander candidates and candidates with disabilities, we offer a 100% interview guarantee when they meet the inherent requirements of the role. We have recently appointed a new role, Senior First Nations Recruitment Specialist, to support CareerTrackers, build our Aboriginal and Torres Strait Islander talent pipeline and continue to improve our recruitment activities in this area. During FY24 we will further strengthen our approach to recruitment, retention and development of First Nations staff. We are also partnering with the Minderoo Foundation on their 2024 research into First Nations workplace representation, practices and employee experiences.

In a partnership with the Queensland Government, TAFE QLD, Rainbow Gateway, The Palm Island Community Company, and the Palm Island Council we have commenced recruitment for an initial 20 part-time roles in a new contact centre based on the Island. What is unique about this centre is that it will be owned and operated by the local Palm Island Community Company. This means that we can leverage local knowledge and expertise and the community can profit from the venture by having a vested stake in its future success. The new starters will commence (in July 2023) with a 12-week Job Ready Program run by QLD TAFE and sponsored by the Queensland Government. After our new team members complete their TAFE training, we will then commence Telstra training to equip these team members to take calls in our First Nations Connect team.

“My time at Telstra has been nothing short of life-altering for me. I have learnt so many skills and capabilities that I continue to build upon to further my career at Telstra. I have also improved many parts of my life as well, including my confidence, professionalism and my approach to challenges and opportunities, and without CareerTrackers to hold that door open for me to get into Telstra, none of that would have been possible”.

Charlie Dann, Product Design Specialist

Equity at Telstra

Gender Pay Equity

Equity is at the heart of Telstra’s DEI approach, which is why gender pay equity is of key importance to us. It is also why we are continuously looking to identify, target and reduce any gender pay gaps that exist within the organisation, focusing on any differences in remuneration for individuals doing similar work.

We are confident that we pay women and men fairly and equally for like roles.

As has always been the case, a pay gap in fixed remuneration does exist at the operational level. There are two main reasons for this:

- 1) A significant portion of operational employees being managed against fixed pay rates under our Enterprise Agreements known as Workstream. These fixed pay rates, which are typically in our male dominated roles, tend to be higher when compared to the fixed remuneration of peers at the same level who are not employed under the Workstream fixed pay rate structure. Those employed under the Workstream structure are not eligible for Telstra’s variable remuneration programs which provide additional remuneration.
- 2) We continue to have some higher paid technical roles where there is a higher number of men. We have strategies in place to correct this where we are actively working to address the under-representation of women.

We use a “compa-ratio” to compare the remuneration for individuals. Compa-ratio compares an employee’s fixed remuneration to the median of the market remuneration range that they are mapped against. This enables us to compare the relative “fairness” of fixed remuneration for different employee groups, taking account of the kind and level of work that they are doing. Variable remuneration is not included as it depends on a range of factors, is expressed only as a target, and is not guaranteed.

During the 2023 financial year we conducted a broad gender pay analysis. We identified any perceived areas of risk and conducted deeper analysis of our technology, network and product related roles, our field roles and our new hires. This further analysis, covering, alongside gender, the dimensions of level, age and tenure did not reveal any material gaps or systemic concerns in how we reward our people.

Our review also covered variable remuneration, and we found no notable gender patterns in the distribution of performance ratings or in the use of leader discretion on variable remuneration outcomes.

The two tables below show Telstra’s overall position when averaging the compa-ratios for both male and female employees. We have been close to parity for some time, but we do not expect or strive for a delta of zero. Rather, we work to ensure that the natural and ongoing variation of individual compa-ratios over time reflects factors such as experience, performance, talent, and promotions into new roles, and that it is not the result of any discrimination or bias (including but not limited to gender bias).

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
2021	1.01	0.96	0.041
2022	0.98	0.95	0.026
2023	1.00	0.97	0.024

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
2021	0.98	0.95	0.026
2022	0.97	0.95	0.023
2023	0.99	0.97	0.024

Compa-ratio analysis includes full time and part time staff in Telstra Group Limited and its controlled entities, excluding casuals, contractors and agency staff. It does not include staff in any other controlled entities within the Telstra Group. Compa-ratio is based on Fixed Remuneration (base salary plus superannuation).

[^]Workstream employees are paid fixed pay rates as determined under our Enterprise Agreements.

From 2024, the Workplace Gender Equality Agency (WGEA) will disclose the gender pay gap of every Australian company with more than 100 employees. Like most organisations, Telstra assesses gender pay gap based on comparison of like roles. WGEA use the difference between the average pay of women and men across Australian organisations, industries, and the workforce as a whole.

Accessible technology

On Global Accessibility Awareness Day (19 May), Telstra's ERG for people living with disability, TelstrAbility, hosted an Accessible Tech Experience Lab. The Accessible Tech Experience Lab simulates the challenges facing people with specific disabilities, the roadblocks they encounter, and the assistive technology they might use. These experience labs help designers and developers of accessible technology to understand the lived experiences of the people using their products. After learning firsthand of the challenges and frustrations of their users, designers and developers got the opportunity to speak with experts, the ERG specialists, about ways to overcome their barriers.

"We do training on inclusive writing, documentation, recruitment and workplace adaptations, but we're yet to help our people know what it's like to be a person with a particular disability trying to use our services. The experience lab is a way of providing this kind of facility in house, so you'll always be able to ask an expert if you want to know how accessible your product or service really is."

Ben Pintos-Oliver,
Telstra's Head of Digital Systems
and Accessibility

Inclusion at Telstra

Intersectionality

Core to Telstra's DEI approach has been advocacy for intersectionality and allyship through collaboration. In practice, this means that when discussing diversity, we consider carefully how a person's multiple identities may uniquely impact their workplace experience. Taking an intersectional lens to inclusion enables Telstra to take a more nuanced approach to the way we support our team. Some examples of intersectionality in practice at Telstra includes:

1) A more inclusive International Women's Day

In their 2023 "More Voices, More Representation" campaign, Vu Consulting found that 7 out of 10 women don't feel represented on International Women's Day and that greater intersectionality is needed in gender equality campaigns.

Understanding the critical nature of intersectional storytelling, our RISE Gender Equity ERG worked together with other Telstra ERGs to plan a multi-channel series of events and content:

- Our Aboriginal and Torres Strait Islander ERG Lead (Glenn Milliken) and Belong's Be Deadly Lead (Sam Beaumont) led a Yarning Circle.
- Members of Spectrum (LGBTQ+) generously shared their personal stories, exploring the diversity of womanhood and the importance of building visibility for LGBTQ+ women.

- TelstrAbility hosted a hackathon to explore how can we create a positive experience for people at Telstra affected by situational disability, especially those more commonly impacting women.

- MOSAIC hosted a discussion exploring the impacts of multi-cultural, multi-lingual women voices in fields like digital design.

2) Better support for team members experiencing Domestic and Family Violence

Having a supportive workplace can be lifesaving for people experiencing Domestic and Family Violence. Telstra's First Nation's directorate collaborated with Rise to better understand how domestic and family violence impacts Aboriginal & Torres Strait Islander communities.

This was done in conjunction with the release of Telstra's new Domestic and Family Violence policy which increased the number of paid leave days Telstra team members can access from 10 days to 20 days. This support has been extended to our casual team members.

We've also made our policy more flexible to reflect the ad-hoc, unplanned nature of domestic family violence.

"I now have the option of taking a part day, and I can book it in as planned leave, as well as after the fact. This up-date has given me the confidence to take this leave type as and when I need it, without fear that I'll run out, or be doing the wrong thing, and it also means that I can spread out my access to services so I'm not overwhelmed and needing to take more leave to mentally recover so I'm ready to work."

Telstra employee

3) Recognising the diverse nature of grief

There's no singular way to grieve. Our cultural practices, definitions, family and community beliefs make a significant impact on how we experience and heal from grief. That's why we've updated our Bereavement Policy to broaden the definition of "family" beyond the nuclear definition and support our First Nations colleagues during Sorry Business. This change will help Telstra team members receive the space and support they need during difficult periods of loss.

Reconciliation at Telstra

FY23 is the first year of Telstra's newly launched Stretch Reconciliation Action Plan. We recognise and accept that we have not always lived up to the ambition in our vision for reconciliation. In our new RAP we talk about our past, how our previous RAP was revoked, and the comprehensive corrective steps we have taken in response to inappropriate selling to Aboriginal and Torres Strait Islander customers. This is all part of getting us back on the right path.

Some steps we've taken to improve the employee experience of our First Nations team members:

- For many First Nations peoples, 26 January is a day of mourning. We introduced the option for employees to work on 26 January and allocate their day off to another day more aligned to their values. Employees who wish to take 26 January off as a public holiday still have that option available to them.

- We partnered with our Employee Assistance Program (EAP) provider, to ensure Aboriginal and Torres Strait Islander teams members can receive culturally safe support with Aboriginal and Torres Strait Island healthcare professionals and/or non-Indigenous healthcare professionals with in-depth cultural awareness and experience supporting Aboriginal and Torres Strait Islander Peoples. This healthcare is provided through a dedicated support line.



Our Diversity Equity and Inclusion policy can be found on our governance website at telstra.com/governance.

We are required by the Workplace Gender Equality Act 2012 (Cth) to report our workforce gender profile by 31 May each year. Our 2022-23 report has been lodged with the Workplace Gender Equality Agency and is also available on our governance website at telstra.com/governance.

7 | Reporting Suite

Our FY23 reporting suite includes:

Our 2023 Telstra Annual Report

which describes our strategy, financial performance and remuneration practices for FY23 and also includes our climate-related governance, strategy, risks, targets and activities aligned with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

Our 2023 Corporate Governance Statement (this report)

which provides information about governance at Telstra.

Our 2023 Bigger Picture Sustainability Report

which provides an in-depth look at our approach and performance in relation to our most material sustainability impacts during FY23.

Our 2023 Human Rights and Modern Slavery Act Statement

which provides an overview of how we identify, manage and mitigate the specific risks of modern slavery in our operations and supply chains.

 These reports are all available on our governance website at telstra.com/governance.



Appendix 4G

Key to Disclosures

Corporate Governance Council Principles and Recommendations

Name of entity

Telstra Group Limited

ABN/ARN

56 650 620 303

Financial year ended:

30 June 2023

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 1 September 2023 and has been approved by the board.

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

Date: 1 September 2023

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 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 1 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 1 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 1 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.	☒ set out in section 5 of our Corporate Governance Statement 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 2022-2023) and in our Corporate Governance Statement (refer to section 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) in: section 1 of our Corporate Governance Statement and whether a performance evaluation was undertaken for the reporting period in accordance with that process in: section 1 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) in: section 1 of our Corporate Governance Statement and whether a performance evaluation was undertaken for the reporting period in accordance with that process in: section 1 of our Corporate Governance Statement and in our Remuneration Report (which forms part of the Directors' Report in the 2023 Telstra Annual Report), which includes details of the remuneration outcomes for FY23 for the CEO and senior executives	☐ 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) in: section 2 of our Corporate Governance Statement and in the Directors' Report (and the accompanying 'Board and Committee meeting attendance' section) in the 2023 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
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 in: section 1 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
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 in: section 1 of our Corporate Governance Statement and, where applicable, the information referred to in paragraph (b) in: section 1 of our Corporate Governance Statement and the length of service of each director in: the 'Board of Directors' section in the 2023 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 1 of our Corporate Governance Statement	☐ set out in our Corporate Governance Statement OR ☐ 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 1 of our Corporate Governance Statement	☐ set out in our Corporate Governance Statement OR ☐ 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 1 of our Corporate Governance Statement	☐ set out in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
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 in: section 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
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 sections 4 and 5 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 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 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) in: the Directors' Report (and the accompanying 'Board of Directors' and 'Board and Committee meeting attendance' sections) in the 2023 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 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 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 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 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 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 3 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 in: section 3 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 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
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 3 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) in: the Directors' Report (and the accompanying 'Board of Directors' and 'Board and Committee meeting attendance' sections) in the 2023 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 in: section 4 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 in: section 4 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 in: section 4 of our Corporate Governance Statement and, if we do, how we manage or intend to manage those risks in: the 'Our material risks' section of our 2023 Annual Report and our 2023 Bigger Picture Sustainability Report at telstra.com/sustainability/report	☐ set out in our Corporate Governance Statement
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) in: the Directors' Report (and the accompanying 'Board of Directors' and 'Board and Committee meeting attendance' sections) in the 2023 Telstra Annual Report	☐ set out in our Corporate Governance Statement OR ☐ 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
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 2023 Remuneration Report (which forms part of the Directors' Report in our 2023 Annual Report) as set out in section 1 of our Corporate Governance Statement	☐ set out in our Corporate Governance Statement OR ☐ 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 of our Corporate Governance Statement	☐ set out in our Corporate Governance Statement OR ☐ we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
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 OR ☐ we do not have a director in this position and this recommendation is therefore not applicable OR ☐ 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 OR ☐ we are established in Australia and this recommendation is therefore not applicable OR ☐ we are an externally managed entity and this recommendation is therefore not applicable

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
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 OR ☐ 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: <i>[insert location]</i>	☐ set out in our Corporate Governance Statement
-	<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