

T22 strategy | Scorecard



Outcomes	Customers	Simplification	Network	Employees	Cost reduction	Balance sheet
	Market leading customer experience	Simplified products, business and operating model	Extended network superiority and 5G leadership	Achieve Global High Performance Norm in employee engagement	Net cost productivity of \$2.5bn by FY22	Post-nbn ROIC > 7% ¹
Metrics & Measures	<ul style="list-style-type: none"> ● Increase NPS 3 to 6 points pa ● Double active app users from 4m to 8m by FY22 – 6m active users by FY20 ✓ 24% of Consumer & Small Business sales transactions through the digital channel by FY20 ✓ 4,000 active Enterprise customers on Telstra Connect by FY20 ● Increase average services per customer ● Eliminate two thirds of mass market servicing calls by FY22 – one third by FY20 ✓ 2m Telstra Plus members by FY20 	<ul style="list-style-type: none"> ✓ Build and launch new digital technology stack in FY19 ● Complete Digitisation program with key products built on the new stack ✓ Simplify from ~1800 to ~20 active Consumer & Small Business plans ✓ >3m services on in-market Consumer & Small Business plans by FY20 ● Migrate all Consumer & Small Business customers to the new product range on the new digital technology stack by FY21 ● Rationalise 50% of Enterprise products by FY21 ✓ Reduce 2 to 4 management layers in the organisation ✓ 700 apps decommissioned or contained by FY20 	<ul style="list-style-type: none"> ● Lead in all key industry network performance surveys from FY19 ✓ Network ready for 5G in H1 FY19 ✓ Full commercial deployment of 5G in capital cities, major regional centres and other high demand areas by FY20 ● Deliver 5x data growth at flat costs by FY21 	<ul style="list-style-type: none"> ✓ 80% of Agile teams at level 3 of Agile Maturity by FY20 ✓ 1 quartile increase in ease of doing business management practices of Organisational Health Index (OHI) by FY20 ● Increase employee engagement score 10 points ● Reduce total FTE by 8,000 net by FY22 	<ul style="list-style-type: none"> ✓ Net cost productivity – more than \$1.5bn cumulatively delivered by FY20 ● Total costs will be flat or decline in each year from FY18 ● Absorb nbn CVC/AVC costs ● Labour cost to sales ratio to decline ~one third by FY22 ● Top quartile cost metrics for full-service telco by FY22 	<ul style="list-style-type: none"> ● Underlying ROIC to improve from FY19 to FY22 ● Monetise assets of up to \$2bn by FY20 ✓ Establish standalone infrastructure business unit with effect from 1 July 2018 ✓ High level SLA's for infrastructure business to be defined by 1 October 2018 and segment reporting by 31/12/18 ✓ Telstra InfraCo fully operational by June 19 ✓ EBITDA benefits of >\$500m p.a. from \$3bn strategic investment realised by FY21

1. Post-nbn defined as FY23 on AASB16 basis. Targeted outcome reduced from >10% in August 2020.



Completed



Completed after due date



On track for delivery



Progress but below target metric



Below target metric



Early progress /development