

EMPLOYEE VOLUNTEERING & GIVING

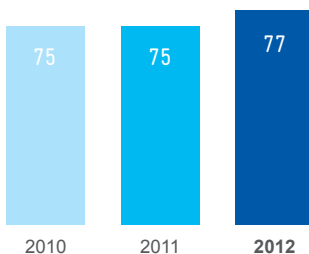
In December 2011, we introduced paid volunteer leave for Telstra employees and established a small number of strategic community partnerships to help drive high volume volunteering. We achieved a total of 1,375 employee volunteering days (including Sensis) for the year and have set a target of 5,000 days for next year.

This year, 2.7 per cent of Telstra employees made a donation through payroll giving, contributing more than \$221,000 to 16 charities. At Sensis, 6.6 per cent of employees contributed around \$59,000 to 20 charities via payroll giving donations, which were matched by Sensis dollar for dollar.

Next year, with funding support from the Telstra Foundation, we will introduce dollar for dollar matched payroll giving and enable employees to give to any registered charity in Australia, providing an additional incentive for our people to participate.

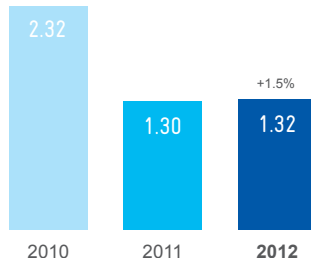
EMPLOYEE ENGAGEMENT

EMPLOYEE ENGAGEMENT SURVEY SCORE - TELSTRA GROUP (%)



LOST TIME INJURY FREQUENCY RATE

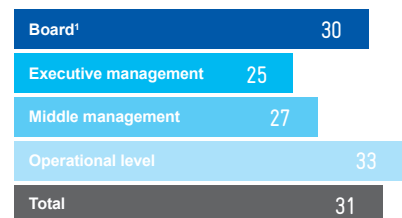
RATE OF OCCURRENCES OF LOST TIME (LTIFR)



notes:
An LTIFR is the reported number of occurrences of lost time arising from work-related injury or disease for each million hours worked.

REPRESENTATION OF WOMEN BY EMPLOYMENT LEVEL

TELSTRA-PAID AND SENSIS - BY % OF WORKFORCE



notes:
1 - Non-Executive Directors



TELSTRA VOLUNTEERS LEND A HAND TO THE RED CROSS

Lasily Thomas and his team from Telstra Operations took advantage of Telstra's new paid volunteer leave, heading to the Australian Red Cross distribution centre in Altona (VIC), to sort and pack donated clothing. Thanks to our volunteers, donated items were prepared for distribution to Australian Red Cross stores across the country.

The day provided an opportunity for the team to bond outside of its usual work environment, while contributing to a community cause. According to Telstra

volunteer, Irene Law, "it was a humbling experience volunteering at Red Cross Australia. Understanding the contribution of the Red Cross in reaching out to those who are coping with really significant issues simply reinforced how fortunate most of us are, and how important it is to give back in some way to those doing it tough".

This year, almost 100 Telstra employees from 13 teams participated in volunteering opportunities with the Australian Red Cross.