



20 August 2021

The Manager

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ELECTRONIC LODGEMENT

Dear Sir or Madam

Vesting and lapsing of 'retention rights' – Listing Rules 3.10.3B and 3.10.E

During FY19, Telstra made a one-off issue of 13,245,705 'retention rights' to eligible employees. These were granted in two tranches.

Each 'retention right' entitled its holder to receive one ordinary Telstra share (or, at Telstra's discretion an amount equivalent to the value of a Telstra share), subject to the 'retention right' vesting. The 'retention rights' were not quoted on the ASX.

On 15 January 2020 Telstra announced that 5,115,570 of those 'retention rights' (being the first tranche) had vested. 182,700 tranche one 'retention rights' lapsed because the holders ceased employment with Telstra prior to the 'retention rights' lapsing.

As required under Listing Rules 3.10.3B and 3.10.3E, Telstra confirms that:

- 7,337,335 'retention rights' (being the second tranche) vested as shares on 13 August 2021 and were satisfied through existing ordinary shares. 203,688 of those 'retention rights' that vested were held by Michael Ackland who is a Key Management Personnel;
- 75,323 tranche two 'retention rights' vested and were satisfied through a cash payment. None of those 'retention rights' were held by Key Management Personnel; and
- the remaining 534,777 tranche two 'retention rights' lapsed because the holders ceased employment with Telstra prior to the 'retention rights' vesting. None of these lapsed 'retention rights' were held by Key Management Personnel.

There are no further 'retention rights' outstanding.

Lapsing of Performance Rights – Listing Rule 3.10.E

As required under Listing Rule 3.10.3E, Telstra confirms that on 13 August 2021, 416,541 Performance Rights lapsed, being all of the Performance Rights granted in the first tranche under Telstra's FY18 Executive Variable Remuneration Plan (EVP). This followed testing of the Relative Total Shareholder Return (RTSR) performance condition applying to those Performance Rights, following the end of the four year performance period on 30 June 2021. All lapsed Performance Rights were held by Key Management Personnel.



As set out in section 5.2 of the notes to the financial statements in Telstra's 2021 Financial Report, Telstra currently has 4,231,459 Performance Rights on issue which were granted under the following plans:

Plan	Number of Performance Rights
FY18 EVP (tranche two)	416,541
FY19 EVP	1,878,032
FY20 EVP	1,936,886

The total number of fully paid ordinary Telstra shares on issue is 11,893,297,855.

Authorised for lodgement by:

A handwritten signature in black ink, appearing to read 'Sue Laver'.

Sue Laver
Company Secretary