Variation to Enforceable Undertaking

Telstra Limited — Customer Identity Authentication Determination

Section 572B Telecommunications Act 1997 (Cth)

This is a variation to the undertaking accepted by the Australian Communications and Media Authority from **Telstra Limited** under section 572B of the *Telecommunications Act 1997* on 26 June 2024 in relation to its compliance with the *Telecommunications Service Provider (Customer Identity Authentication) Determination 2022.*

A. Definitions

In this variation:

ACMA means the Australian Communications and Media Authority.

Commencement Date means the date on which the ACMA accepts the variation of the Undertaking that has been offered by Telstra.

Customer Identity Authentication Determination or **Determination** means the *Telecommunications Service Provider (Customer Identity Authentication) Determination 2022*.

Existing Undertaking means the enforceable undertaking accepted by the ACMA on 26 June 2024 under section 572B of the *Telecommunications Act 1997* in relation to compliance with the Determination.

Fraud Mitigation Processes means Telstra's policies, procedures, guidance, system-enabled controls, escalation pathways and processes for identifying customers who may be at risk of fraud in relation to their telecommunications service and Telstra's provision of fraud mitigation protections.

High-risk customer transaction has the meaning given in the Determination.

Relevant Customer-facing Teams means Telstra frontline assisted-channel teams including contact centre, retail, messaging, and specialist teams whose roles involve identifying or responding to customers who may be at risk of fraud in relation to their telecommunications service or undertaking high-risk customer transactions.

Relevant Period means the period commencing on the date this variation is accepted by the ACMA and ending 12 months after that date.

Safe Place Governance Forum means the Telstra governance body responsible for overseeing and monitoring the implementation, performance, risks and compliance obligations of Telstra's safety framework and related initiatives, or any successor committee or equivalent governance forum that performs substantially the same function.

Telstra means Telstra Limited (ACN 086 174 781), including business operations conducted under the Belong brand.

B. Duration

1. This variation commences on the date it is accepted by the ACMA.
2. This variation ceases to have effect 12 months after commencement, unless:
    a. the ACMA gives written notice cancelling the undertaking in accordance with subsection 572B(4) of the Telecommunications Act 1997;
    b. the ACMA consents to earlier withdrawal of the undertaking in accordance with subsection 572B(3) of the Telecommunications Act 1997; or
    c. the undertaking is varied in accordance with subsection 572B(3) of the Telecommunications Act 1997.

C. Relationship with the Existing Undertaking

3. This variation supplements the Existing Undertaking only to the extent expressly set out herein.
4. Except as expressly provided in this variation, the obligations in the Existing Undertaking are not otherwise extended, revived or varied.
5. This variation is directed to the specific root causes identified in the ACMA's 4 June 2026 investigation findings.

D. Background

6. Telstra is a carriage service provider for the purposes of the Telecommunications Act 1997 and is required to comply with applicable service provider rules, including the Customer Identity Authentication Determination.
7. The Determination requires carriage service providers to follow effective identity authentication processes to protect the security of high-risk customer interactions and to reduce harm to customers where access to their personal information, business information or telecommunications service is targeted by unauthorised persons or entities.

ACMA's findings

8. On 4 June 2026, the ACMA issued a final investigation report finding that Telstra contravened subsection 101(1) of the *Telecommunications Act 1997* on 28 occasions, arising from 15 contraventions of section 8 of the Determination and 13 contraventions of subsection 13(1) of the Determination.
9. The ACMA found that the section 8 contraventions involved interactions where required authentication processes were not complied with before high-risk customer transactions were undertaken, including instances involving agents making outbound calls to unlisted account contact numbers to complete multi-factor authentication (MFA), MFA not being completed, agent verification errors, and one instance where an agent verified only one unique government document when two were required.

10. The ACMA also found that Telstra had systems in place to identify customers at risk of fraud, including monitoring, detection, account-flagging measures, escalation procedures, specialist fraud and high-risk teams, and relevant staff training modules.

11. However, the ACMA found that in 13 instances Telstra did not identify customers as being at risk of fraud in accordance with their own systems and procedures, or identified customers as being at risk but did not apply appropriate fraud mitigation protections.

12. Telstra acknowledges the ACMA's findings and offers this variation to the Existing Undertaking to address the specific root causes identified in the ACMA's investigation, including agent adherence to fraud mitigation processes, training uplift, and oversight and assurance.

E. Purpose of this variation

13. The purpose of this variation is to provide the ACMA with assurance that Telstra will take further targeted steps to strengthen the consistent application of fraud mitigation processes for customers at risk of fraud, and to extend the period covered by the Undertaking to permit this to occur, including by:

    a. improving agent adherence to Fraud Mitigation Processes;

    b. uplifting training and guidance for Relevant Customer-facing Teams; and

    c. enhancing quality assurance and oversight relating to customer fraud-risk interactions.

F. Undertakings

Uplift of fraud mitigation process adherence

14. During the Relevant Period, Telstra will undertake a documented review of its Fraud Mitigation Processes to assess whether they support consistent identification, escalation and protection of customers who may be at risk of fraud in relation to their telecommunications service.

15. The review under clause 14 will be completed within 3 months of the commencement date and must consider, at a minimum, the circumstances identified in the ACMA's final investigation report, including:

    a. customer reports of unsolicited verification codes;

    b. customer reports of unauthorised SIM activity or suspected unauthorised SIM swaps;

    c. interactions where a customer has previously been identified as being at risk of fraud;

    d. circumstances requiring escalation to specialist fraud, high-risk, or equivalent teams; and

    e. circumstances where fraud mitigation protections must be applied before further high-risk customer transactions are undertaken.

16. Telstra must prepare and retain a written record of the review that identifies:

    a) the Fraud Mitigation Processes, guidance, escalation pathways and system-enabled controls considered as part of the review;

    b) the review methodology and any limitations;

    c) any gaps, issues or opportunities for improvement identified;

    d) any updates Telstra proposes to make to Fraud Mitigation Processes or related guidance;

    e) where Telstra decides not to make an update in relation to a matter considered by the review, the reasons for that decision; and

    f) implementation timeframes for any updates adopted.

17. Telstra will within 6 months of the commencement date, update relevant guidance to provide clearer decision-making thresholds for Relevant Customer-facing Teams, including guidance on when a customer should be treated as being at risk of fraud and when fraud mitigation protections should be applied or escalated.

Training uplift

18. During the Relevant Period, Telstra will undertake a documented review of relevant training materials for Relevant Customer-facing Teams to assess whether those materials adequately address the types of human error and process-adherence issues identified in the ACMA's final investigation report.

19. The review required under clause 18 will be completed within 4 months of the commencement date and may be undertaken as part of Telstra's existing training review cycle.

20. Telstra must prepare and retain a written record of the training review that identifies:

    a) the training materials reviewed;

b) the Relevant Customer-facing Teams to whom those materials apply;

c) any updates made to the materials; and

d) how any updated training or guidance has been, or will be, made available to Relevant Customer-facing Teams.

21. Telstra will continue mandatory training for Relevant Customer-facing Teams who undertake high-risk customer transactions or are responsible for identifying or responding to customers at risk of fraud.

22. Telstra will maintain records of:

    a) the Relevant Customer-facing Teams required to complete the training;

    b) the training content or modules assigned to those teams; and

    c) completion records for those teams during the Relevant Period.

Oversight and quality assurance

23. During the Relevant Period, Telstra will undertake a documented review and where appropriate enhance its quality assurance approach for interactions involving customers who may be at risk of fraud in relation to their telecommunications service.

24. The review under clause 23 will be completed within 3 months of the commencement date and will consider whether existing quality assurance processes appropriately assess agent adherence to Fraud Mitigation Processes, including whether agents:

    a. correctly identify indicators of customer fraud risk;

    b. complete required authentication steps before undertaking high-risk customer transactions;

    c. apply appropriate fraud mitigation protections where required;

    d. escalate matters to specialist fraud, high-risk, or equivalent teams where required; and

    e. document relevant actions in accordance with applicable processes.

25. Telstra will prepare and retain a written record of the quality assurance processes review that identifies:

    a) the quality assurance processes reviewed;

    b) the Relevant Customer-facing Teams to whom those quality assurance processes apply; and

    c) any updates made to quality assurance processes.

26. Within 4 months of the commencement date, Telstra must update relevant quality assurance processes to ensure enhancements are adopted.

27. Telstra will maintain records of any enhancements adopted or those planned for future implementation, and the implementation status of those enhancements.

Ongoing assurance and reporting

28. Every three months from the commencement date, Telstra will conduct an internal audit of a representative sample of unauthorised High-Risk Customer Transactions undertaken across Telstra's Relevant Customer Facing Teams.

29. The results of the audit, and any identified non-compliance with the Determination, any remediation action taken or planned, and the applicable dates for those actions will be reported to the Safe Place Governance Forum.

G. Reporting

30. Telstra will provide the ACMA with a written progress report during the Relevant Period.

31. The progress report referred to in clause 30 must be provided to the ACMA no later than 26 February 2027.

32. Telstra will provide the ACMA with a written completion report no later than the date this variation ceases to have effect.

33. The progress report and completion report must address to the extent relevant:

    a. completion status of the Fraud Mitigation Processes review, training review and quality assurance review;

    b. actions taken to improve adherence to Fraud Mitigation Processes by Relevant Customer-facing Teams;

    c. training, awareness, or guidance uplift activities implemented for Relevant Customer-facing Teams;

    d. actions taken to strengthen oversight and quality assurance activities relating to customers who may be at risk of fraud; and

    e. the results of the internal audits listed at item 28 reported to the Safe Place Governance Forum including any identified non-compliance, remediation action taken or planned, and applicable dates.

34. During the Relevant Period, Telstra will provide quarterly updates including results of the internal audits to the Safe Place Governance Forum on progress against the commitments set out in this variation.

H. Acknowledgments

35. Telstra acknowledges that the ACMA may:

    a) publish this variation or make it available for public inspection;

    b) refer publicly to this variation; and

    c) issue a media release referring to the terms of this variation.

EXECUTED by Telstra Limited (ACN 086 174 781) by its authorised representative on

22nd July 2026

[redacted]

Signature of authorised representative

Christopher Rolland

Name of authorised representative

The Undertaking offered by Telstra Limited is accepted by the Australian Communications and Media Authority pursuant to section 572B of the Telecommunications Act 1997 on

22 July 2026

Signed for and on behalf of the Australian Communications and Media Authority by:

[redacted]

Signature of Authorised Representative

Jeremy Fenton

Name of Authorised Representative