BIGGER PICTURE 2012

A-Z

GLOSSARY

SUSTAINABILITY REPORT 2012

IT'S HOW
WE CONNECT

A

AA1000 ASSURANCE STANDARD (AA1000AS)	A standard for the independent assurance of an organisation's approach to the management, performance and reporting of sustainability issues. It is used to evaluate the adherence to the principles of Inclusivity, Materiality and Responsiveness, and the reliability of performance information.
AUSTRALIAN COMMUNICATIONS AND MEDIA AUTHORITY (ACMA)	The Australian government agency responsible for the regulation of broadcasting, radio communications, telecommunications and online content.
AIR TRAVEL EMISSIONS	Carbon emissions as a result of air travel by Telstra employees for business. These are accounted for as Scope 3 emissions. Telstra's travel services provider tracks the kilometres travelled. Carbon emissions (measured in CO_2e) are calculated using the methodology prescribed by the EPA Victoria and recognised by the National Carbon Offset Standard (NCOS).
ACCESS FOR EVERYONE	Telstra's commitment to provide telecommunications services to people in hardship or disadvantaged circumstances. This includes the low-income package and marketing plan obligations under Telstra's Carrier Licence Condition 22.

B
C

COMCARE/ COMCARE RATINGS	The Australian government agency responsible for workplace safety, rehabilitation and compensation in the jurisdiction of the Australian Commonwealth Government. Comcare ratings have three tiers (1-3). The highest is tier 3. This tier reflects a high standard of internal quality assurance, strong management systems and ability to self audit.
CONTRIBUTION TO GROSS DOMESTIC PRODUCT (GDP)	Measure of the value added by Telstra to Australia's Gross Domestic Product (GDP). This is measured as the difference between telecommunications operating revenue and the cost of non-labour raw materials and other goods and services purchased as inputs and used to produce output.
CUSTOMER SATISFACTION SCORE	Telstra's customer satisfaction score is defined as the average customer survey results for Telstra Consumer and Country Wide, Telstra Business and Telstra Enterprise and Government using a three month average score over the last quarter of the financial year.
CARBON DIOXIDE EMISSIONS EQUIVALENT (CO_2e)	The standardised unit of measurement used to express an amount of greenhouse gas emissions. The six key greenhouse gases recognised by the Kyoto Protocol and included in Australia's National Greenhouse and Energy Reporting Act 2007 (NGER) are: > Carbon dioxide (CO_2) > Methane (CH_4) > Nitrous oxide (N_2O) > Perfluorocarbons (PFC) > Hydrofluorocarbons (HFC) > Sulphur hexafluoride (SF_6).
CARBON EMISSIONS INTENSITY (CO_2e/TB)	The average rate of carbon emissions relative to the intensity of a specific activity. At Telstra, this is expressed as a ratio of tonnes of carbon dioxide equivalent per terabyte (CO_2e/TB) of data traffic. This is calculated using our Scope 1, 2 and 3 emissions and network data traffic measured as bytes uploaded or downloaded at Access Network Points or Points of Interconnect aggregated from monthly totals.

CARBON EMISSIONS TOTAL	The aggregated greenhouse gas emissions (Scope 1, 2 and 3) generated by Telstra's activities, expressed in the single measurement unit of carbon dioxide emissions equivalent (CO_2e). Scope 3 emissions are additional to our reporting obligations under the National Greenhouse and Energy Reporting Act 2007 (NGER Act). We have chosen to include Scope 3 to provide a more holistic picture of our emissions footprint.
CARBON OFFSETS / CARBON NEUTRAL	Reduction in greenhouse gas emissions made in order to compensate for or to offset an emission made elsewhere. Carbon offsets are measured in carbon dioxide-equivalent (CO_2e).
	As part of the commitment Sensis has made to combating climate change, it has chosen to offset the carbon emissions from its Yellow and White Pages directories. A full and independent Life Cycle Assessment (LCA) of the print and online Yellow Pages and White Pages products was undertaken in 2010/11. The product lifecycle includes the production, use, disposal and distribution of the products and accounts for emissions both in Sensis' operations and in its supply chain. The LCA has been approved and endorsed under the National Carbon Offset Standard (NCOS) and offsets are purchased using NCOS eligible suppliers. The LCA is audited by a third party every second year in order to maintain certification to the NCOS.

D

DIGITAL INCLUSION	Ensuring all people in the community have access to new information and communication technologies and the benefits they bring, irrespective of age, income, ability, location or disadvantage.
DIVERSITY	Differences that relate to gender, age, ethnicity, disability, sexual orientation and cultural background. In addition, diversity also includes differences in background and life experience, communication styles, interpersonal skills, education, functional expertise and problem solving skills.
DOW JONES SUSTAINABILITY INDEX (DJSI)	An investment index that tracks the share performance of the world's leading companies in terms of economic, environmental and social criteria.

E

ELECTROMAGNETIC ENERGY (EME)	The energy stored in an electromagnetic field. Most radio communication systems use EME, including mobile phones, base stations, police radio and fire and ambulance services.
EMPLOYEE ENGAGEMENT	Employee engagement represents the connection that our people have to Telstra and their commitment to its success. Telstra measures employee engagement by conducting Employee Engagement Surveys (EES), through an independent third party, on a regular basis.
ENERGY AND EMISSION SAVINGS	Estimated savings of energy efficiency and carbon reduction projects implemented in our network facilities and commercial buildings completed within the financial year. This is calculated as the projected kilowatt hours and carbon emissions equivalents saved as a result of the initiative over 12 months. Emissions are calculated using the appropriate state-based carbon emissions co-efficient specified by the National Greenhouse Accounts Factors, July 2011. Energy and emissions savings are accurate to +/- 30 per cent.
ENERGY CONSUMPTION / USE	Energy is used to run all aspects of our operations. Key energy sources include electricity, gas and fuels used in our buildings and vehicle fleet. Electricity and gas consumption is compiled from metering and billing data. Fleet fuel use is derived from fuel card data. We also consume small amounts of other fuels, such as diesel for standby generators and mobile plant. Our energy consumption data for these activities is based on fuel delivery data.
EVERYONE CONNECTED	Telstra's digital inclusion strategy comprising customer programmes (designed to increase access to technology) and community programmes (designed to increase capability in using technology).
E-WASTE	Any type of electronic components, such as rental telephones, payphone parts, batteries or telephone power supplies.

F

FTSE4GOOD	An index series designed to measure the performance of companies that meet globally recognised corporate responsibility standards.

G

GLOBAL REPORTING INITIATIVE (GRI)	A multi-stakeholder not-for-profit organisation that produces the GRI Sustainability Reporting Guidelines, a comprehensive sustainability reporting framework widely used around the world.
GIGA JOULES (GJ)	A joule is the standard unit of energy in the metric system. A gigajoule (GJ) is one billion joules.

H

I

IN KIND (SOCIAL AND COMMUNITY INVESTMENT)	Contribution of products or services, valued at retail cost to Telstra, to assist non-profit organisations.

J

K

L

LEVERAGE (SOCIAL AND COMMUNITY INVESTMENT)	Contributions by employees to a partner organisation or project as a direct result of the active support of Telstra.
LONDON BENCHMARKING GROUP (LBG)	A business membership organisation whose members commit to measuring their social contributions using global LBG methodology. It is a robust and standardised tool to benchmark the value of voluntary corporate social investment, which includes cash, time and in-kind contribution. We are members of LBG Australia New Zealand.
LOST TIME INJURY (LTI)	The reported number of occurrences of lost time arising from injury or disease that have resulted in an accepted workers' compensation claim.
LOW INCOME MEASURES ASSESSMENT COMMITTEE (LIMAC)	An independent body that annually assesses the effectiveness of Telstra's low income programmes and reports to the Minister for Communications. LIMAC comprises senior representatives from eight national Australian community organisations and the Australian Federal Department of Families, Housing, Community Services and Indigenous Affairs.

M

MANAGEMENT COSTS (OF SOCIAL AND COMMUNITY INVESTMENT)	Costs borne by Telstra to deliver the suite of initiatives within our community and social investment programme.
MOBILE MUSTER	The Australian mobile phone industry's official product stewardship programme that ensures that mobile phone products are recycled in a safe, secure and ethical way. Telstra has MobileMuster collection bins at its stores and in some offices to assist customers and Telstra employees to recycle their mobile phones and accessories.
MATERIALITY / MATERIAL SUSTAINABILITY ISSUES	In this context, materiality reflects a measure of significance of a sustainability issue. We define our material sustainability issues as those that are most important to our business and our stakeholders.

N

NATIONAL BROADBAND NETWORK (NBN)	A Government legislated initiative to provide all Australians with access to high speed broadband. The network is planned to be built over approximately 10 years, starting in 2011. The aim of the NBN is to connect 93 per cent of premises in Australia with fibre to deliver broadband services with speeds of up to 100 megabits per second, with the remaining premises to be serviced by wireless and satellite technologies. The NBN will be built, operated and maintained by NBN Co, a Government Business Enterprise wholly owned by the Commonwealth.
NATIONAL GREENHOUSE AND ENERGY REPORTING ACT 2007 (NGER ACT)	Provides a single national framework for the reporting and dissemination of information about the greenhouse gas emissions, greenhouse gas projects, and energy use and production of corporations in Australia. Telstra reports its energy use and emissions with respect to the operational control model set out in section 11 of the NGER Act. We also report some additional emissions – indirect (Scope 3) emissions arising from our business activities – to provide a more holistic picture of our emissions footprint.
NET PROMOTER SYSTEM (NPS)	Fosters a way of doing business that drives customer advocacy. The Net Promoter Score (an output of NPS) assesses how likely customers are to recommend Telstra products and services. Real-time monitoring of customer experiences allows us to identify what is working well and what is not.
NETWORK RELATED EMISSIONS	The emissions component attributable to the operation and maintenance of the Telstra network.
NON-PROFIT ORGANISATION	An organisation that uses surplus revenue to achieve its goals rather than distributing them as profits or dividends. These organisations are often established by and for the community with little or no intervention from the government.

O

OPERATIONAL CONTROL	Describes an organisational boundary for reporting performance information. Telstra reports its energy use and emissions with respect to the operational control model set out in section 11 of the NGER Act. Entities which have been included in Telstra's operational control boundary in 2011/12 are: Telstra Network and Ancillary, Sensis, Trading Post (Telstra Media Group), Telstra Plus, Telstra Residences, TShops, 1300 Australia, Chief Entertainment P/L, Adstream, iVision, Life Events Media Group and co-located data centres (server facilities) within Telstra sites.

P

PAPER CONSUMPTION	Telstra's major paper use categories are office paper (A4 and A3 paper used in photocopiers, printers and fax machines in commercial offices), billing paper (used for invoicing consumer and business customers) and printing paper (brochures, flyers, magazines etc.). Office paper consumption is based on the average weight of reams purchased. Billing paper consumption is based on the average number of sheets printed per invoice and envelope. Printing paper consumption is based on paper size, weight and GSM of paper stock.

PAYROLL GIVING	A tax-effective charitable donation scheme whereby employee contributions to charity are deducted from the employee's wage and paid directly to the charity concerned.

Q
R

REVENUE FOREGONE (SOCIAL AND COMMUNITY INVESTMENT)	Social contribution in the form of missed earnings to assist community-based, non-profit organisations or customers in time of need.

S

SCOPE 1 EMISSIONS	Direct greenhouse gas emissions. Telstra's key sources include transport vehicles (excluding car rentals and taxis), heavy machinery, generator sets, natural gas consumption and grounds maintenance. Emissions are calculated using the National Greenhouse Accounts Factors, July 2011.
SCOPE 2 EMISSIONS	Indirect greenhouse gas emissions from the generation of electricity that is purchased and consumed by Telstra. Emissions are calculated using the National Greenhouse Accounts Factors, July 2011.
SCOPE 3 EMISSIONS	Indirect greenhouse gas emissions that are a consequence of our activities but occur from sources (in the supply chain) we do not operate. For Telstra, this includes emissions from wastes, air travel and electricity transmission losses. Electricity transmission losses account for the majority of our Scope 3 emissions. Emissions are calculated using the National Greenhouse Accounts Factors, July 2011.
SENSIS PRINT PRODUCTS	Paper used for the White and Yellow Pages and Yellow Pages In The Car (regional). Consumption is based on weight provided by the printer.
STATIONARY ENERGY	Energy used by Telstra to power buildings, offices and telecommunications infrastructure. Includes electricity from the grid, diesel fuel used to power emergency generator sets and natural gas for heating systems. Also includes fuel used in grounds maintenance, removing waste water from pits, and solar energy generated and consumed in remote locations. All energy types are converted into gigajoules (GJ) using their respective energy content conversion factors referenced in the National Greenhouse Accounts Factors with emissions calculated for each energy type also using the Factors.
SOCIAL AND COMMUNITY INVESTMENT	Investments that present a differentiated opportunity to create shared value – a meaningful benefit for society that is also valuable to the business.
SOLAR ENERGY GENERATION	Telstra has approximately 13,900 sites with solar panels installed, providing power to telecommunications equipment in rural and remote locations where the power grid does not reach. Kilowatt hours are calculated based on geographic location and designed capacity with reference to the Australian Government's Clean Energy Regulator Small Generation Unit / Small-Scale Technology Certificate guidance.

T

TERABYTES	One terabyte is a trillion bytes. A byte is a unit of digital information in computing and telecommunications.
TELECOMMUNICATIONS INDUSTRY OMBUDSMAN (TIO)	Dispute resolution service for small business and residential customers who have a complaint about their telephone or internet service in Australia. The TIO is independent of industry, the government and consumer organisations.
TELSTRA CONNECTED SENIORS®	Telstra's programme that gives thousands of older Australians the chance to learn more about today's technology through training and education.
TIME (SOCIAL AND COMMUNITY INVESTMENT)	Contributions of employee time, during work hours, to assist community-based, non-profit organisations, valued at $45 per hour.

TRANSPORT FUEL USE	The volume of petrol, diesel and LPG used for the Telstra vehicle fleet and mobile plant. Fleet fuel use is calculated using fuel card data. Minor amounts of fuel e.g. diesel for standby generators and mobile plant, are based on fuel delivery data.
TOTAL ELECTRICITY CONSUMPTION	Electricity used in Telstra's buildings and network facilities. Electricity data is based on invoiced (billing) data. At the time of 2011/12 reporting, the received invoices represent 94 per cent of consumption. To compensate for invoices not yet received (due to the different billing periods for different sites and energy suppliers), we use metering data, where available, for the missing period. Where metering data is not available, estimates are calculated on a monthly pro-rata basis.
TOTAL ENERGY CONSUMPTION	Total consumption of electricity, natural gas and fuels for Telstra's buildings, network and fleet.

U

UNITED NATIONS GLOBAL COMPACT (UNGC)	A United Nations initiative to encourage businesses worldwide to adopt sustainable and socially responsible policies, and to report on their implementation. The UNGC is based on ten principles in the areas of human rights, labour, the environment and anti-corruption. See www.unglobalcompact.org

V

W

WASTE EMISSIONS	Telstra generates waste from business activities across its commercial and network portfolio. Emissions are calculated using total tonnes of waste to landfill and applying the Commercial and Industrial waste emission factor from the National Greenhouse Accounts (NGA) Factors, July 2011.
WASTE TO LANDFILL	Waste that is disposed of in landfill sites.
WASTE RECYCLED	Waste that is returned to process or recycled. Telstra has a National Waste Management System to optimise waste recycling. Some of the types of waste we recycle include: mixed metal, e-waste, batteries, timber, paper, cardboard and water.
WATER CONSUMPTION	Amount of water consumed as a result of Telstra's operations, expressed as kilolitres (or thousand litres). Consumption is based on billing invoices. Where invoice data is not available, estimates are calculated by either substitution with corresponding month in previous year or neighbouring month's data.
WOMEN IN MANAGEMENT ROLES	Management roles are defined as: Executive Management (Bands A, B,C) Middle Management (Bands 1 and 2)

X

Y

Z

Additional information on definitions and assumptions of metrics are available on request.

For more information see
www.telstra.com.au/sustainability