RECONCILIATION ACTION

This year, the Telstra Foundation supported five Indigenous community projects with \$1.4 million in funding. This included support for the Cathy Freeman Foundation's *Palm Island Early Learning Program*, which is making a positive impact on early childhood literacy. We also provided \$300,000 to continue our support of One Laptop Per Child (OLPC) Australia, which provides remote primary school students

with a purpose built XO laptop and connects them to the rest of the world. Since May 2009, OLPC Australia has deployed more than 6,000 laptops in more than 100 communities. This year also marks our 21st year as the major sponsor of the National Aboriginal and Torres Strait Islander Art Award, the longest running, most prestigious Indigenous art award in Australia.

DISASTER RELIEF & RECOVERY

In times of disaster, Telstra provides telecommunications services to evacuation centres, where we establish temporary internet services, and provide free loan handsets with SIM cards and free phone cards. We also provide relief assistance packages to affected residential and small business customers. In 2012, Telstra provided assistance packages following nine natural disasters across the country.

SOCIAL AND COMMUNITY INVESTMENT BY FOCUS

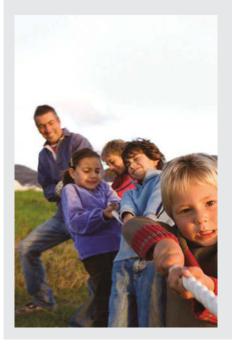
DOLLAR INVESTMENT (MILLIONS) AND PERCENTAGE OF TOTAL

Issue	Amount invested	% of total investment
——Digital inclusion	\$221.16	92.2%
Employee community involvement	\$2.35	1.0%
— Sponsorship	\$13.02	5.4%
Environment	\$0.61	0.3%
Disaster relief	\$0.06	<0.1%
Management costs	\$2.59	1.1%
TOTAL	\$239.8	

DESCRIPTION:

Customer: Everyone Connected programmes: Access for Everyone package for low-income customers, charity discounts on fixed lines and disability support. \$216.42m - 90.2%

Community: Everyone Connected programmes: sponsorships, education and training and long-term Telstra Foundation partnerships. \$4.75m - 2.0%



TELSTRA FOUNDATION CELEBRATES A DECADE OF SUPPORTING COMMUNITIES

In 2012, we celebrate the tenth anniversary of the Telstra Foundation. With a mission to make a positive and lasting difference to the lives of children and young people, the Telstra Foundation has supported the Australian community with more than 7,000 grants and \$40 million over the past decade.

The iModelling project is one example of the difference the Foundation's funding has made. Autism SA developed an application to assist children with Autism Spectrum Disorder to develop and improve social skills. The application makes particular use of videos to model constructive social interactions such as initiating a conversation or waiting in line.

The University of Adelaide conducted a "social skills score" assessment which showed that children using the application improved their social skills and established friendship groups - something that is very difficult for kids with autism to do.

The Telstra Foundation also provided funding support to the Orygen Youth Health Research Centre to develop HORYZONS, a world-first online platform that helps young psychosis sufferers stay connected and prevent relapse. Combining expert support, social networking with peers and individually tailored modules, HORYZONS will make currently limited psychosis treatment widely available.

These are just two terrific examples of the potential of modern communications technologies to transform lives.