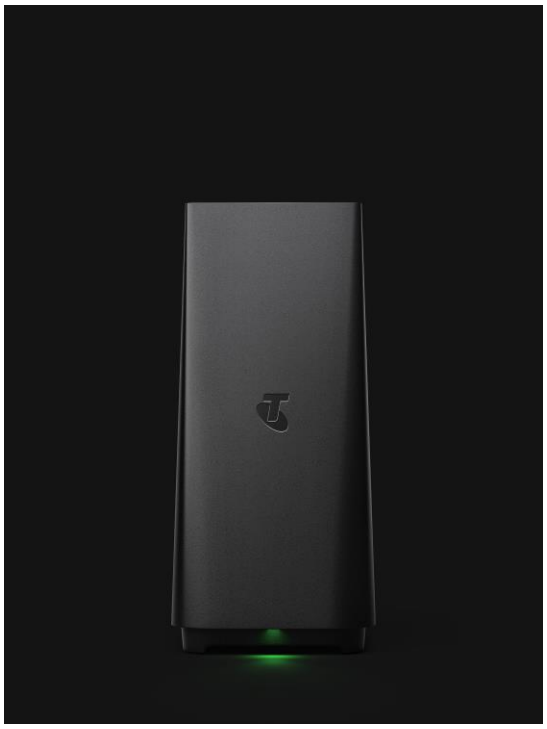
Environmental Product Summary
Telstra Smart Modem 3



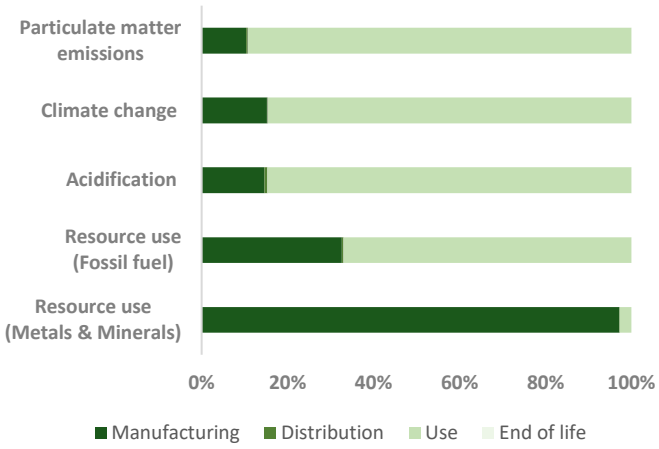
Taking environmental action

Our Environment Strategy is aimed at accelerating our ambition to tackle climate change and creating a more sustainable future by using resources more sustainably and efficiently. We are committed to reducing our emissions footprint, optimising the resources we use, reducing consumption and waste across our business, and investing in circular solutions that are designed to be sustainable across their lifecycle. We use the Life Cycle Assessment (LCA) framework to assess our environmental impacts and improve our environmental performance across the product life cycle. The LCA methodology for the Smart Modem 3 is conducted in accordance with ISO 14040 and 14044. The LCA has been peer reviewed following the critical review process outlined in ISO 14071 and assessed for compliance against ISO 14044.

System boundaries[1]

The LCA cradle-to-grave stages of the product life cycle include:

- **Manufacturing** – extraction and processing of raw materials including recycled materials, production of electronic components, assembly of electronic components and packaging
- **Distribution** – includes all aspects related to the transport of the finished product and packaging to the customer in Australia
- **Use** – three years of product use
- **End of life** –product and packaging end of life treatment



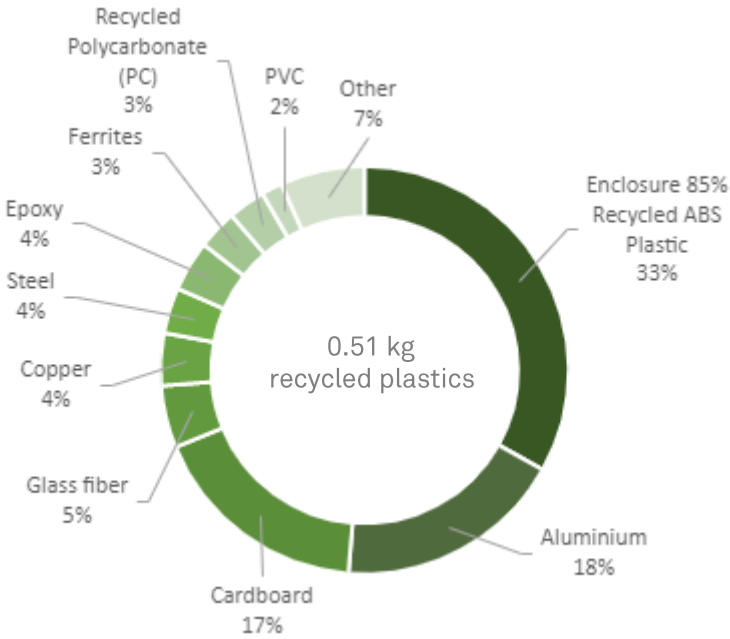
Relevant environmental impact indicators

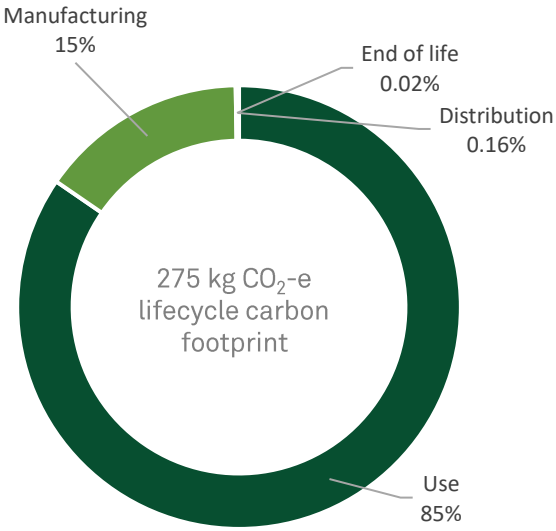
The data presented here are the five key impact categories that contribute to the product's total environmental impact across its life cycle. The results of this LCA will continue to inform the way we design and develop future products as we continue to improve the environmental performance of our products. Find out more about the Five ways we're designing for a better environment (telstra.com.au).

1 Distribution and End of life product represent 1% or less product life cycle stages across five impact categories.

Materials Used

We are designing more circular solutions for our products so that we can keep materials in circulation for as long as possible. By changing the modem colour from white to black, we were able to use recycled plastics in the Smart Modem 3. The Smart Modem 3 enclosure is made from 85% post-consumer recycled plastics helping to keep plastics out of landfills and the ocean. The post-consumer recycled material content is certified to the UL 2809 Environmental Claim Validation Procedure (ECVP) for Recycled Content. Under the UL standard, post-consumer material is defined as material that has reached its intended end user, and is no longer being used for its intended purpose. Optimising the use of materials and sourcing recycled materials (where possible) to conserve resources and energy are the design principles embedded in the way we make our products.





Carbon Footprint

We calculated the lifecycle carbon footprint of the Smart Modem 3 to identify opportunities to drive emissions reductions. We recognise that the products we put out to market consume energy and in aggregate contribute 8% to our scope 3 emissions[2]. We are continuing to play our part in tackling climate change by making energy efficiency improvements in our modem design. For example, we have installed energy efficient chipsets, provided efficient power supply units and removed the Digital Enhanced Cordless Telecommunications (DECT)[3]. The emissions calculated for the use phase are based on active (12.8W, 9hr/day) and standby (9.4W, 15hr/day) modes representative of modem use case scenarios[4]. Modem energy consumption data measured in a lab in accordance with ISO 17025 code of conduct on energy consumption of broadband equipment.

[2] Scope 3 emissions are emissions associated with the upstream and downstream activities of our operations but outside our operational control. Percentage is based on FY22 scope 3 emissions profile.
[3] With the uptake of smartphones and video calls, there are less landline phones being used. This identified an opportunity for the removal of the DECT module (for connecting wireless landlines). Note that customers can still opt to connect their wireless landlines via base stations to the modem.
[4] Modem active and standby modes are based on the Code of conduct on energy consumption of broadband equipment version 8.0, Commission regulation (EC) No 1275/2008 and Commission regulation (EU) No 801/2013 (Ecodesign requirements for standby, off mode electric power consumption of electrical and electronic household and office equipment).

Sustainable Packaging

Packaging for the Smart Modem 3 is 100% recyclable, zero plastics with more than 75% of the packaging made from recycled material. As part of the design process, the packaging is optimised for materials use to minimise waste while ensuring the product is protected. Our focus is not only on making our packaging more sustainable, but helping customers know what can be recycled, and how, by applying the Australian Recycling Label[5] (ARL). Our efforts with sustainable packaging design was recognised at the 2021 Pentawards with the Gold Award for Sustainable Design and at the 2021 Good Design Awards for the Good Design Award Gold Accolade in recognition for outstanding design and innovation.

Telstra eCycle Program

We are helping our customers reduce the number of unwanted devices (mobile phone, tablets, mobile phone chargers and accessories, mobile wireless internet devices, modems and routers, hone phones, smart watches and fitness trackers, smart home tech) in homes and businesses by providing more convenient reuse and recycling options. This is all part of creating a more circular economy for materials - including the plastics and precious metals in phones, modems and other electronic devices. The Telstra eCycle Program is powered by MobileMuster[6] delivering Telstra's commitment to helping our customers to responsibly dispose of devices they no longer need. You can recycle your old modems (and devices) at any Telstra store or use the free Telstra eParcel option to package your old devices at home to be recycled. Check out our recycling page for more details on the Telstra eCycle Program.

[5]Telstra is a member of the Australian Packaging Covenant (APCO). APCO works with governments, businesses and other organisations from across Australia's large and complex packaging value chain leading the development of a circular economy for packaging in Australia. The Australasian Recycling Label (ARL) Program, managed by APCO, is an on-pack labelling scheme that is helping consumers to recycle correctly and supporting brand owners to design packaging that is recyclable at end-of-life. https://apco.org.au/
[6]Telstra is a founding member of MobileMuster with a strong partnership spanning more than 20 years. MobileMuster is the product stewardship program of the telecommunications industry and is accredited by the federal government. The program is committed to raising awareness and educating the community on repair, reuse and recycling.