



TELUS Corporation

Fighting Against Forced Labour and Child Labour in Supply
Chains Act Statement for the year ended
December 31, 2023

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Introduction

This statement has been prepared by TELUS Corporation (“TELUS”, “we”, “us”, “our”) in compliance with the Fighting Against Forced Labour and Child Labour in Supply Chains Act (‘the Act’), and relates to the reporting period January-December 31, 2023.

TELUS’ social purpose is to leverage our global-leading technology and compassion to drive social change and enable remarkable human outcomes. As a global leader in social capitalism guided by our social purpose, we are using our technology for good to help answer some of the world’s most pressing social issues and enabling a more sustainable future.

Human rights are universal at TELUS, which means every individual we connect with should be treated with dignity and equality. We understand our responsibility to respect and promote human rights through all of our business activities, in our team member management practices, while developing and delivering our products and services, and throughout our supply chain.

As a signatory of the United Nations Global Compact (UNGC) and member of the UNGC Network Canada, we are committed to respecting and supporting internationally recognized human rights in accordance with the United Nations Guiding Principles on Business and Human Rights (UNGPs) and other internationally accepted standards. TELUS is a member of the Joint Alliance for CSR (JAC), a non-profit association of telecommunications operators aiming to verify, assess and apply Corporate Social Responsibility (CSR) practices across manufacturing sites of its key suppliers. The JAC areas assessed include labour standards, health and safety, ethics and the management systems of the industry’s supply chains.

Reporting entities

The term TELUS includes all subsidiaries and controlled entities required to report under the Act. It does not include TELUS International (Cda) Inc.¹ and its subsidiaries, and controlled entities, as TELUS International is not engaged in producing, selling or distributing goods in Canada or elsewhere; or importing into Canada goods produced outside Canada.

Key steps taken in 2023

In 2023, TELUS continued or undertook many steps to reduce the risk of forced or child labour in our supply chain. This includes:

- Continuing to evolve our TELUS Supplier Due Diligence Program to identify and mitigate supplier risk.
- Establishing the TELUS Supplier Risk Council with the aim of enhancing efficiency, strengthening controls aligned with TELUS’ risk tolerance, and fostering the expansion of collective due diligence efforts within TELUS.
- Completing our first year of membership in JAC - an association of telecommunications operators established to improve ethical, labour and environmental standards in the information and communication sector (ICT) supply chain.
- Conducting our first JAC facility audits (led by a third-party auditor).

¹ TELUS International provides digitally-led customer experiences and is not engaged in producing, selling or distributing goods in Canada or elsewhere; or importing into Canada goods produced outside Canada. For more information about TI, visit telusinternational.com.

- Participating in the JAC Human Rights working group.
- Continuing to invest in our multi-year transformation project to evolve how we manage our key supplier relationships, including supplier due diligence.

The sections below provide additional detail on these steps and other supplementary information, in alignment with the reporting obligations of the Act. For further information, please refer to TELUS' 2023 [Annual Report](#) and [Sustainability & ESG Report](#).

TELUS' structure, activities and supply chains

Our business structure

Our principal subsidiaries are: TELUS Communications Inc., in which, as at December 31, 2023, we have a 100% equity interest; and TELUS International (Cda) Inc., in which, as at December 31, 2023, we have a 56.0% equity interest. TELUS' mobile and fixed telecommunications businesses are primarily operated through TELUS Communications Inc. (TCI). TELUS International (Cda) Inc.² (TELUS International or TI) is a digital customer experience innovator that designs, builds and delivers next-generation solutions, including artificial intelligence and content moderation, for global and disruptive brands, supporting their clients' digital transformation journeys and enabling clients to swiftly embrace next-generation digital technologies to deliver better business outcomes.

A smaller part of our business structure are the emerging businesses and the subsidiaries within them which include: TELUS Health, a global healthcare leader that leverages digital and data analytics capabilities to improve health outcomes; and TELUS Agriculture & Consumer Goods, which enables efficient and sustainable production from seed to store, helping improve the safety and quality of food and other goods.

Excluding employees in TELUS International, total active employees were 31,000 in 2023. For more information on our business structure, please see our [2023 Annual Report](#).

Our core business activities

TELUS Corporation is one of Canada's largest telecommunications companies, providing a wide range of technology solutions, including mobile and fixed voice and data telecommunications services and products; healthcare services, software and technology solutions (including employee and family assistance programs and benefits administration); agriculture and consumer goods services (software, data management and data analytics-driven smart-food chain and consumer goods technologies); and digitally-led customer experiences. Data services include: internet protocol; television; hosting, managed information technology and cloud-based services; and home and business security.

We currently earn the majority of our revenue from access to, and usage of, our telecommunications infrastructure, and from providing services and products that facilitate access to, and usage of, our telecommunications infrastructure, and from providing services and products that facilitate access to, and usage of, our infrastructure, in addition to equipment revenue.

² This statement excludes our TELUS International subsidiary, as it does not meet the reporting requirements under the Act.

We are not a mass-market manufacturer and do not directly own or operate large factories or other production facilities. We do not own, operate or control the manufacturing operations that make TELUS-branded devices, nor do we handle raw materials or commodities.

Our supply chain

Like most large communications technology companies, TELUS has a complex, dynamic global supply chain. In 2023, we spent approximately \$10 billion with over 13,000 direct (Tier 1) suppliers of all sizes around the world, 92% of which have operations in Canada, and who in turn have many suppliers of their own.

We do understand and have visibility into our direct suppliers, including spend, procurement categories, and other key information collected through our supplier due diligence and engagement processes. However, the complexity of our supply chain creates significant challenges in mapping beyond these direct suppliers. We are working internally and through collaborative initiatives like JAC and the evaluation of supply chain mapping tools to increase this visibility and manage our collective risks.

The vast majority of our direct spend is with global ICT suppliers that supply the devices, network equipment and services we resell to customers and use to support our networks. The majority of these devices and network equipment are manufactured in Asia.

We also procure technical and professional services related to the installation and repair of our networks and customer premise equipment; products and services such as software, cloud services, and marketing; facilities management; and travel. These suppliers are primarily based in Canada, where our main operations are located.

Supply chain governance

TELUS' Chief Procurement Office (CPO) oversees responsible sourcing at TELUS. Our Procurement and Supply Chain team plays a vital role in carrying out our strategic initiatives, working to procure the right products and to deploy them in a safe and cost-effective manner.

Our strategy aims to be inclusive, sustainable, and one that makes a positive difference for our business, customers and communities. We are committed to applying policies and practices that reflect this vision and to collaborate with our stakeholders to reach our goals.

TELUS' Corporate Governance Committee receives and reviews quarterly reports on our sustainability performance and risk management, including supply chain sustainability.

Scope of our review

TELUS' CPO oversees all procurement under our principal businesses in accordance with the policies and due diligence processes noted in this Statement. While a portion of both TELUS Health and TELUS Agriculture & Consumer Goods procurement activities proceed through the Chief Procurement Office, recently acquired entities under these emerging businesses are in the process of being integrated into our operations, policies and processes.

Policies and due diligence processes

Policies and commitments

TELUS has a long-standing commitment to respecting and protecting human rights in our value chain. We understand our responsibility to respect and promote human rights through all of our business activities, in our team member management practices, while developing and delivering our products and services, and throughout our supply chain.

We have several policies that formalize our commitment to safeguard internationally-proclaimed human rights, including addressing forced labour and child labour in our operations and supply chain. These include, but are not limited to:

- **Supplier Code of Conduct:** Our Supplier Code of Conduct (the Supplier Code) outlines and reflects our expectations for partners to demonstrate a strong commitment to ethical, labour, health and safety, environmental principles and compliance practices that align with ours. Consistent with the Code of Ethics and Conduct that applies to our employees and contractors, the Supplier Code is based upon generally accepted standards of ethical business conduct. We only contract with suppliers that accept the Supplier Code or have equivalent high standards, as well as comply with applicable laws and regulations wherever they operate.
- **TELUS Anti-Bribery and Corruption Policy:** The purpose of this Policy is to support TELUS' commitment to ethical business practices, including the protection of human rights, and commitment to full compliance with anti-corruption laws. This Policy sets out the rules to follow, measures to take to prevent bribery and corruption, information and guidance on how to recognize and deal with bribery and corruption and what to do when encountering suspicious circumstances. Its goal is to ensure that all TELUS team members have a clear and consistent understanding of their responsibility for following and upholding the Policy.
- **Supplier Due Diligence Policy:** The Supplier Due Diligence Policy requires suppliers to submit relevant information in order to identify the credibility and potential risks associated with TELUS. The purpose of the Supplier Due Diligence Policy is to enable a consistent and robust framework to protect, or mitigate the risks involved when TELUS engages with a supplier. All suppliers are subject to the Policy; however, the level of due diligence and the specific requirements for supplier risk information are determined based upon the criticality, total contract value, and scope of the supplier. This Policy sets forth the process to be followed by TELUS team members when they are engaging suppliers. Specifically, TELUS will only retain suppliers that TELUS can reasonably expect to:
 - (i) appropriately protect the privacy, confidentiality and security of personal information, as well as the confidentiality and security of confidential information, TELUS intellectual property (IP) and other TELUS assets;
 - (ii) support TELUS' compliance with its legal obligations and compliance requirements, including record retention, Anti-Bribery & Corruption, Privacy law, Canada's Anti-Spam legislation, and Unsolicited Telecommunication Rules;
 - (iii) comply with TELUS Supplier Code of Conduct, and
 - (iv) meet their obligations to us, including their financial obligations.
- **Code of Ethics and Conduct:** The Code of Ethics and Conduct outlines the behaviours that we must exhibit in order to meet and uphold TELUS' ethical and conduct standards. The Code is intended to set the tone for how we work at TELUS and to help us recognize ethical and

compliance issues before they arise and guide our response should they arise - including issues related to forced and child labour.

- **Respectful Workplace Policy:** This Policy outlines TELUS' commitment to creating an inclusive workplace and leveraging the diversity of thought that exists within our teams with the goal of fostering a global sense of belonging at work. This includes workplace violence prevention.

Supplier Due Diligence Program

TELUS endeavours to maintain the highest standards in risk mitigation to protect our customers, employees and partners, and we seek to partner with organizations who share the same values.

TELUS has a robust Supplier Due Diligence Program that we use to screen and monitor our suppliers for financial stability, safety, and other environmental, social and governance risks, in compliance with our Supplier Code. This is largely covered by these main activities:

- **Supplier base assessment:** A global watch-list check, based on publicly available data, is conducted on all TELUS suppliers at no cost to them. Through this screening we look to identify bad actors or criminal activity such as sanctions, law, or legal violations. The main assessment criteria are: i) Sanctions, ii) Regulatory enforcement, iii) Politically exposed people, and iv) Law enforcement. Suppliers flagged under any of these criteria will be reviewed to determine risk and future business with TELUS.
- **Significant supplier assessment:** Significant suppliers are those identified with substantial potential to impact business, customer experience or network reliability, as well as environmental, social and governance (ESG) risk. They are required to complete an annual self-assessment, which includes areas such as the supplier's policies for bribery and corruption, privacy, sustainability, financial and safety performance.
- **Performance framework:** Our team works closely with significant suppliers through our performance framework, which has two main elements: a scorecard that tracks metrics on performance (including due diligence assessment); and a stakeholder management component, creating and monitoring corrective actions and improvement plans. Suppliers evaluated may be excluded from contracting if they cannot achieve the minimum ESG requirements within a set timeframe.
- **On-site audits:** Supplier audits are conducted by an independent, third-party auditing firm according to a common framework that includes child and forced labour, health and safety, freedom of association, non-discrimination, disciplinary practices, working hours, wages and compensation, environment, and business ethics. Based on audit findings, corrective action plans are agreed and followed up on until closure. See JAC audits section below for more information.
- **Supply chain mapping:** In recent years, we have undertaken an initial mapping of our extended supply network to identify the suppliers of our key Tier 1 suppliers. The objective of this exercise is to identify risks and opportunities in the subsequent tiers of our supply chain. However, we recognize that this initial mapping is not exhaustive, and as a result we are currently evaluating tools that will enable us to expand upon this.

JAC audits

The core activity within JAC remains members working together to assess, verify and improve the labour standards, health and safety, environmental, ethics and management systems of the industry's supply chains, as well as the identification of supplier sites to audit.

The benefits of collaboration include leveraging combined resources, increasing the scale of visibility, and increasing the transparency and standardization of the audit process. JAC members conduct audits using third-party recognized audit firms, on-site at the supplier facilities in accordance with the [JAC Supply Chain Sustainability Guidelines](#).

Each year, JAC members identify common suppliers to the industry for audit. Members engage suppliers to identify relevant sites for audit, and through a centralized process managed by our support partner, audits are allocated to each member to execute, with completed audits shared within JAC. A lead JAC member for any specific supplier is also responsible for progressing any corrective actions that may arise from audits. Completed audits are shared with members on a shared audit platform.

JAC, as part of the audit process governance framework, regularly updates members on progress, monitoring the audit plan and timely closure of corrective actions through Operational Assembly meetings. The JAC membership is also updated with this progress through a bi-annual General Assembly meeting.

Supplier Risk Council

TELUS' CPO announced the formation of the new TELUS Supplier Risk Council in Q4 2023, which brings senior leaders, directors and subject matter experts together with the objective of finding ways to streamline processes, refine controls related to TELUS' risk tolerance, and support the growth of collective due diligence activities. Risk owners will have the opportunity to validate TELUS' risk tolerance, controls, and frameworks while CPO will help to facilitate the program. Importantly, the TELUS Supplier Risk Council structure will enhance our supplier risk screening protocols and engagement across team members, with the ultimate goal of collaborating to evolve TELUS' existing risk programs to best identify and mitigate supplier risk. The formation of the TELUS Supplier Risk Council is a vital part of TELUS' continuous improvement philosophy.

During 2023, our primary objective was to identify and address gaps in the Supplier Due Diligence Program. In 2024, our focus will shift towards implementing tactical activities and priorities, as well as exploring an integrated workflow to improve supplier risk assessment and screening.

Assessing and managing our risk

Risks in our business

Our Respectful Workplace Office performs an annual review of the Respectful Workplace policy to foster continued compliance with relevant human rights legislation in each of the Canadian jurisdictions that TELUS operates in. An analysis of complaints filed with our office and applicable human rights commissions is conducted quarterly to determine if there are internal practices causing concern for our team members. As a result of these practices, our teams continually identify gaps and initiate mitigation plans and actions to address key human rights issues where TELUS may experience risk or exert influence.

In addition, when completing the due diligence process during mergers and acquisitions, the risk review covers the following human rights-related topics: privacy, environmental management and compliance, employee well-being and property rights, among others.

Risks in our supply chain

We believe that awareness and active management of human rights issues in our value chain is essential to our success, and continuously look to identify and manage risk as well as create opportunities for our team members, customers and communities.

Our Procurement and Supply Chain teams oversee the policies and due diligence processes that formalize our commitment to safeguard internationally-proclaimed human rights in our supply chain. This includes our Supplier Due Diligence Program, which includes the processes for how we assess and manage that risk, and other supply chain risk management initiatives.

We recognize that the risk of forced labour or child labour being used is greatest in our extended supply chain, particularly in higher risk geographies and in the manufacturing of ICT products.

Based on our JAC audit results (see JAC Impact Statistics in section g), we have identified key areas where corrective actions are often required at the manufacturing sites along our supply chain, and therefore carry higher risk of violations. These are: Health & Safety, Working Hours, Environment and Wages and Compensation.

More information about our approach to assessing human rights risks can be found in our [2023 Sustainability & ESG Report](#).

Remediation measures

JAC audit corrective action plans

The JAC process led by TELUS and other members includes the follow up of corrective action plans. Various types of non-compliances have been raised through these audits, most commonly related to health & safety, working hours, environment and wages. TELUS did not identify any occurrences of forced or child labour in our supply chain in 2023; however, we recognize that cases of discrimination and juvenile work have been discovered in the past by JAC members. Non-compliances are classified as Priority, Major or Minor, with set timeframes to address them.

Per JAC guidelines, child labour and any form of any form of forced, bonded, compulsory labour, slavery or human trafficking is strictly prohibited. As a JAC member, it is TELUS' responsibility to conduct follow up verification (independently or with the support of a third-party auditor) to close the audit process by reporting on the action(s) the supplier has taken in response to audit findings and recommendations and on the progress made toward the implementation of corrective measures. If all findings and recommendations in relation to the current JAC audit are effectively resolved and all corrective actions are completed and reported in a timely manner, the audit will be considered as completed.

JAC Human Rights working group

In 2023, TELUS was a member of the JAC Human Rights working group, a collaborative forum of JAC members focusing on collaboration with suppliers and other stakeholders in identifying, analyzing, evaluating, prioritizing, mitigating and controlling potential human rights risks in the supply chain.

Working group members share resources and best practices to develop long term implementation of initiatives in the different layers or tiers of the industry's supply chain globally³. In 2023, the Human Rights working group comprised the following four subgroups: Forced labour; Child labour; Living wage; and Responsible minerals.

We understand that efforts to prevent and reduce the risk of forced labour and child labour can have the unintended consequence of contributing to a loss of income for vulnerable families. While we have not identified any specific instances of this as a result of steps TELUS has taken (independently or as a member of JAC), we are working to better understand this issue.

TELUS EthicsLine

We maintain an EthicsLine to facilitate anonymous and confidential inquiries or complaints regarding internal control and other ethics or integrity-related issues. To ensure reporting protections, calls are handled by an independent agency that offers 24-hour multi-language services to both internal and external callers.

We provide detailed reports on all EthicsLine activities, including the nature of complaints or inquiries received, as well as any breaches identified, such as the type, location, business area, and tenure of the employee involved. These reports are shared quarterly with the Audit Committee and the People, Culture, and Compensation Committee of our Board of Directors.

Our leaders are expected to create and maintain a work environment where all team members feel comfortable speaking up and having open discussions without the fear of retaliation. Retaliation or retribution against a team member for contacting the Ethics Office, or for assisting or participating in an investigation of a complaint, violates our ethical principles and is not tolerated.

Training provided to employees

Attesting to TELUS' Code of Ethics and Conduct annually is mandatory and confirms that team members understand their employment is conditional upon agreement to adhering to our ethical and conduct standards. Each year, we require our team members and contractors to complete an online integrity training course, referred to as TELUS Integrity, which outlines key aspects of our Ethics, Respectful Workplace as well as Security and Privacy policies. 100 per cent of our employees completed the 2023 Integrity Training Course. The Code ensures that every TELUS team member is guided by the same values and understands what is expected, regardless of work location or role in our organization.

In 2023, we also introduced and implemented an ESG training program for internal stakeholders, including procurement professionals and business managers. This training program is focused on

³ This does not involve the sharing of any commercially sensitive information, in accordance with JAC anti-trust obligations, which are regularly communicated to members.

capacity building, designed to equip them with the knowledge and skills necessary to actively contribute to the achievement of our ESG goals. Team members gain a deep understanding of the roles they play in promoting sustainability within the supply chain and are empowered to take meaningful action, including the creation of annual category playbooks with objectives and targets on ESG for their individual categories. This training program is continually reviewed and will be broadened over time.

Assessing our effectiveness

Forced labour and child labour are complex risks, and that complexity extends to the assessment of our effectiveness in addressing them. For our business, our internal Compliance Governance Committee provides oversight of our annual human rights program, and conducts an annual maturity assessment and an inherent and residual risk assessment.

To monitor and assess the effectiveness of our measures in our supply chains, we rely on our Supplier Due Diligence Program and annual data provided by JAC. JAC reports on progress with respect to third-party, on-site audits of common suppliers carried out on behalf of all its members in its own reporting.

In 2023, JAC conducted a total of 150 audits and surveys, including 123 CSR audits, 14 materially equivalent audits carried out under the Responsible Business Alliance process of Validated Assessment Program (VAP) and 13 Mobile Workers' Surveys⁴ (MWS), which ask workers in supplier facilities to use their mobile devices to provide responses to confidential surveys.

JAC Impact Statistics: Key Performance Indicators (Jan 1-Dec 31, 2023)	
Total number of audits and surveys carried out:	150
a) JAC audits	123
b) VAP audits	14
c) Mobile Workers' Surveys (MWS)	13
Number of different countries in which audits were carried out:	22
Tiering⁵ of suppliers where JAC, VAP audits and MWS were performed:	
Tier 1	62
Tier 2	71
Tier 3	17
Corrective action plans raised from JAC audits in 2023	890
of which, the following 4 areas made up 84% of all findings:	
Health & safety	45%
Working hours	18%
Environment	11%
Wages and compensation	10%
JAC audit score ratings:	
Excellent, Class A >= 90	18%
Good, Class B >= 70 and < 90	46%

⁴ MWS may be conducted to complement on-site audits to capture worker sentiment directly.

⁵ Tiers are defined as upstream in the supply chain, e.g., Tier 1 is the direct supplier to a JAC member, Tier 2 suppliers are subcontractors/suppliers to the Tier 1 supplier, Tier 3 subcontractors/suppliers to Tier 2 suppliers. Tiering of suppliers is set by a third-party CSR auditor, by a supplier or by a JAC member.

Conditionally accepted, Class C >= 60 and <70	11%
Poor, Class D < 60	25%

Additional details on JAC, including data assumptions and verifications, can be found in the [JAC Annual Report 2023](#).

Approval and attestation

This statement is published in accordance with Section 6 of Canada’s Fighting Against Forced Labour and Child Labour in Supply Chains Act 2023 and has been approved by the TELUS Board of Directors.

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

Full name: John Manley

Title: Chair of the Board of Directors of TELUS Corporation

Date: May 31, 2024

Signature: *(signed) John Manley*

I have the authority to bind TELUS Corporation.