

MAKING THE WORLD **A BETTER PLACE**

2019 sustainability report

 **TELUS**

MAKING THE WORLD A BETTER PLACE

As the leader in social capitalism, we are committed to delivering value to all our stakeholders. That commitment is embedded in everything we do and every decision we make.

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ABOUT THIS REPORT

Sustainability is embedded into our core business strategy and our sustainability performance provides us with social, environmental and economic opportunity. Through our 2019 Sustainability Report, we aim to disclose our performance on important issues in a way that highlights the relationship between business success and sustainability.

As signatories to the [United Nations Global Compact \(UNGC\)](#), we report on our contributions to the Sustainable Development Goals (SDGs) as well as our progress on human rights, labour, environment and anti-corruption principles through our [UNGC Communication on Progress](#). Our target audience for this report includes TELUS team members, customers, investors (including shareholders), community members, suppliers, governments, rating agencies, non-governmental organizations, and civil society, amongst others.

Independent assurance

This report has been prepared in accordance with Global Reporting Initiative (GRI) Standards Core option and we have engaged Deloitte LLP as our independent assurance providers for this information. As part of our effort to report on topics that align with our business model and are important to our stakeholders, we have also disclosed our first Sustainability Accounting Standards Board (SASB) index, for the Telecommunication Services industry classification. Our SASB and GRI indices can be found starting on page 81.

Reporting period and organizational boundaries

The reporting period for information contained in the 2019 Sustainability Report covers January 1 to December 31, 2019, unless otherwise stated. The material includes TELUS' global operations unless otherwise stated. This report may not include data from recent acquisitions and does not include data from our most recent acquisition, Competence Call Center. For more detail about our international operations, please visit our [website](#).

Any forward-looking information should be read together with the cautionary note regarding forward-looking statements on page 87.

Third-party information

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Financial information and trademarks

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2019 changes to reporting

We are always seeking to improve the accuracy, reliability and scope of our reporting. If prior years' data is restated, it will be indicated within this report. Additionally, where we acquire, divest or otherwise grow our business, impacts to our data will be noted along with the relevant context. In this year's report, we have also removed our glossary and have instead included definitions for terms using footnotes where needed.

LEARN MORE

Our report, as well as our archive of past sustainability reports, is available at telus.com/sustainability. In addition, we regularly update our website with features and information on our work in sustainability and social purpose. We continuously seek ways to improve our sustainability report and welcome your feedback and suggestions. Questions or comments can be directed to sustainability@telus.com.

CEO LETTER

LEADING THE WORLD IN SOCIAL CAPITALISM

Our leadership in social capitalism begins by leveraging our technology to put our customers first

At TELUS, our global leadership in social capitalism involves leveraging our technology, culture and talent to enable meaningful outcomes for all of our stakeholders – our customers, communities, team members and investors. In this regard, our ongoing journey to put our customers first is a hallmark of our award-winning culture. We are connecting Canadians from coast to coast to the vital opportunities that underpin our social, educational and economic success, and differentiating ourselves from our global peer group along the way.

Without question, our engaged, diverse and inclusive TELUS team drives our sustainability performance, supported by strong governance and culture, committed leadership and our organizational purpose. As signatories to the United Nations Global Compact, we also report our progress on human rights, labour, environment and anti-corruption practices, which demonstrates our responsibility to the communities where we live, work and serve.

We know that Canadians want to do business with organizations that share their values and put them first. In this vein, our team's dedication to our customers was, once again, reflected in our efforts to further augment the speed, reliability and coverage of our world-leading broadband networks. Since 2000, we have invested more than \$181 billion in network technology, infrastructure and operations, and we are poised to invest prudently another \$40 billion into our country over the next three years.

These investments have contributed to our country being repeatedly recognized as having the fastest wireless networks in the world. As confirmed by U.S.-based Ookla in its 2019 *Speedtest Global Index*, they are twice as fast as the wireless networks enjoyed in the United States. Furthermore, in its 2019 *Fastest Mobile Networks Canada* report, PCMag validated that Canada's major cities provide average LTE speeds that exceed those recorded on the 5G network of U.S.-based carrier Sprint. Moreover, according to mobile user results collected by U.K.-based Opensignal, networks in Canada are just plain faster than our peers in Europe. Considering the population densities of the U.S. and Europe are nine and 30 times greater than Canada, respectively, it is remarkable that Canadians have access to

superior technology that connects us to the people, resources and information that make our lives better. Opensignal further confirmed that Canada, with its 10 million square kilometres, has the second fastest wireless network in the world, behind only South Korea – a country that is 1/100th the size of Canada and has already deployed widely 5G technology. In the national report, TELUS ranked number one in Canada, achieving record-breaking 4G download speeds of 75 Mbps, beating South Korea's 5G network at 58.7 Mbps.

Importantly, it is not just our cities that are benefiting from our network leadership. In its 2019 report, titled *The state of rural Canada's Mobile Network Experience*, Opensignal indicated that if rural Canada were a country, it would rank an extraordinary 12th in the world. Surprisingly, the U.S. ranked 30th, globally, while rural Canada was faster than every urban market in America.

At TELUS specifically, we have continued to receive recognition every year over the last three years, or more, in respect of network excellence. Indeed, in 2019, TELUS earned the top spot across all five major wireless network reports, including accolades from Opensignal, J.D. Power, PCMag, Ookla and Tutela. These recognitions reinforce the superiority of our networks and the value of our ongoing capital investments in broadband technologies.

Our award-winning wireless networks are strengthened by globally unmatched fibre infrastructure that not only provides world-leading performance for Canadians at home, but also creates the backbone for a 5G-enabled wireless world by leveraging the incredible capacity of fibre in concert with the speed and reliability of Canada's superior LTE networks. In support of our data-rich world, in 2019, TELUS increased our fibre subscriptions by 36 per cent, exceeding the OECD average by nearly threefold. Moreover, by the end of 2019, TELUS had 50 per cent of total fixed broadband on fibre, approximately twice the average of OECD countries. Additionally, in 2019, our wireline network was recognized as providing Canada's number one Netflix streaming and best Wi-Fi experience in the country, and TELUS was named the best gaming internet service provider for 2020, among all major ISPs in Canada, by PCMag.



Our leadership in social capitalism is expressed through our commitment to our communities

Our team's dedication to putting our customers first inspires consumers to choose TELUS, which, in turn, enables us to continue giving back to the causes that resonate with them. Since 2000, our TELUS family has provided \$1.3 billion in total contributions, including 1.4 million days of volunteerism, to create stronger and healthier communities, globally. In 2019 alone, our team contributed \$55 million and volunteered the equivalent of 152,000 days in our local communities, with more than 40,000 members of our TELUS family around the world participating in our annual TELUS Days of Giving. Importantly, we extended our global leadership as the pre-eminent social capitalism company through the progression of the TELUS Friendly Future Foundation. In its inaugural year, the Foundation provided \$8 million to create a brighter future for vulnerable young people in Canada. The Foundation amplifies the incredible youth-focused work of our 18 TELUS Community Boards, which have collectively contributed \$78 million to 6,689 grassroots programs since 2005, helping more than two million young people each year.

Our team's deeply embedded desire to create positive social outcomes underscores our commitment to leveraging our technology to bridge digital divides and keep our citizens safe, healthy and connected. By way of example, by year-end 2019, TELUS had supported 65,000 Canadians through our TELUS

Connecting for Good initiatives. We provided 39,000 Canadians from low-income families access to low-cost, subsidized, high-speed internet; 3,900 youth aging out of foster care with a free smartphone and free data plan; 22,000 Canadians living on the streets access to mobile healthcare; and – new in 2019 – we equipped Canadians with physical limitations with customized assistive technologies that enable them to use their wireless devices independently.

TELUS also believes that addressing social and economic inequities through programs like Connecting for Good can only be considered successful if that technology is also being used responsibly. In this regard, through TELUS Wise, we are providing resources and tools to safeguard online security and privacy, and help youth rise above cyberbullying. Since the program's inception in 2013, we have generated nearly eight million engagements with Canadians, including hosting 250,000 Canadians in TELUS Wise workshops, thanks to our 400 highly committed, volunteer, TELUS Wise ambassadors. In 2019, we expanded our TELUS Wise workshops to the regions where we operate globally, including the Philippines, Bulgaria, Romania, El Salvador and Guatemala. As a result of our team's passion for giving back, in 2019, we met all six of our annual social targets.

Fueled by a sense of purpose generated through the good that we do in our communities, in 2019, the TELUS team, once again, achieved an engagement level that placed us in the top 10 per cent of all large organizations worldwide. This result is reflective

Bridging geographic divides

TELUS' commitment to delivering a world-leading network experience in communities from coast to coast was exemplified by our Installer, Martin, who serves remote villages often accessible only by bush plane or snowmobile. When one such community was afflicted by an early spring ice storm that knocked out the landline service, and Martin's usual route to work – a five-hour snowmobile trip – was rendered inaccessible, Martin took a three-hour flight and then boarded a helicopter to the community. He arrived to find the school, all three retail stores and most of the town's residents without service. Martin did not leave the community until every customer was reconnected, demonstrating that no matter how remote an office or home, TELUS offers an experience that is second to none.

of the inimitable culture we have built together, honouring our brand promise and further differentiating TELUS in the hearts and minds of Canadians.

Finally, in a world where tax morality is paramount, TELUS has paid more than \$43 billion in total tax and spectrum remittances, since 2000, to our federal, provincial and municipal governments. These funds support our roads and bridges, public education, healthcare, cultural pursuits and national defence.

Our leadership in social capitalism is creating safer and healthier societies

TELUS' diverse and inclusive team is equally passionate about leveraging our core business to make the future friendly for citizens around the world. For example, in 2019, we expanded our TELUS SmartHome Security solutions with the acquisition of ADT Canada. Adding ADT Canada to our TELUS family builds on our commitment to leveraging our globally recognized networks to improve the lives of Canadians and strengthen our communities by enhancing the safety and security of our customers' homes and businesses.

Similarly, TELUS International continued to elevate our social purpose globally through the acquisition of Competence Call Center, a leading provider of value-added business services, with a focus on content moderation. Supported by our caring culture, and

using innovative tools and automation, our highly engaged TELUS International team members moderate content for global companies by identifying inappropriate material that should be removed from the internet, including spam and fake accounts, empowering customers to stay safe in a rapidly expanding digital world.

In 2019, TELUS Health continued to drive growth while enabling better health outcomes through the provision of innovative clinical, pharmacy, workplace benefits and consumer solutions. For example, we launched Babylon by TELUS Health, offering Canadians an expansive, chat-style symptom checker powered by artificial intelligence, and one-on-one virtual consultations with a licensed physician in British Columbia. In under a year, Babylon by TELUS Health has become Canada's fastest-growing consumer virtual care service, amassing tens of thousands of users, while achieving a 4.9 out of 5 rating from our customers. Together with our acquisition of Akira – a virtual care platform targeting insurers and employers – which covers more than 500,000 lives, we are well positioned as the leading provider of virtual care technology in Canada, truly making a meaningful difference in the lives of Canadians. In addition, TELUS became the largest Canadian-owned provider of personal emergency response services, making independent living more comfortable and secure for seniors through 24/7 access to help with LivingWell Companion.

Our leadership in social capitalism reflects the symbiotic nature of doing well in business by doing good in our communities

TELUS' leadership in social capitalism is driven by our team's ability to put our customers and communities first, earning unparalleled client loyalty and fuelling our industry-leading results. TELUS realized strong operational and financial performance in 2019, including healthy revenue and EBITDA expansion in both our wireless and wireline product portfolios, in concert with robust customer growth across the business. Our industry-leading consolidated operating revenue and EBITDA were up 3.2 and 8.4 per cent, respectively. Notably, we achieved our annual revenue and EBITDA growth targets for the ninth consecutive year. In addition, we delivered healthy cash flow expansion, as reflected by 12 per cent growth in our free cash flow before income taxes. Our consistently strong performance was driven by high quality client loading as we added 537,000 wireless customers, along with industry-leading subscriber growth across high-speed internet, TV and security, including the acquisition of ADT Canada, of 123,000, 67,000 and 536,000, respectively. Combined, our total subscriber base increased by more than one million new clients in 2019.

Reflecting our team's unparalleled dedication to delivering a globally recognized customer experience, we continued our leadership in customer loyalty, achieving our sixth consecutive year of industry-leading postpaid wireless churn below one per cent. Indeed, our unsurpassed customer loyalty is the result of



a highly engaged team, motivated by a passion for putting our communities and customers first. When customers choose to do business with TELUS, they understand their loyalty is reciprocated through the positive social outcomes we support in our communities. Driven by our relentless commitment to put customers first, as well as our consistent focus on profitable, high-quality subscriber growth, we led the wireless industry in lifetime revenue per subscriber, while delivering healthy wireless external network revenue and EBITDA growth of 1.6 per cent and 7.7 per cent, respectively.

Our commitment to earning the trust and loyalty of our customers was amplified by the successful launch of our Peace of Mind endless data rate plans, alongside our attractive TELUS family discount offerings and TELUS Easy Payment device financing. These three innovative programs provide greater value, simplicity and transparency to Canadians than ever before. Importantly, a study on wireless affordability published by PricewaterhouseCoopers in January 2020 ranked Canadian unlimited data plans as best in the G7 in terms of value, on average. Similarly, a report issued by U.S.-based CTIA also ranked Canada highest in respect of overall value proposition of wireless services as compared to the rest of the G7 and Australia. Furthermore, the Economist recognized Canada as being number one in affordability out of 100 countries across the globe. In addition to improving affordability and facilitating an enhanced customer experience on the path to 5G, TELUS' range of service offerings support ongoing profitable client growth, expanded bundling options and long-term financial performance, including significant cost efficiencies.

In wireline, TELUS once again delivered industry-leading revenue, EBITDA and subscriber growth, backed by our proven and

Connecting underserved families

Our Connecting for Good initiatives are improving lives across our communities – something to which our Service Technician, Matt, can attest. As he was installing Optik TV for a customer, Matt learned that her son had experienced health challenges, and gaming was one of the few pursuits he was able to enjoy with others. Our customer admitted that it was difficult to afford internet service, but it was critical for them to stay connected. Determined to assist this family, Matt contacted a colleague to see if they qualified for our Internet for Good program, and when they did, he helped get them connected ... for good.

diversified product portfolio. Notably, external revenue increased by 5.9 per cent, while EBITDA was up 9.8 per cent. This represents our seventh year of EBITDA growth, a performance unrivalled among our global peers. Moreover, in 2019, we were the only Canadian carrier to deliver positive wireline customer growth with a strong 176,000 net client additions. Our leading wireline results clearly highlight the importance of our dedicated focus on delivering customer service excellence over a

Keeping kids safe in our digital world

As our Help Desk Specialist, Robert, was assisting a customer with a technical issue, he discovered she was a teacher who understood how damaging bullying can be, on the playground and online. When Robert mentioned the great work being undertaken by our TELUS Wise ambassadors, our customer immediately decided to share the program with her students. Robert's ability to do well by our customer, while also promoting good in our communities through TELUS Wise, exemplifies our team's commitment to putting our customers and communities first.

world-leading fibre network. In this regard, by the end of 2019, our team expanded our PureFibre coverage to approximately 70 per cent of our high-speed broadband footprint, on our way to 80 per cent coverage by the end of 2020.

Our leadership in social capitalism fuels value creation for all our stakeholders

Our strategy has enabled us to consistently return significant capital to our shareholders over the long term, while maintaining a robust balance sheet and simultaneously making generational capital investments in advanced broadband technologies that will ensure sustainable growth for years to come.

We continued to build on our legacy of providing investors with the industry's best multi-year dividend growth program, announcing two dividend increases throughout the year – the 17th and 18th since we established our first three-year program in 2011. Since then, our cash dividend to shareholders has more than doubled. Importantly, these increases in 2019 also reflect the continuation of our dividend growth program, which is targeting annual growth of between seven and 10 per cent through 2022.

Our track record of delivering on our shareholder-friendly initiatives is generating ongoing value for our investors. Notably, TELUS has returned nearly \$18 billion to shareholders since 2004, including more than \$12 billion in dividends, representing over \$29 per share. This is the most attractive, long-standing and consistent dividend growth program in the global telecom sector.

TELUS continues to be a leader in shareholder returns. Since the beginning of 2000 through the end of January 2020, TELUS generated a total shareholder return of 549 per cent, 308 points higher than the return for the Toronto Stock Exchange's S&P/TSX Composite Index of 241 per cent and dramatically overshadowing the MSCI World Telecom Services Index return of 19 per cent over the same period.

Our leadership in social capitalism: creating remarkable outcomes in 2020 and beyond

Inspired by our successes in 2019, we are embracing the new decade with an unrelenting desire to make the world better through social capitalism, as reflected in the community giving, social impact and financial targets we have established for the year.

Socially, our 2020 targets include inspiring 42,000 members of our TELUS family to volunteer for TELUS Days of Giving and contributing 1.2 million volunteer hours for the year – increases of five and nine per cent, respectively. We will also support 125,000 Canadians, by year-end, through our Connecting for Good programs, and empower 70,000 Canadians with TELUS Wise digital literacy workshops. Collectively, the TELUS family will contribute \$55 million to charitable organizations and fundraise \$3 million for the TELUS Friendly Future Foundation. In addition, having surpassed our 2020 goals in energy and greenhouse gas reduction in 2019, we will focus on procuring 100 per cent of our electricity requirements from renewable sources by 2025, enabling our operations to be net carbon neutral by 2030 and attaining a 50 per cent improvement in energy efficiency over 2020 levels by 2030.

Financially, our targets for 2020 include growth in revenue of up to eight per cent and EBITDA of up to seven per cent, while we also expect robust growth in free cash flow, before taxes, of up to 33 per cent.

Our more than 100,000 TELUS team members and retirees, worldwide, are dedicated to leveraging our technological and social innovation to improve outcomes for all of our stakeholders. Through this unwavering commitment, we intend to continue earning the right to make the capital investments necessary to support our wireline broadband ambitions and our path to 5G, while making the social investments necessary to deliver on our promise of a friendly future for all.

Thank you for your continued support.



Darren Entwistle
Member of the TELUS team since 2000
February 21, 2020

CFO LETTER

DRIVING SUSTAINABLE VALUE FOR ALL OUR STAKEHOLDERS

TELUS once again achieved strong financial and operational results in 2019, driven by the consistent execution of our growth strategy and our commitment to leveraging our business to serve all our stakeholders. Social capitalism is embedded in everything we do – it is at the centre of every decision we make.

Championing sustainability

Driven by our leadership in social capitalism, TELUS is helping to improve social, economic and health outcomes for Canadians, while continuing to create sustainable value for our investors. Across our company, we have reduced energy use by 13 per cent and GHG emissions by 29 per cent since 2010, and have recently announced our transformational goal to have our operations be net carbon neutral by 2030.

At the same time, we continue to develop new LEED certified buildings that incorporate world-leading technology, energy-efficient and sustainable solutions and contemporary work styles. In 2020, we will be opening our latest LEED platinum building TELUS Sky in downtown Calgary.

In 2019, for the fourth consecutive year, we were named to the Dow Jones Sustainability World Index, and are one of only nine telecom companies globally to be on this index. We were also named to the Global 100 Most Sustainable Corporations by Corporate Knights, recognizing excellence in our governance, social and environmental performance. Championing sustainability is an essential part of our culture and is embedded in the processes and behaviours across our business operations. Our commitment to social capitalism supports the future of connectivity in Canada, while positively impacting our financial performance.

Advancing our business

We continue to focus on making the right strategic investments to advance our business, while also balancing the interests of our stakeholders. In 2019, we progressed our business and enhanced the services we offer to our customers through a number of important milestones, such as surpassing two million premises that are now enabled with TELUS PureFibre. At the end of the year, TELUS PureFibre had reached approximately 70 per cent of our high-speed broadband footprint and we are well on the way to completing our generational fibre build.

Our customer loyalty continues to lead the industry, despite heightened competitive intensity. We earn this loyalty through the efforts of our dedicated team members, who continue to deliver exceptional customer experiences on our award-winning network. We added 757,000 new wireless, high-speed internet, TV and security customers in 2019, ending the year with 15.2 million total customer connections.

Delivering on our strategy

Our team members continue to deliver on our strategy through their dedication to our top priority of putting our customers and communities first. Our continued commitment to social capitalism is driving our consistent financial and operational success, and enabling the positive impact we are making across the communities we serve. This commitment, supported by our incredible TELUS team, has allowed us to deliver strong financial performance, such as revenue growth to \$14.7 billion in 2019 and returning more than \$1.3 billion to shareholders through our dividend growth program.

Future focus

I remain confident that the continued dedication of the TELUS team will drive our delivery of exceptional customer experiences. Through our ongoing focus on achieving strong financial and operational performance, as well as sustainable value creation, 2020 will be an equally successful year for our customers, investors and communities.

Best regards,



Doug French
Executive Vice-President and Chief Financial Officer
February 21, 2020

OUR SOCIAL PURPOSE

TELUS is a national communications and information technology company with \$14.7 billion in annual revenue serving 15.2 million customers across wireless, data, IP, voice, television, entertainment, video and security, driven by a social purpose to connect all Canadians for good.

Our long-standing commitment to putting our customers first fuels every aspect of our business, making us a distinct leader in customer service excellence and loyalty. TELUS Health is Canada's largest healthcare IT provider, and TELUS International is a customer experience provider that designs, builds and delivers digital solutions for global and disruptive brands.

Driven by our passionate social purpose to connect all Canadians for good, our meaningful and enduring philosophy to give where we live has inspired our team members and retirees to contribute more than \$736 million and over 1.4 million days of service since 2000. This generosity and volunteerism has made TELUS the most giving company in the world.

Our business is based on delivering positive outcomes through technology in the following areas:

Mobility solutions

Keeping our customers connected



Future friendly home services

Offering innovative broadband solutions

Business solutions

Helping businesses succeed



Business process and IT solutions

Extending our caring culture around the globe

Healthcare technology

Improving the delivery of healthcare



Agriculture solutions

Emerging agriculture technology sector



2019 highlights



CORPORATE RECOGNITION IN SUSTAINABILITY

4th

consecutive year on the
Dow Jones Sustainability
World Index

Global 100

Most Sustainable
Corporations in the World
by Corporate Knights



ENVIRONMENTAL EXCELLENCE

15%

reduction in domestic
energy consumption
since 2010

31%

reduction in domestic
GHG emissions
since 2010



EMPLOYEE ENGAGEMENT

84%

in Pulsecheck
engagement survey

Top 100

Employers in Canada
by Mediacorp



COMMUNITY IMPACT

\$55 million

in community giving

40,000

volunteers participated
during our 14th annual
TELUS Days of Giving®

Our value chain

TELUS is focused on the long-term growth of our wireless and wireline businesses for our investors, customers, team members, suppliers and our communities. Our products and services enhance the lives of Canadians, support the success of our customers and contribute to the development of healthy communities and Canada's digital economy.

TELUS employs over 65,000 people in Canada and internationally. We work together to embed sustainable business practices into our operations and manage our impacts across our value chain, as demonstrated in the graphic below.



Suppliers

We award business to suppliers who demonstrate a strong commitment to sustainable development through adhering to our ethical, privacy, labour, health and safety, human rights, and environmental principles.

Regulators

Regulation can have a major impact on our operating environment and we manage such risks diligently. We advocate for our customers, communities and our business by highlighting the quality, reliability and affordability of our network in Canada.

Investors

We maintain an open and constructive dialogue with our investors through ongoing communication.

Our team members

Our culture honours individuality, celebrates diversity and empowers our team to live the TELUS values.

Local communities

We give where we live® by driving positive social outcomes and building stronger, healthier communities.

Indigenous communities

We engage Indigenous communities by respecting the right to self-determination and other rights as outlined in the UN Declaration on the Rights of Indigenous Peoples.

Partners

We work collaboratively across internal teams and with external partners to enhance our sustainability practices and performance within our operations globally.

Customers

We work to innovate and unlock new opportunities to revolutionize the way our products and services improve lives and reduce environmental impacts for our customers.

Logistics partners

Through collaboration with our technical team and logistics partners, we maintain programs that recycle, recover or reuse our products and equipment where feasible.

Privacy regulators

We earn and maintain customers' trust by vigilantly protecting their personal information and using data in a way that generates value, promotes respect and delivers security.

Our priorities

We rely on our stakeholders to provide a diversity of input to inform our sustainability strategy, validate priorities and identify emerging issues. This insight helps us identify priorities and targets that can have the greatest impact on our business and are most relevant across our value chain and to our stakeholders.

Engagement and issue prioritization

We have divided our priorities into two categories: social purpose priorities and foundational priorities. Our social purpose priorities

are the areas where TELUS is working to provide positive business outcomes necessary to support and drive meaningful outcomes in the communities where we live, work and serve. Our foundational priorities are those that underpin our sustainable business strategy and structure and demonstrate an overarching responsibility to our stakeholders.

Our assessment of priority issues involves analyzing our sustainability performance and practices, and scanning external trends and expectations relating to responsible business

practices. For example, we review and action findings from our annual ISO 14001 certification audits and we assess our ratings on the economic, social and environmental criteria as determined by the Dow Jones Sustainability Index review process.

Directly engaging with internal and external stakeholders allows us to gather meaningful and timely feedback. In 2019, we sought feedback from our team members using an online survey to help us understand what matters most to them with respect to sustainability issues and identify areas where we can improve. For external stakeholders, we conducted surveys as well as group or one-on-one interviews to help us understand the societal issues that are most important to them and how they believe TELUS could help address these issues.

We engaged the following external stakeholder groups – directly or indirectly – to help us assess and improve our sustainability priorities:

- Customers
- Investors
- Governments and regulators
- Non-governmental organizations (NGOs)
- Suppliers and strategic partners
- Communities and community partners
- Peer and academic organizations
- Team members.

Engagement with our stakeholders has helped us to identify emerging risks and opportunities, prioritize our issues and validate our findings.

Social purpose priorities:

Transforming healthcare

Improving health outcomes through better access and health information.



Digital transformation	P.27
Virtual Care	P.27
Mobile health clinics	P.28

Caring for our planet

Reducing the impact on our environment.



Net Carbon neutrality	P.29
Zero waste	P.34
Trees for Paper Program	P.36

Giving back to our community

Ensuring everyone can reach their full potential by being the most giving company in the world.



TELUS Days of Giving	P.43
Connecting for Good	P.44
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Empowering Canadians with connectivity

Helping those who need it most by bridging digital divides and helping Canadians stay safe in a digital world.



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Foundational priorities:

Economic impacts

Contributing to the development of sustainable communities and Canada's digital economy.



Investor engagement	P.49
Paying taxes	P.50
AgTech	P.50

Our people and culture

Fostering inclusion by recognizing and celebrating every team member's unique talents, voice and abilities.



Talent development	P.55
Work Styles	P.57
Diversity and inclusion	P.64

Supply chain sustainability

Aligning our supply chain practices with our values of putting our customers and communities first.



Supplier diversity	P.70
Monitoring our suppliers	P.71
Conflict minerals	P.72

Privacy, transparency and regulatory compliance

Earning and maintaining customers' trust by employing rigorous privacy and security practices.



Privacy by Design	P.73
Transparency	P.74
Accessibility	P.76

Our future focus

We have joined many other Canadian companies to advance progress toward the 17 United Nations SDGs in partnership with the Global Compact Network Canada. The SDGs include transformative global targets that intend to shape policy

development, organizational strategy and stakeholder engagement through 2030. We believe our one, five and 10 year goals outlined below will help drive performance in specifically realizing SDG 3, 4, 11, 13 and 17.

Social Purpose Priorities

Social Purpose Priorities	Goals	Progress	Contribution to SDGs
 <p>Transforming healthcare</p>	<p>By 2025, 137,500 primary and extended health care providers using TELUS technology to connect members of the health ecosystem to drive improvements.</p> <p>By 2020, we plan to support a cumulative 42,000 patient visits to our TELUS Health for Good mobile health clinics, including 20,000 visits in 2020.</p>	<p>As of 2019, 104,600 primary and extended health care providers are using TELUS technology to connect members of the health ecosystem.</p> <p>Since the Health for Good program started, we have supported 22,000 patient visits to our mobile health clinics. We also signed seven new Health for Good partnerships in 2019 to deploy mobile health clinics.</p>	 <p>SDG 3: ensure healthy lives and promote well-being for all at all ages.</p>
 <p>Caring for our planet</p>	<p>By 2025, 100% of our electricity requirements procured from renewable sources.</p> <p>Achieve net carbon neutral operations by 2030.</p> <p>Reduce our energy intensity by 50% between 2020 and 2030.</p>	<p>In 2019, we exceeded our previous climate goals and achieved a 31% GHG emissions reduction over 2010 levels for our domestic operations.</p>	 <p>SDG 13: take urgent action to combat climate change and its impacts.</p>
 <p>Giving back to our community</p>	<p>By 2020, TELUS, our team members and retirees plan to cumulatively contribute over 12 million hours to our communities, including 42,000 global TELUS Days of Giving participants in 2020.</p>	<p>In 2019, TELUS, our team members and retirees contributed \$55 million to charitable and community organizations and volunteered 1.1 million hours.</p>	 <p>SDG 11: make cities and human settlements inclusive, safe, resilient and sustainable.</p>
 <p>Empowering Canadians with connectivity</p>	<p>By 2020, we plan to have reached 76,000 Canadians from low income families with low cost, high speed connectivity.</p> <p>By 2020, we plan to have reached 7,000 youth who are aging out of foster care with access to a free smartphone and a free data plan.</p> <p>By 2020, we plan to have engaged and educated a cumulative 325,000 youth, parents, teachers, adults and seniors through TELUS Wise digital literacy workshops.</p>	<p>Since our Internet for Good program started, we've provided 39,000 Canadians from low-income families access to low-cost, subsidized, high-speed internet.</p> <p>Since our Mobility for Good program started, we've connected 3,900 youth with a free smartphone and free data plan to support their transition from foster care.</p> <p>In 2019, we had reached a cumulative 255,000 Canadians through our TELUS Wise workshops</p>	 <p>SDG 4: ensure inclusive and equitable quality education and promote lifelong learning opportunities for all</p>  <p>SDG 17: strengthen the means of implementation and revitalize the global partnership for sustainable development.</p>

A close-up photograph of several purple allium flowers. The flowers are spherical clusters of small, star-shaped blossoms on long, thin green stems. The background is a soft, out-of-focus field of similar flowers under a bright sky. The word "GOVERNANCE" is written in a bold, white, sans-serif font across the middle of the image, centered horizontally and partially overlapping the flowers.

GOVERNANCE

Good governance

At TELUS, we have a long-standing commitment to sound and effective corporate governance and disclosure practices. We continually review and enhance these practices to achieve higher standards and pursue greater transparency and integrity year after year. The TELUS team works together to deliver future friendly® services, and our values guide the way:

- We embrace change and initiate opportunity
- We have a passion for growth
- We believe in spirited teamwork
- We have the courage to innovate.

The figure below outlines our governance and oversight of sustainability integration and performance at TELUS.

Sustainability Governance Structure



The Board has overall responsibility for stewardship of the Company, which includes enterprise risk oversight. The Board exercises its risk oversight related to corporate social responsibility, environment and sustainability matters through the Corporate Governance Committee. The Corporate Governance Committee of the Board also reviews this Sustainability Report and recommends its approval by the full Board.

Our climate-related risks are identified by our Sustainability and Environmental Risk Management team and Enterprise Risk

Management teams, who then provide quarterly progress reports to the Corporate Governance Committee and other relevant updates to the Board as required. These reports contain pertinent information regarding our environmental risks, compliance and liability.

For more information on Board oversight of our climate-related risks and opportunities, see our Task Force for Climate-related Financial Disclosure (TCFD) on page 11-14 of our [2019 Annual Information Form](#).



Board diversity

We believe that fostering diversity provides a major competitive advantage and enables our Board to benefit from a broader range of perspectives that reflect the viewpoints of our customers and the communities we serve.

In our [Board diversity policy](#), we have set objectives to have diversity represented by not less than 30 per cent of our Board's independent members and a minimum representation of 30 per cent of each gender. We have exceeded both of these objectives, with 50 per cent (six nominees) of the independent directors up for nomination at our Annual General Meeting representing diversity and 42 per cent (five nominees) being women.

Managing sustainability

The CEO and executives are responsible for the approval of the overall strategic direction of our sustainability programs.

The Sustainability and Environmental Risk Management Team oversees our sustainability strategy development and governance, integrates sustainability considerations across the business, implements training and awareness on sustainability and the environment, and supports our ISO 14001 certified Environmental Management System.

The National Sustainability Council is made up of a diverse group of more than 20 team members across the business who dedicate up to 10 per cent of their time to support the integration

of sustainability into our culture. Council members create impact by leading initiatives that engage our team members in sustainability. In 2019, this included bringing 500 team members together to clean up 30 shorelines across Canada, supporting another 500 team members pledging for a plastic-free July, and hosting 10 webinars with external sustainability experts.

Green Teams are volunteer groups made up of TELUS employees, in 17 locations globally, who implement self-driven sustainability initiatives at their offices. In 2019, Green Teams collectively implemented over 50 initiatives, including hosting lunch-time workshops for team members, organizing community cleanups across the country, and launching an on-site vegetable garden in Sainte-Marie, Quebec. Some highlights of the Green Teams' impacts include building three solar LED kits, removing 450 kilograms of waste from Louise McKinney Riverfront Park in Edmonton, and collecting 30 bags of clothing donations for Diabetes Canada in Toronto.

Sustainability pay link

We link organizational sustainability performance to compensation for all team members through our corporate scorecard, which affects the company-wide performance bonus structure. The social capitalism index within the scorecard contains metrics that measure our performance in reducing GHG emissions as well as various social impact measures.

Stakeholder engagement

We are committed to integrating stakeholder engagement and related outcomes within our governance, strategic planning and decision-making processes across our business. We believe it is critical to foster relationships with our stakeholders and engage with them on an ongoing basis. By considering the expectations of those who we impact through our business and how they impact us, we support growth and innovation for our company.

One of our corporate priorities is to honour our team, customers and social purpose by delivering our brand promise, the future is friendly®. Therefore, we prioritize engagement and feedback from these stakeholders, in addition to our investors, as we execute on our national growth strategy.

In addition, our engagement of stakeholders occurs across all of our operations and is primarily based on information disclosure as well as direct outreach with groups, such as our team members, customers and investors. For a description of our stakeholders within our value chain, see page 10.

We routinely assess and prioritize our key stakeholder groups based on our various stakeholder engagement and benchmarking activities. We are always looking for ways to improve the capacity for our stakeholders to provide us feedback on the topics that are important to them.

Below is a selection of stakeholder engagement activities that occurred in 2019.

2019 select stakeholder engagement activities

Stakeholder	Type of engagement	Examples of feedback	Our response
TELUS team members	Annual employee survey to identify the sustainability issues that matter most to TELUS team members.	The issues of most importance for employees are addressing energy consumption and GHG emissions, sustainable consumption and waste management, and online safety and security.	Caring for our planet: page 29-40 Privacy, transparency and regulatory compliance: page 73-77
Investors and analysts	One-on-one meetings, roadshows, conferences, discussions with the Executive Team, conference calls, press releases and media relations, and the annual general meeting of shareholders.	Investors are interested in TELUS' plans to execute on its long-term growth strategy, while maintaining our focus on providing a superior customer experience in combination with the ongoing generational investments that we are making in our wireline and wireless broadband network.	Economic impacts: page 49-53
Customers	Online survey conducted with a representative sample of Canadians to identify the sustainability issues that matter most to them.	Canadians indicated that the most relevant and necessary issues for TELUS to address are online safety and security, clean and renewable energy, and affordable, safe and nutritious food.	Caring for our planet: page 29-40 Privacy, transparency and regulatory compliance: page 73-77
Suppliers	Supplier performance management meetings.	Vendors are seeking collaboration with TELUS to develop improvement plans to address network performance and reliability metrics. Quarterly meetings allow us to socialize ideas and monitor progress.	Supply chain sustainability: page 70-72
Local communities	TELUS Community Boards, composed of local leaders, are engaged to make recommendations on the projects, places and people that need the TELUS Friendly Future Foundation's support the most.	2019 recipients of TELUS Friendly Future Foundation grants included <u>Zero Ceiling</u> , a charity supporting homeless and vulnerable youth, and <u>Scientists in School</u> , an organization preparing more youth across Canada for a future dominated by STEM (science, technology, engineering and mathematics).	Giving back to our community: page 43-47
NGOs	Active participation with NGO strategic partners through direct engagement, forum participation and events attendance.	Our peers in the GCNC provided insights on our approach to advancing the United Nations SDGs as well as our reporting and disclosure.	Our social purpose: page 8-12



CONNECTIVITY IN BRITISH COLUMBIA

Indigenous Communities



Engaging with Indigenous Peoples

We recognize and respect that Indigenous Peoples of Canada are composed of nations and governments who have constitutionally protected Aboriginal Title and Rights, and Treaty Rights. We are strongly committed to supporting Indigenous governance and engaging Indigenous Peoples in a manner that respects self-determination and the rights set out in the [United Nations Declaration on the Rights of Indigenous Peoples](#).

We understand that meaningful engagement and reconciliation with Indigenous Peoples can only happen within the framework of inclusive dialogue, collaboration and partnership. TELUS has a deep respect for Indigenous Peoples and our goal is to build long-term, meaningful and collaborative relationships with Indigenous governments and customers. TELUS collaborates with Indigenous partners and clients throughout the development, design and implementation of projects and

initiatives impacting Indigenous Peoples and lands. We work closely with communities to ensure we carry out our activities and relations in a culturally appropriate and environmentally sensitive manner.

Through our leading network, advanced technologies and innovative social solutions, we are supporting the goals of Indigenous Peoples, be it bridging divides in connectivity or addressing healthcare and education gaps as communicated in the [Truth and Reconciliation Commission of Canada: Calls to Action](#). TELUS will continue to learn from its experiences listening to and working with Indigenous Peoples and organizations.

Read more on TELUS' connectivity in Indigenous communities in our [2019 Connectivity in British Columbia Report](#).

Ethics

We have an ethical responsibility as corporate citizens to make every decision with the highest degree of integrity. At TELUS, we have a committed culture of ethical behaviour with all team members, including security personnel, as well as our contractors, suppliers, vendors, community partners and members of our Board.

Our [Code of Ethics and Conduct](#) addresses a wide range of critical topics, including but not limited to: avoiding conflict of interest; safeguarding our brand and reputation as well as our company's assets; information and intellectual property; lawful competition, including anti-bribery and corruption; and protecting our customers' data and privacy. The code is formally reviewed and updated every second year unless other changes are required.

Each year, we require our team members and contractors to complete an online integrity training course that outlines key aspects of our Ethics, Respectful Workplace, Security and Privacy policies. One-hundred per cent of employees completed the 2019 Integrity course by early 2020, where required.

TELUS EthicsLine

Through the TELUS EthicsLine (1-888-265-4112 or telus.ethicspoint.com), employees and external stakeholders can raise anonymous and confidential questions or file complaints related to accounting, internal controls or ethical issues.

In 2019, 619 contacts were made to the Ethics Office, with callers seeking advice on ethical situations or making complaints. This represents a seven per cent decrease over the 665 contacts made in 2018.

Ethics office engagements

Type	2019	2018	2017	2016
Requests for advice	197	212	181	136
Ethical complaints	422	453	394	356
Total calls	619	665	575	492

In 2019, of the 619 contacts to the Ethics Office, there were 141 breaches of the Code of Ethics and Conduct, involving 163 employees, compared with 164 breaches involving 168 employees in 2018. The most frequent violations were related to breaches of company policies. There were no breaches relating to an officer or involving the integrity of financial disclosure. Corrective action was taken in each case of a breach, with some of the breaches resulting in discipline or dismissal of one or more

employees. Almost 70 per cent of employees receiving discipline had five years or less of service.

Detailed reporting on all EthicsLine activity, including the nature of complaints or inquiries received, as well as breaches determined including type, location, business area and tenure of employee, is shared with the Audit Committee and Human Resources and Compensation Committee of our Board of Directors on a quarterly basis.

Discipline for breaches of ethics

Corrective action	2019	2018	2017	2016
Employment terminated	112	126	136	116
Employment suspended	23	17	22	25
Letter in employment file	16	19	26	24
Team member resigned	12	6	6	13
Total employees disciplined	163	168	190	178

Integrity index

Our integrity index is based on mandatory employee training modules as well as internal and external measures of compliance to codes of conduct, senior manager behaviour and training effectiveness. Our training and these practices provide the foundation of sustainability leadership at TELUS, which is supported by the following attributes:

- Ethical conduct, ethical standards and expectation-setting by leaders
- An independent and judicious Board of Directors that oversees management
- Accountability to customers, employees, investors and other stakeholders
- Effective internal controls and transparent disclosure of strategic objectives
- External and internal assurance
- Executive compensation that rewards performance and responsible risk-taking.

Putting customers first

Our commitment to exceptional customer service is evidenced by our corporate priorities and by our processes and actions. Whether we are helping in person, developing personal artificial intelligence (AI) assistants or building industry leading innovations like our 5G¹ network, we deliver industry leading support when our customers need it the most.

Every year, the Commission for Complaints for Telecom-television Services (CCTS) issues a report providing statistics on complaints

Anti-bribery and corruption

The TELUS Anti-bribery and Corruption Policy applies to all team members, including the TELUS Board and wholly-owned or controlled subsidiaries, as well as entities in which TELUS has a controlling interest. Updates to the Policy, which were approved by the TELUS Board of Directors, were implemented in 2019, to reflect legislative changes and international developments.

Our anti-bribery and corruption compliance program also includes team member training and awareness, and due diligence compliance activities that reflect best practices for comparable Canadian companies.

Our Data & Trust Office did not receive any reported violations of the Anti-Bribery & Corruption Policy in 2019 and no business partner contracts were terminated, nor employees dismissed or disciplined, with respect to instances of corruption.

against the telecom industry. For the eighth year in a row, we have maintained our top spot with the lowest number of complaints among national carriers, according to the CCTS Annual Report.

For 10 consecutive years, Koodo continues to have the fewest complaints amongst the national flanker brands². In addition to having the fewest complaints of any national carrier, TELUS also had the highest resolution rate of complaints at 91.5 per cent.

Brand	2019 ¹		2018 ²	
	CCTS complaints accepted	% of industry complaints	CCTS complaints accepted	% of industry complaints
TELUS	1,610	8.3	944	6.6
Koodo Mobile	755	3.9	360	2.5
Public Mobile	191	1.0	142	1.0

¹ Data applicable from August 1, 2018 to July 31, 2019.

² Data applicable from August 1, 2017 to July 31, 2018.

As demonstrated by the 2018 data, the industry received an increased number of complaints overall. For the 2018/19 report, running from August 1, 2018 to July 31, 2019, TELUS accounted for 1,610 (8.3 per cent) of the total 19,287 complaints received. This represents an increase of roughly 70 per cent year-over-year. The leading factors behind the overall industry increase include:

- A general increase in awareness of CCTS as an avenue to lodge complaints
- Billing issues and contract-related disputes, which were the top issues raised by Canadian consumers across wireless, Internet and TV.

¹ The fifth generation cellular network technology that provides broadband access. The industry association 3GPP defines any system using "5G NR" (5G New Radio) software as "5G", a definition that came into general use by late 2018.

² A flanker brand is a new brand introduced into the market by a company that already has an established brand in the same product category.



The top issues raised for TELUS were related to inconsistencies between what a customer is expecting from their service subscription and what they receive. This included a lack of clarity around price discounts being subject to change or being conditional on retaining certain other services, resulting in the customer having to pay more than expected.

Improving the customer experience

Teams across the organization are working collaboratively to identify and remove pain points for our customers and provide consistently outstanding service at every touchpoint. In 2019, TELUS delivered improvements by:

- Implementing measures to reduce the time it takes to connect with our customer service teams
- Evolving our digital experiences with AI and advanced self-serve capabilities through applications such as [TELUS Assist](#) and [Koodo Assist](#), Automated Voice Assistant and the [My TELUS app](#)
- Simplifying our contract language to make it more transparent
- Introducing our TELUS [Easy Payment](#)[®] and [Peace of Mind](#)[™] plans
- Continuing to invest in our world-leading network, ensuring that over 99 per cent of Canadians can enjoy the best speed, coverage and quality from TELUS' 4G LTE wireless network and more than two million Canadian households have access to reliable, high-speed wireline broadband³ with TELUS PureFibre[®].

We will not be satisfied until we are global leaders in customer service. We are committed to embracing feedback, reviewing every complaint and creating operational improvements to benefit all of our customers. See the Economic impacts section on

page 49 to learn how we are continuously identifying ways to make our mobile network and home solutions services even more reliable and expanding our network infrastructure.

Network uptime

Keeping our customers connected – even when natural disasters strike – is a top priority. We work around the clock to maintain access to our wireless network capabilities in affected areas and equip emergency shelters with TELUS PureFibre[™] internet. In 2019, our average interruption frequency, calculated as the total number of customer interruptions divided by the total number of customers served, was 1.59. Our average interruption duration, which is the sum of all interruptions of the total downtime of each interruption, multiplied by the number of customer accounts affected by each interruption, was 17.23 minutes of duration (per customer, per outage).

An example of a network outage that contributed to our 2019 interruption frequency and duration was the outage caused by Hurricane Dorian in Atlantic Canada. This hurricane caused large power outages from September 7 to 10, 2019. Without this event, our interruption frequency and duration would have been significantly lower.

In 2020, we plan to further strengthen our business continuity strategy and improve our ability to understand and manage operational risk, as well as enhance our ability to respond to and recover from business disruptions. Additionally, we will strengthen the resilience of our supply chain by collaborating with our most critical vendors and suppliers to improve their ability to meet contractual obligations to TELUS in the event they experience a business disruption.

³ Telecommunications services that allow high-speed transmission of voice, data and video simultaneously at rates of 1.5 Mbps and above.

Risk management and business continuity

Effective risk management supports our foundation for sustainability leadership. We define business risk as the degree of exposure associated with the achievement of key strategic objectives in relation to the effectiveness and efficiency of operations; reliability and integrity of financial reporting; compliance with laws and regulations, policies procedures and contracts; and, safeguarding of assets within an ethical organizational culture.

Our enterprise-wide risk and control assessment practices solicit and incorporate the expertise and insight of team members from all areas and levels of the organization, including our Board. We continuously improve enterprise risk governance by:

- Assessing perceptions of risk resiliency, risk appetite and risk management integration in key decision-making processes
- Assigning executive-level owners for managing and mitigating key risks, including climate-related risks
- Integrating information across our strategic planning process and enterprise-wide risk assessment activities.

More information on our risk assessment and mitigation process is available in section 10 (Risks and risk management) of our [2019 annual Management's Discussion and Analysis \(MD&A\)](#) and updated in our [quarterly MD&A](#) as required.

Business continuity management

We recognize the potential of threats that could disrupt our ability to meet our obligations to customers, our team members, the community and our investors. We believe that a robust and agile business continuity program is a cornerstone for delivering on our customer first commitment, providing reliable products and services, and supporting our communities.

Our business continuity management program has the following key program elements:

- A governance structure with executive sponsorship, oversight at the Board level and engagement at all levels of the organization
- A risk-based program and planning framework based on industry-leading practices
- Ongoing monitoring and management of threats and projected impacts, and the application of mitigation and preparedness measures to respond to them

- A comprehensive emergency management framework with a consistent approach for all types and levels of threat
- A crisis management team comprising senior leaders, and direct linkages with key internal and external stakeholders
- A culture of resilience that drives business continuity leadership, ownership and continuous improvement, including training and awareness, annual exercises and embedding resilience into organizational processes.

Key business continuity initiatives in 2019 included: conducting semi-annual seasonal weather preparedness workshops; performing an administrative review of our critical sites and assets risk control; and providing customer-facing teams with information for customer enquiries regarding the reliability of TELUS' network, products and services in an emergency.

Responding to incidents

We have a proven track record of effectively managing the impacts of disruptive incidents, such as wildfires, floods and severe weather events. We have demonstrated support for our communities, customers and team members through these challenges by implementing programs such as:

- Providing free voice, text and data services, and waiving monthly payments and late payment charges
- Replacing damaged customer equipment at no cost and providing loaner mobile phones
- Developing special contact centre queues to address specific needs of affected customers
- Providing comfort kits and backpacks for affected community members
- Initiating and managing text-to-donate campaigns
- Matching TELUS team member contributions through our Team TELUS Cares website.

Our commitment to a robust and agile business continuity program has consistently been recognized by premier international business continuity organizations. Most recently in 2019, we were a finalist for the Disaster Recovery Institute's "Service Provider of the Year" award for our response to the 2017 wildfires in British Columbia.

Supporting communities in need

In collaboration with all levels of government, we support emergency preparedness initiatives by participating in risk assessments, exercises and other planning initiatives. We support emergency operations by providing critical services and equipment, and aligning our response and recovery efforts with government and community priorities. Our support has included:

- Emergency mobile phones for first responders and officials
- Telecom services at community reception and welcome centres
- Comfort items for evacuated residents
- Support for community re-entry after major evacuations.

In 2019, to proactively inform government emergency agencies on how we can support their operations we developed a “Supporting Your Operations in an Emergency” brochure.

We are also a founding member of the Canadian Telecommunications Resiliency Working Group (CTRWG), which is a national group of telecommunications carriers and federal government representatives dedicated to building resilience. During an emergency, we work closely with the CTRWG to share information and resources.

EMERGENCY PREPAREDNESS IN OUR COMMUNITIES

TELUS does not just respond to emergencies – we prepare for them. There is work that goes on year-round to ensure we have network redundancy and robustness in place in the event of an emergency.

“When we receive a call from our Emergency Management Operating Committee (EMOC), our goal is to say ‘no impact’ when asked how things are going or what’s happened in a particular area,” says Parm Sandhu, Director, B.C. Network Assurance on our Network and Systems Operations Team. “With proper preparation, we’re able to fully assist our communities during a time of crisis.”

Planning ahead makes it easier to be prepared

Parm and his team work closely with other teams such as TELUS Event Management, Transport and Switching Operations, and IP Network Assurance and Integrity to build redundancy and robustness into our network system.

In addition, technicians on our Mission Critical Environment Team perform regular maintenance and repairs on HVAC units, generators and batteries to minimize the impact on communities so that phone and data services are available to our customers when needed. Together, these teams spend countless hours designing systems and analyzing maintenance programs to continuously strengthen our equipment for emergencies such as fire or flood.

Putting our work into action

In 2019, there were four significant events in which our EMOC Team was engaged to support efforts to safeguard our communities and our infrastructure.

Spring floods in Ontario and Quebec: 38 communities in Ontario and Quebec declared a state of emergency last spring when they were faced with severe flooding, forcing over 10,000 people to evacuate their homes. TELUS was quick to support response and recovery efforts through volunteer activities as well as in coordination with the provincial governments.



Alberta wildfires: during the wildfires that ravaged parts of northwestern Alberta in the summer of 2019, thousands of local residents were evacuated. During this catastrophic event, we responded with a number of EMOC actions, which included deploying smarthubs at local and regional emergency operations centres to provide connectivity to emergency responders. We also deployed temporary cell sites to cover evacuation centres in Calling Lake, La Crete, and the province of Alberta's emergency operations centre in High Level, and provisioned fibre to the Regional Emergency Operations Centre in Nordegg, Alberta.

Hurricane Dorian: on September 7, Dorian made landfall in Atlantic Canada as a category two hurricane. Dorian resulted in commercial power outages in Nova Scotia, New Brunswick, Prince Edward Island and Newfoundland. At its peak, over 500,000 hydro customers lost commercial power, with approximately 145,000 TELUS, Koodo and Public Mobile wireless customers impacted. In addition to a quick response with our EMOC activations, TELUS worked to provide ease to customers affected by the hurricane by waiving data and text overage fees.

Winnipeg storms: in October 2019, a winter storm consisting of heavy snow and strong winds caused widespread power outages in southern Manitoba resulting in lost power for over 39,000 customers. As a response, we formalized an engagement process with the Manitoba Emergency Measures Organization to improve situational awareness and better align our mitigation, response and recovery activities. We also engaged multiple levels of government and telecom partners to align our response and recovery efforts.

Supporting our customers and communities

In all four emergencies, TELUS maintained critical lines of communication for our customers, team members and first responders, facilitating vital emergency response efforts and keeping communities connected with their loved ones. Our team members also worked around the clock to support additional services and resources, such as:

- Contributing cash in-kind, including infrastructure enhancements
- Providing comfort kits, phone chargers, and financial support to local registered charities helping with rebuilding efforts
- Matching team members' donations and encouraging our customers to give through in-store donations and text-to-donate
- Waiving data overages for all mobility customers in the affected areas for a period of time
- Upgrading public Wi-Fi services at evacuation centres
- Providing satellite phones for emergency responders
- Protecting our network in critical sites to ensure our customers stayed connected
- Providing Cell on Wheels (mobile cell towers to augment wireless coverage and capacity) to key areas to enhance our mobile service
- Upgrading network to support increased traffic in the area.

Relationships have been established with our partners to address future events where incidents involving our partners' infrastructure subsequently impacts TELUS customers. Our industry-leading emergency response playbook, the efforts our team has put forth to prevent interruption to our services during emergencies, and our unwavering focus to support our communities are a testament to our people and our customers-first focus.

Property risk governance

The Property Risk Governance Office partners with teams across TELUS to make certain we are appropriately managing risks related to our critical properties that house and support our network. We conduct annual property risk audits to systematically identify, evaluate and monitor mitigation of risks across selections

of our critical sites. The audit priorities are based on our TELUS Vital Points List, which categorizes our facilities and identifies critical sites that could experience significant impacts to network reliability or employee safety because of potential adverse events (e.g., fire, earthquake, flood, etc.).



**SOCIAL PURPOSE
PRIORITIES**



Transforming healthcare

TELUS Health exemplifies our social purpose by addressing one of Canada's most pressing challenges – healthcare effectiveness and efficiency. Through a well-developed strategy and by leveraging the power of technology, we are delivering improved health outcomes for Canadians and making the world a better place.

Governance and oversight

We believe that technology can help deliver better and more sustainable health experiences for Canadians. From connecting doctors and other healthcare providers with one another and their patients to harnessing information to making prevention and wellness more accessible to everyone, we are committed to providing reliable healthcare products and services that empower patients and their providers.

Stakeholders in the healthcare industry agree there is a need for increased patient satisfaction, experience and safety, as well as

improved clinical access and decreased costs. That is why our TELUS Health Team has identified five key issues where health information and our communications technology can make a positive difference:

- Access to healthcare
- Chronic disease management
- Medication errors and non-compliance
- Personal health records
- Performance improvement.

Access to healthcare

According to the Canadian Institute for Health Information, many Canadians are unhappy with wait times and access to care, and Canada continues to earn low scores related to wait times in international rankings⁴. In fact, more than half of Canadians find it difficult to access medical care in evenings, on weekends or on holidays without going to a hospital emergency department. Also, more than five million Canadians do not have a family physician⁵. That is why TELUS Health offers virtual care solutions to connect patients with doctors through the convenience of their smartphone.

Babylon by TELUS Health

In March 2019, in partnership with Babylon Health, we launched Babylon by TELUS Health. This is a virtual healthcare solution delivered through an app designed to enable Canadians to take control of their health from the convenience of their smartphone.

At launch, B.C. residents were the first to have access to the video consultation feature that allows them to securely and privately speak to a provincially licensed doctor wherever they are using their smartphones. Doctors are available for

consultations seven days a week, including holidays, improving capacity and flexibility to patients' ability to access to care.

People in B.C. can also review and manage their securely-stored health information from the app. They can review their doctor's consultation notes and share them with their family doctor if they have one, re-watch their video consultation on their own or with others, or view and pick-up prescriptions at their preferred pharmacy.

Since its launch in 2019, tens of thousands of Canadians have used the app to complete virtual consultations. Feedback from users reflects positive ratings with respect to the empathy and quality of care provided by the doctors, the user experience of the app, and the benefit of being able to see a doctor at a time that is convenient for them.

In 2020, a French-language version of the app will be available and the doctor consultation feature will be made available to more Canadians across the country. As a next step in our mission to make healthcare more accessible for Canadians, we

⁴ [Wait Times for Priority Procedures in Canada, 2019.](#)

⁵ [Primary health care.](#)



are bringing our technology directly to physicians, allowing them to see their own patients virtually through integrations with their existing TELUS Electronic Medical Record systems. Learn more about [Babylon by TELUS Health](#).

LivingWell Companion

In 2019, TELUS became the largest Canadian-owned provider of personal emergency response services, making independent living more accessible, comfortable and secure through instant access to help 24/7 with LivingWell Companion™. Through our acquisition of DirectAlert, we expanded our network to serve more Canadians across the country in English and French. Learn more about [LivingWell Companion](#).

Akira by TELUS Health

On average, Canadians take two to six days off per year for medical visits and it is estimated that health-related absenteeism costs employers approximately \$16 billion in revenue each year⁶.

As an organization committed to driving healthcare efficiencies and enhanced patient experiences through the use of advanced technology, TELUS Health is making Akira – a virtual healthcare app – available to employers. The app simplifies healthcare experiences, benefiting employees, their family members and employers, with on-demand access to primary care providers over text, video and chat. Employees can also use the app to renew prescriptions, access specialist referrals and lab requisitions.

By reducing wait times, emergency room visits, missed appointments and access barriers, virtual care can help all Canadians get the treatment they need when they need it. Learn more about [Akira](#).

6 [How much are you losing to absenteeism?](#)

Chronic disease management

In Canada, one in three people have diabetes or pre-diabetes⁷, heart disease is the second leading cause of death⁸, and cancer treatments represents at least nine per cent of total healthcare costs across the country.

We believe that the most effective chronic disease management programs are patient-centric, encourage self-management, are built on evidence-based outcomes and supported with leading tools and technology. Our solutions offer patients, doctors and pharmacists increased collaboration and efficiency in addition to better patient outcomes. Our solutions include:

- Electronic medical records (EMR): capturing, organizing and displaying patient data in a customizable, user-friendly way – aiding in identifying those at risk and those requiring routine screening
- Personal health records (PHR): sharing data securely between patients and healthcare professionals and empowering patients to manage their own health
- Remote patient monitoring: allowing physicians to closely monitor patients – no matter where they are
- OACIS clinical information system: providing a consolidated patient history leveraging existing health infrastructure in a way that gives clinicians access to the most timely and accurate data.

Medication errors and non-compliance

Adverse drug effects, prescription errors and patients not taking their medication are widespread issues across Canada. According to a World Health Organization report, medication non-adherence accounts for five per cent of Canadian hospital admissions and five per cent of physician visits, resulting in an additional \$4 billion in health care costs annually⁹. Additionally, the rising cost of drugs is putting financial pressure on patients, employers and governments.

To help optimize drug selection for patients, enable easy identification of drug interactions and ensure appropriate therapy management, TELUS offers several clinical decision support tools to deliver greater patient outcomes, including:

- Drug information system: connecting pharmacists, physicians and other authorized healthcare providers to view and contribute to patient medication profiles
- TELUS health integration platform: securely connecting pharmacists, physicians and other healthcare professionals to a patient's electronic health record, empowering teams with the accurate, complete, up-to-date information they need to provide comprehensive care
- TELUS pharma space: a tool that allows patients to view the drugs entered in their profile, request prescription refills, and track prescription status
- PharmaConnect™: a patient communication service that integrates with the Kroll™ pharmacy management system. Patients can consult their medication file and order refills from their mobile device or computer.

Personal health records

Canada lags behind other countries when it comes to providing tools and technology to help patients manage their own care¹⁰. TELUS provides online health tools to help individuals maintain healthier lifestyles, understand their risks for chronic disease and other conditions, modify their behaviour to mitigate the risks, and if they have an illness, effectively manage it. Our EMR, PHR and RPM solutions offer patients, doctors and pharmacists increased collaboration and efficiency in addition to better patient outcomes.

PHRs are user-friendly, online solutions that give patients a way to manage their own health information, providing a self-controlled snapshot of an individual's health record. Canadians with a PHR can add such information as their birthdate, emergency contacts, health history and lists of allergies, conditions and chronic diseases. Canadians can also use PHRs in emergencies, when travelling or when working with physicians unfamiliar with their health histories.

⁷ One in three Canadians is living with diabetes or prediabetes, yet knowledge of risk and complications of disease remains low.

⁸ Cardiovascular disease in Canada.

⁹ Adherence to long-term therapies.

¹⁰ New CMA report: Canadians eager for health care to catch up to the online world.

Performance improvement

In Canada, the majority of healthcare experiences happen at the community level through isolated patient encounters with health professionals who operate separately from one another. Our mission is for patients and care teams to have access to the right healthcare information, anytime, anywhere.

[TELUS Health Exchange](#) is a standards-based, secure, vendor-agnostic platform that enables clinicians to communicate across

primary care settings to help improve care delivery. Leveraging an array of integrated tools from TELUS and our partners, the exchange integrates directly into the health professional's practice management system to help improve care delivery through services such as PrescribelT (ePrescribing service), clinical messaging through MedDialog®, and online appointment booking by patients.

COMMUNITY PARAMEDICINE PROGRAM

In remote communities in British Columbia – where long drives over twisting and dangerous roads are a reality – just getting to the hospital can be a health risk. A new home health monitoring service offered through the province's Community Paramedicine (CP) program is supporting residents in rural regions that have traditionally had access to a small network of healthcare professionals.

The CP program was designed to help rural and small communities fill in gaps in healthcare and also stabilize the staffing of paramedics. Easy-to-use equipment is provided at no cost through a partnership with TELUS Health. The equipment allows patients to take measurements, perform diagnostic or treatment activities, and answer questions from caregivers on a daily basis. The community paramedic checks in with the patient on a regular schedule to review the results, which drastically reduces the need to travel to a clinic.

More than 100 community paramedics in 99 communities that tend to have difficulty accessing healthcare, are using home health monitoring as part of the program. This new approach to chronic disease management is helping community paramedics build relationships and trust with patients, providers and the communities being served. The approach is focused on patients with five risk conditions: chronic obstructive pulmonary disease; diabetes; heart failure; being at greater risk of falls; and those needing palliative care. Patients are getting better care with the proactive CP model – it helps prevent deterioration, ambulance calls, and hospitalizations.





Caring for our planet

We are focused on the health of our planet to make the world a better place. We implement solutions that generate net positive benefits, socially and environmentally, for our team, our company and society. Since 2000, TELUS, our team members and retirees have contributed more than \$20 million to charities and community organizations that support the environment.



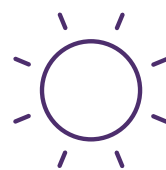
15%

reduction in domestic
energy consumption
since 2010



31%

reduction in domestic
GHG emissions since 2010



20,308 MWh

of renewable solar
energy generated and
purchased by TELUS



43.4 GWh

saved by improving our
energy efficiency, including
turndown of redundant
equipment, network
optimization and right-
sizing of real estate space

Governance and oversight

TELUS has a strong foundation of sustainability governance, led by our Board and Corporate Governance Committee, which oversees our work to reduce GHG emissions and take action on climate change. This focus includes developing and implementing effective strategies, assessing and managing risks (including climate-related risks), setting targets and objectives as well as reporting on our progress and performance. See our Task Force on Climate-related Financial Disclosure (TCFD) section of our [2019 Annual Information Form](#) on page 11-14 for specific details on our governance, strategy and risk management in relation to climate change.

The Sustainability and Environmental Risk Management Team at TELUS integrates the following framework to reduce our climate impacts:

- **Mitigation:** focusing on absolute energy use and carbon dioxide equivalent (CO₂e) emission reduction
- **Adaptation:** focusing on business continuity planning and readiness for the potential physical risks of a changing climate on our operations
- **Innovation:** helping customers realize their climate change targets through product and service solutions.

Climate action

Committing to carbon neutrality is part of a growing global narrative to reduce human impacts on climate change – one of the greatest systemic risks of our future. In 2011, we initiated our first set of long-term energy and GHG emission reduction goals and surpassed them in early 2019, ahead of our 2020 target.

We have since examined our performance and set new transformational targets that reflect our continued commitment. Our new targets include:

- Having our operations become net carbon neutral by 2030
- Procuring 100 per cent of our electricity requirements from renewable sources by 2025
- Improving our energy efficiency (MWh per terabyte of data) by 50 per cent from 2020 levels by 2030
- Setting science-based targets in 2020, which will be achieved by 2030.

Energy consumption

Our energy footprint consists of direct energy and indirect energy for domestic owned and leased real estate properties, cell tower sites, vehicle fleet, and remote generator fuel that are within our operational control as well as our international operations. In 2019, we reduced our absolute energy consumption by 4.3 per cent compared to 2018. We were able to realize absolute reductions while achieving customer growth and reduce our energy consumption related operational costs. We have included our operations in Ireland within our 2019 international data below.

- Avoided an estimated 8,000 tonnes CO₂e through energy reduction as a result of upgrading our HVAC chillers at our Edmonton network facilities
- Avoided an estimated 7,000 tonnes CO₂e through energy reduction as a result of our ongoing network optimization program
- Energy program initiatives delivered \$2.3M in annualized operational cost savings.

Energy consumption (eMWh)

Company-wide consumption	2019	2018	2017	2016	2010 ¹
Domestic					
Scope 1	275,234	292,366	313,788	355,956	416,099
Scope 2	798,686	829,815	865,847	891,951	853,754
Total	1,073,920	1,122,181	1,179,635	1,247,907	1,269,853
International					
Scope 1	1,843	2,795	4,000	2,235	0
Scope 2	50,115	42,331	39,018	30,521	16,093
Total	51,958	45,126	43,018	32,756	16,093
International and domestic					
Scope 1	277,077	295,161	317,788	358,191	416,099
Scope 2	848,801	872,146	904,865	922,473	869,847
Company-wide energy consumption	1,125,878	1,167,307	1,222,653	1,260,664	1,285,946
Renewable energy production					
Renewable energy ²	20,308	22,407	30,000	23,000	0

1 2010 was chosen as our base year for our targets because it is the earliest year in which we have reliable and consistent data.

2 2018-19 renewable energy from Brooks, Alberta Solar Project Renewable Energy Certificates (REC), 2016-17 from market RECs purchases.

Domestic energy intensity

eMWh ¹	2019	2018	2017 ²	2016	2010
eMWh per revenue (millions)	73.06	78.10	87.98	97.50	129.68
eMWh per customer connection	0.07	0.08	0.09	0.10	0.12

1 eMWh includes domestic scope 1 and 2 energy sources.

2 2017 eMWh intensity reflects 2017 adjusted revenue of \$13.4 million (was \$13.3 million).

The future deployment of 5G technology and growing customer demand for data through wireline and wireless technology will increase energy requirements, presenting a challenge to reduce energy use and related GHG emissions. In 2020, we will focus on continuing to transition to renewable energy sources where feasible and implementing further energy reduction initiatives. This will include ongoing network optimization, network infrastructure upgrades and lighting retrofits.

Renewable energy

In 2017, TELUS signed a long-term Power Purchase Agreement (PPA) to procure all of the renewable electricity from a 15 MW

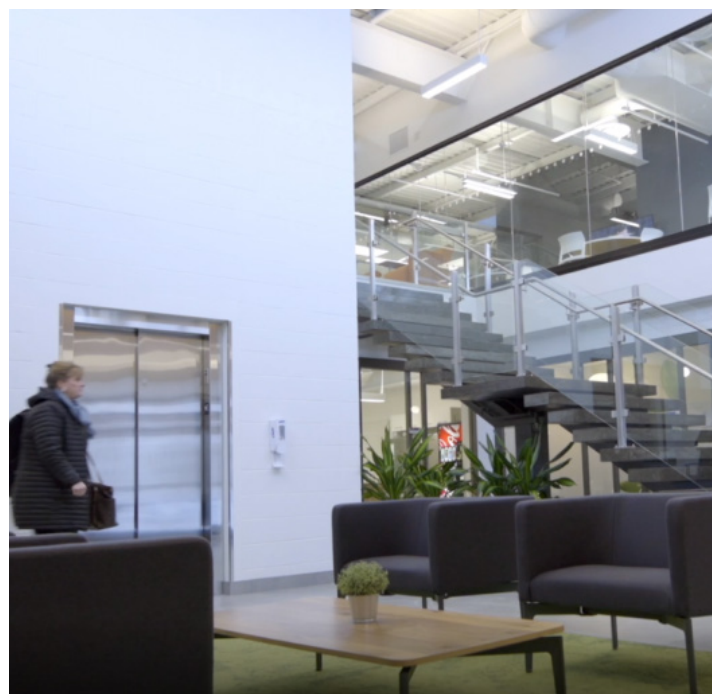
solar facility in Brooks, Alberta. This facility adds approximately 24,000 MWh of renewable electricity annually to Alberta's electricity grid. As part of that agreement, we own and annually realize all renewable energy credits generated by the facility. In 2019, TELUS negotiated and signed another PPA to procure renewable wind energy from a grid-scale wind farm, with no government subsidies, becoming the first corporation in Canada to do so. This long-term agreement for renewable energy from the 117.6 MW Rattlesnake Ridge wind farm in Alberta is scheduled to begin generating energy in December 2021. Our investments in renewable energy will help us sustainably grow our core business.

REINVENTING AN OLD WAREHOUSE TRANSFORMS SUSTAINABLE WORKSPACE

Motivated by a commitment to sustainability, TELUS reinvented a warehouse that could have been torn down and sold for scraps, by creatively using materials and space inside and out.

TELUS recently seized the opportunity to turn a prefabricated steel-framed structure into a fully functional technicians' hub with a new lobby entrance, meeting rooms, service bays, office and storage spaces. Opened in 2018, TELUS Park in Calgary is now home to 400 team members.

"We've done a lot of sustainable features and the key one is the rooftop solar array. It provides 25 per cent of our energy and electricity use, which is sizable for a building of this scaling. We've spelled out the letters TELUS with dual colour solar panels, just to give it a little bit of a TELUS flavour," said Shazia Zeb Sobani, Vice President, Customer Network Implementation, TELUS.



At the front entrance, a solar flower – a power system with cells arranged on individual petals – provides a green power source for outdoor amenities, including a bench with built-in charging stations and electric car parking. Additional solar panels are arranged in a canopy to offer a variety of sheltered and unsheltered spaces for employees.

"We've taken sustainability and not just used it as a principle, we've actually lived it out in this building," said Sobani.

Daylight is maximized where possible and blended with energy efficient, artificial lighting systems.

"Almost every team member has access to a window, either to a skylight or some sort of an opening that allows them to have exposure to natural light," Sobani added. "The physical work environment does have a direct impact on team members' morale, their mood, their concentration and their productivity."

"I have immense pride working for an organization that has a strong commitment to sustainability. It has encouraged me to adopt a greener lifestyle at home as well." [View our video.](#)

Greenhouse gases

In 2019, we reduced our absolute GHG emissions by 5.4 per cent compared to 2018. We further reduced our net impact by 5.2 per cent with the realization of EcoLogo certified Renewable Energy Credits generated by the Brooks Solar facility in Alberta.

We categorize our energy and GHG consumption as follows¹¹:

- Scope 1: direct energy sources such as fuel combustion that include natural gas, gasoline, diesel, propane and heating oil
- Scope 2: indirect energy sources such as electricity used to power our network and offices
- Scope 3: other indirect emissions sources such as air travel and employee commuting.

GHG emissions (tCO₂e)

Company-wide GHG emissions	2019	2018	2017	2016	2010 (base year)
Domestic GHG emissions					
Scope 1	60,520	64,396	68,069	76,489	88,165
Scope 2	225,632	237,950	266,437	263,571	325,257
Total domestic GHG emissions	286,152	302,346	334,506	340,060	413,422
International GHG emissions					
Scope 1	873	643	863	247	0
Scope 2	30,865	26,120	24,181	20,418	10,169
Total international GHG emissions	31,738	26,763	25,044	20,665	10,169
International and domestic GHG emissions					
Scope 1	61,393	65,039	68,931	76,736	88,165
Scope 2	256,497	264,070	290,618	283,989	335,426
Total company-wide GHG emissions	317,890	329,109	359,549	360,725	423,591
Renewable energy GHG emissions reductions					
Renewable energy GHG impact ¹	15,311	17,119	23,700	18,330	0
Net GHG emissions	302,579	311,990	335,849	342 395	423,591

1 2018-19 renewable energy from Brooks, Alberta Solar Project Renewable Energy Certificates (REC), 2016-17 from market REC's purchases.

As our business grows and diversifies, and our revenue and customer connections increase, we work to continue to reduce our GHG emissions. In 2019, our GHG tCO₂e per revenue was approximately 7.7 per cent more efficient and our GHG tCO₂e per customer connection was approximately 18.2 per cent more efficient.

Domestic GHG emissions intensity

tCO ₂ e ¹	2019	2018	2017 ²	2016	2010
GHG tCO ₂ e per revenue (millions)	19.47	21.04	24.95	26.58	42.22
GHG tCO ₂ e per customer connection	0.02	0.02	0.03	0.03	0.04

1 tCO₂e includes domestic scope 1 and 2 energy sources.

2 2017 GHG intensity reflects 2017 adjusted revenue of \$13.4 million (was \$13.3 million).

11 TELUS follows the [Greenhouse Gas Protocol](#) methodology when reporting energy usage and GHG emissions. We use emission factors collected from the [Canadian National Inventory Report](#) to calculate our results.

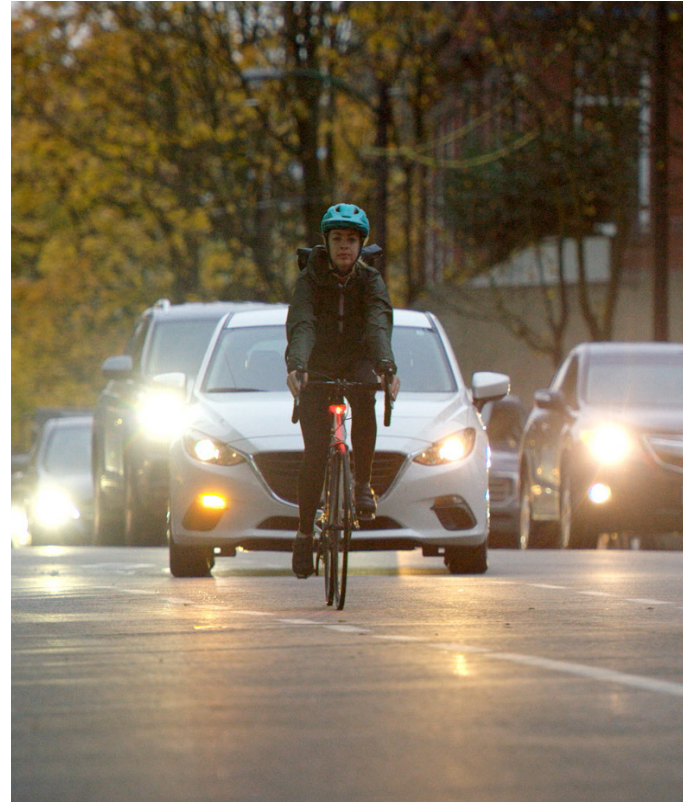
Scope 3 emissions

For the past several years, we have reported emissions linked to employee business travel and employee commuting. We continue to seek process improvements so that we can better capture data that will help us develop strategies and actions to reduce and report on these emissions.

In 2019, emissions from our employee air travel decreased by 2.6 per cent to 9,210 tonnes CO₂e, from 9,453 tonnes CO₂e in 2018¹². Overall passenger kilometers travelled by air increased by 0.07 per cent in 2019, compared to 2018. Moving forward, we are also focusing on decreasing our Scope 3 GHG emissions by collaborating with our suppliers and customers on meeting their own climate-related goals.

Employee commuting

In 2019, we expanded our employee commuter survey to provide further insight into modes of transportation used by our team and leveraged additional data from our People and Culture Team to gain a more accurate analysis of employee working days. Results from the survey continued to demonstrate that our Work Styles[®] program (see page 55 for more information) helps reduce our environmental footprint. In 2019, we saved over 20,000 tonnes of CO₂e by enabling employees to work from home.



2019 employee commuting

Transportation	Employee distribution	2019 Co ₂ e emissions (tonnes)
Car	14,580 (58%)	9,751
Train	3,299 (13%)	730
Light rail	3,140 (13%)	331
Bus	2,040 (8%)	552
Walk/run/bike	1,757 (7%)	0
Motorcycle	132 (1%)	55
Boat/ferry	41 (0%)	13
Total	24,989 (100%)	11,432

Employee commuting savings

Year	Total domestic employees ¹	Total km saved	Total hours of commuting saved	CO ₂ e avoided (tonnes) ²
2019	24,989 ³	164,826,113	3,453,747	20,943
2018	24,855	146,749,073	2,924,020	18,055

1 In 2019, data was based on a survey sample of 5,475 employees with a margin of error of one per cent. In 2018, data was based on a survey sample of 4,142 employees with a margin of error of one per cent.

2 CO₂e avoided: Defra 2018 emission factors and based on average mid-size car fuel efficiency.

3 Domestic employee data collected for the period September 1, 2018 – August 31, 2019.

12 We use the Department for Environmental, Food & Rural Affairs emission factors for reporting on business air travel. In 2019, emissions factors per-passenger kilometer were reduced from 2018 for airplane business travel due to increased average passenger loading on flights. We use the Small Emitters Tool to calculate Scope 3 emissions for our corporate jet.

Responsible resource use

When waste is disposed of or recycled in a safe, ethical, and responsible manner, it helps reduce harmful impacts on the environment. At TELUS, we are not only working to divert our waste, but also encouraging waste minimization.

Waste and recycling

Our long-term vision is to become a zero waste company. To reach this goal, we have set a number of short-term targets. These include, achieving:

- A five per cent annual reduction in total materials discarded (landfill and recycling) from our real estate assets

- A 65 per cent diversion of waste from our real estate assets by 2025
- An 80 per cent diversion of waste from our real estate assets by 2030
- An 85 per cent diversion of waste from reverse logistics (network materials) by 2025
- A 95 per cent diversion of our waste from reverse logistics by 2030.

For the targets above, diversion is defined as the percentage of materials re-used, recycled, or composted.

Waste and recycling by source (metric tonnes)¹

Source	Reverse logistics	Owned properties	Leased properties	Totals
2019				
Recycled	5,186.0	1,672.7	1,303.7	8,162.3
Landfill	563.9	2,091.1	1,197.5	3,852.4
Total	5,749.8	3,763.7	2,501.2	12,014.7
Diversion %	90.2	44.4	52.1	67.9
2018				
Recycled	8,527.6	1,751.9	930.9	11,210.3
Landfill	1,455.1	2,322.2	982.7	4,760.0
Total	9,982.7	4,074.0	1,913.6	15,970.4
Diversion %	85.4	43.0	48.6	70.2
2017				
Recycled ²	13,742.3	1,981.2	968.5	16,692.0
Landfill	1,337.2	2,523.9	779.6	4,640.7
Total	15,079.5	4,505.1	1,748.2	21,332.7
Diversion %	91.1	44.0	55.4	78.2

¹ To provide timely reporting, we moved our reporting year up one full quarter in 2019. The 2019 'owned and leased' property data above covers October 1, 2018 – September 30, 2019. Our reverse logistics data above covers January 1 – December 31, 2019.

² The definition of recycled includes items that are either reused, recycled, or composted.

Electronic waste

Waste type	2019	2018	2017	2016
E-waste (metric tonnes) excluding mobile devices	1,701.2	2,005.8	2,282.6	2,354.6
Mobile devices (units)	226,894	298,529	210,292	245,930

Our performance

As part of our zero waste vision, we continued to improve our understanding of TELUS' waste practices and sources, upgraded major facilities with new recycling services, expanded reuse of materials, improved our recycling performance, and reduced our use of materials through reducing packaging at the source. In 2019, we:

- Created a [sustainable paper and packaging policy](#) to promote the reduction of materials used, which contributed to our overall reduction of our paper and packaging consumption by 36 per cent
- Conducted a comprehensive evaluation of our plant centres (work yards) to determine the best recycling services, signs and re-use solutions for our team members
- Continued our quarterly waste reduction campaigns at key office sites in partnership with our volunteer Green Teams and National Sustainability Council
- Launched custodian training to reduce plastic bag use and ensure our recycling is transported to the correct locations
- Introduced new waste and recycling services at our facilities in Montreal.

In early 2020, TELUS was also accepted into the National Zero Waste Council, a leadership initiative of Metro Vancouver, bringing together organizations to advance waste prevention in Canada and the transition to a circular economy.



Hazardous waste

Waste type	2019	2018	2017	2016
Solid hazardous waste from our facilities (kg)	600	29,485	1,561	3,250
Liquid hazardous waste from our facilities (litres)	218	5	3,023	5,965
Batteries from network equipment and fleet operations (mt)	52	241	628	343

We continue to build on our objective to extend the useful life of equipment and divert products from waste. In 2019, through collaboration with our technical team and logistics partners, we deployed a program that recovered, tested and re-used 534,000 power supplies, yielding savings of approximately \$2 million.

Equipment recovery

Units	2019	2018	2017	2016
Wireline equipment re-claimed for re-use	534,000	573,500	380,000	250,000
Revenue from asset recovery	\$2,014,000	\$1,855,000	\$2,490,000	\$965,000

For more information on our equipment recovery programs, see supply operations section on page 70.

In 2019, we diverted 67.9 per cent of our total waste, a decrease of 2.3 per cent over 2018. Despite the decrease in our diversion, our total landfilled waste was reduced from 4,760 metric tonnes in 2018 to 3,852 metric tonnes in 2019. This decrease reflects our increased focus on waste reduction at the source. In addition, the diversion rate from our real estate assets (leased and owned properties) increased from 44.8 per cent in 2018, to 47.5 per cent in 2019. This is a positive indicator that our efforts to promote waste reduction with TELUS team members is working.

One of the key challenges with increasing our diversion success rate continues to stem from losing our treated, wood telephone poles recycler in 2017. As a result, we have only been able to recycle approximately 60 per cent of our poles, which leaves 40 per cent of heavily weighted materials that cannot be diverted. We have been working in partnership with BC Hydro to find an improved solution for this waste stream.

Hazardous waste

Our operations generate small quantities of hazardous waste, such as aerosol cans, batteries, and motor oil. In 2019, we saw a significant drop in hazardous waste due to closing down all of our regional vehicle maintenance facilities in B.C. and Alberta as well as actively seeking non-hazardous product alternatives. In 2019, we also installed storage containers, along with the appropriate signage and inspection procedures, to safely store hazardous materials while awaiting pickup at over 50 sites in B.C. and Alberta.



Furniture recycling

We continued to collaborate with Green Standards Ltd. and CSR Eco Solutions in 2019, who support our office decommissioning projects across the country.

In 2019, we achieved a landfill diversion rate of 96 per cent (105 tonnes) for our decommissioning projects and also donated over 21 tonnes of office furniture to local charities. In 2020, we will continue to work with our partners to close the recycling loop and divert useful furniture to organizations who need it most.

Paper and packaging reduction strategy

TELUS has a target to reduce paper and packaging consumption by 10 per cent year-over-year, as well as source 100 per cent of purchased copy paper from tree-free sources. Our focus on e-billing, digital marketing and reduced packaging helped us to reduce our paper and packaging consumption by 36 per cent in 2019, which exceeded our target. In addition, we reduced our copy paper purchases by 21 per cent compared to 2018.

Over the past decade, we have reduced our annual sheet use per employee from over 1,500 to just 275. In 2019, we also achieved a rate of 93 per cent of total copy paper purchases that contained 30, 50 or 100 per cent post-consumer recycled content or that were completely tree-free.

Part of our success in paper reduction can be attributed to the growth in e-bill adoption by customers. In 2019, 84 per cent of wireless and 65 per cent of wireline customers opted to receive paperless bills. Ongoing investment in our digital billing experience aims to reduce customer effort and improve self-serve options across mobility and home services while reducing the need for paper.

Trees for paper program

For the paper and packaging that we do consume, we offset the use by planting trees in collaboration with Tree Canada. In 2019, we planted these trees in the Yunešit'in First Nation territory in B.C., and in 2018, we planted trees in Oak River, Manitoba. Planting trees in our communities helps to capture carbon, create natural forest restoration, provide oxygen and enhance wildlife habitat for generations to come. For an overview of the program, [watch our video here](#).

In 2020, we will continue to execute on identified priorities to help us achieve our targets, we will onboard the remaining suppliers to our sustainable paper and packaging policy, and we will further increase our impact by engaging with Canadian youth to promote the importance of tree planting.

Trees for paper program^{1,2,3}

	2019	2018
Copy paper consumed (sheets)	9,228,500	11,723,500
Total paper and packaging consumed (metric tonnes)	997	1,547
Trees planted	53,741	54,252

¹ From 2018-2019, data reported covers our residential market and all Canadian provinces.

² We plant trees based on our previous year's total paper and packaging consumed in that year.

³ We are only reporting on paper purchased by employees tracked in the primary human resources management system.

PADDLE BOARDER'S TIRELESS EFFORT TO CLEAN UP OKANAGAN SHORELINES RECOGNIZED

Vernon resident, Aaron Nasipayko, was hard to miss on Okanagan-area lakes this summer. With crates and cargo netting strapped to his paddleboard, he was regularly spotted collecting and hauling garbage from local shorelines.

Inspired to clean up Kalamalka and Okanagan lakes, Nasipayko started a movement called the Okanagan Paddle Project, posting photos and videos of the piles of garbage collected along the way. He identified spots where he knew trash had washed up, but he was not expecting to find the sheer volume of garbage he discovered – some had been there for years.



"These lakes connect us all – whether it's business, or a place of serenity or a place to decompress – so that's why I'm doing this. Because for me, it brings peace to my soul and I'm just giving back to the lakes what they give to me," said Nasipayko.

On Kalamalka Lake alone, Nasipayko paddled over 150 kilometres. With support from six volunteers, the project collected 374 cans and over 14 bags of garbage from over 42 kilometres of shoreline. Eventually, the nature of this work took its toll on his gear and his paddleboard paid the price. Getting wind of the initiative, TELUS stepped up to sponsor the purchase of a new paddleboard to help him finish his mission.

"We'd been following Aaron's incredible pursuit of cleaning up our shorelines. For him to raise awareness about the mess people are leaving behind is incredible, he's an inspiration," said Colleen Dix, Senior Sustainability Manager, TELUS. "We wanted to support him and replace his board that was destroyed trying to clean up our environment."

In addition to supporting Nasipayko's efforts, TELUS partners with the Great Canadian Shoreline Cleanup, a national conservation program organized and supported by Ocean Wise and WWF-Canada.

Water

Efficient water use is critically important to our overall sustainability goals. Although our water consumption is relatively small in comparison to other industries, we are continuously working to identify new projects and initiatives to reduce our use.

Our water sources include municipal water supplies or other water utilities, and although we employ rainwater harvesting at certain sites, the percentage of water reused or recycled is

unknown. Our primary uses of water are for heating and cooling systems and office restrooms. Our decrease in water usage in comparison to 2018, as demonstrated in the table below, is a result of multiple water efficiency projects, including the installation of newer and more efficient HVAC equipment.

In 2020, upon completion of a full assessment on our water data, we will set a new water efficiency target.

Water consumption

Company-wide consumption	2019	2018	2017	2016
Domestic consumption (million litres)	494.2	562.9	647.2	662.7
International consumption (million litres)	242.5	153.3	177.6	275.9
Total water consumption (million litres)	736.7	761.2	824.8	938.6



Environmental management system

Our Environmental Management System (EMS) provides the foundation for all of our environmental sustainability initiatives. In 2019, TELUS completed the required external audits to certify our EMS to the updated ISO 14001:2015 standard. Maintaining this ISO standard positions us as a global leader in environmental excellence and creates ongoing opportunities for improvements to our environmental management processes.

Auditing and site assessments

To affirm our compliance with regulatory requirements, TELUS standards and maintain our ISO 14001 certification, we conduct regular site assessments and audits of our operations. In 2019, SGS Canada, our ISO 14001 registrar, completed a maintenance audit of our operations in Canada. This was followed by an internal EMS audit of our B.C. operations in the fall. There were no major non-conformities identified in either audit and the number of minor non-conformities was significantly less than in previous years. Audit findings and areas for improvement continue to be related to site housekeeping, equipment maintenance schedules, signage, document control and treated utility pole management. In 2020, the audit will be focused on operations in the provinces of Alberta, Ontario and Quebec.

In addition to the formal audits, we conducted over 50 site assessments at TELUS facilities, which were prioritized by their potential for environmental risks. This work complements the more than 2,000 facility assessments conducted by network technicians on an annual basis.

Training

Environmental training provided to our employees and contractors is a key component of our EMS. Training covers topics such as spills and releases, response and reporting, and the transportation and disposal of waste. In 2019, employees completed 2,127 training courses with environmental themes. This is a decrease from the 2,823 courses completed in 2018, which is related to our triennial course refresher frequency.

Compliance

We present quarterly reports to the Corporate Governance Committee of our Board on issues resulting in written warnings or investigations by regulatory authorities. In 2019, one incident was reported: on June 16, 2019 at a network facility in Markham, Ontario, a hairline crack on a HVAC pump housing caused a 265 litre leak of 50/50 ethylene glycol/water solution. The glycol solution entered the storm drain system, which ultimately drained to a nearby watercourse. Environment Canada investigated the incident and issued a warning letter under the Fisheries Act. As a result, we conducted a thorough review and have implemented process changes to identify these incidents earlier and minimize the likelihood of a recurrence.

In our 2014 Sustainability Report, we identified that we were notified by Alberta Environment and Parks (AEP) of their investigation into the disposal by our hydrovac contractors of slurry in Hinton, Alberta. Since then, we have worked with external environmental consultants and AEP to assess the impact and successfully complete remediation. We continued active discussions with AEP regarding the incident through 2018 and paid an administrative and economic benefit penalty in 2019 which concluded the matter.

Spills and releases

We take spills and releases seriously and are continuously working to mitigate their impact. Under federal and provincial legislation, spills and releases that exceed established thresholds must be reported to the appropriate agency. In addition to reporting externally, we require that all spills (liquids) and releases (gases), regardless of the quantity, must be reported internally to our 24/7 spill line, where team members get expert advice on site management and reporting to external agencies.

The majority – over 85 per cent – of our recorded spill incidents are halocarbon releases from air conditioning equipment used to cool our facilities and network equipment. The number of spills and releases decreased from 204 in 2018, to 163 in 2019.

Halocarbon releases show regular variability when compared year over year and are most significantly impacted by hot weather events, which result in additional system stress. TELUS continues to monitor our halocarbon releases and seeks out opportunities to use more efficient cooling technologies.

We categorize our spill and release incidents by volume, based on regulatory standards and associated hazards. Using this classification approach, TELUS defined category A spills and releases as both reportable and serious and set a target of zero for this category.

In 2019, we had three Category A spills, two due to large halocarbon (refrigerant gas) releases from HVAC units and one 1,100 litre glycol release from a building cooling system that was contained on-site with no impact to the environment. The follow-up and root cause analysis for each incident is performed by the TELUS Environmental Risk Management Team.

Addressing contamination

By using a risk matrix based on the [Canadian Council of Ministers of the Environment](#) guidance manual, TELUS prioritizes the management of our contaminated sites. Our contaminated sites have resulted from historical fuel spills at remote sites that used diesel generators to power equipment. Assessment and remediation techniques can vary with the extent of the contaminated area and by the degree and type of contamination. We focus on remediation as a means to improve our environmental footprint.

Our annual target is to complete remediation work at five sites and we met this goal in 2019. A 'completed site' is one where known contamination has been remediated according to the appropriate regulatory guidelines for soil and/or groundwater.

Spills breakdown

Spills ¹	2019	2018	2017	2016
Reportable	39	32	25	30
Not reportable ²	163	204	197	231
Total spills and releases	202	236	222	261
Approximate volume (L) ³	2,125	486	6,814	244
Approximate weight (kg) ⁴	1,791	1,698	1,360	1,679
Category A – reportable, serious ⁵	3	2	1	–
Category B – reportable, significant ⁵	46	51	37	45
Category C – not reportable, insignificant ⁵	153	183	184	216

1 Spill amounts reflect best estimates based on investigation results.

2 Spills and releases below regulatory thresholds do not require reporting and are termed "not reportable." The definition of "reportable" varies by jurisdiction.

3 Volume in litres includes liquid petroleum hydrocarbons, battery acid, glycol and other.

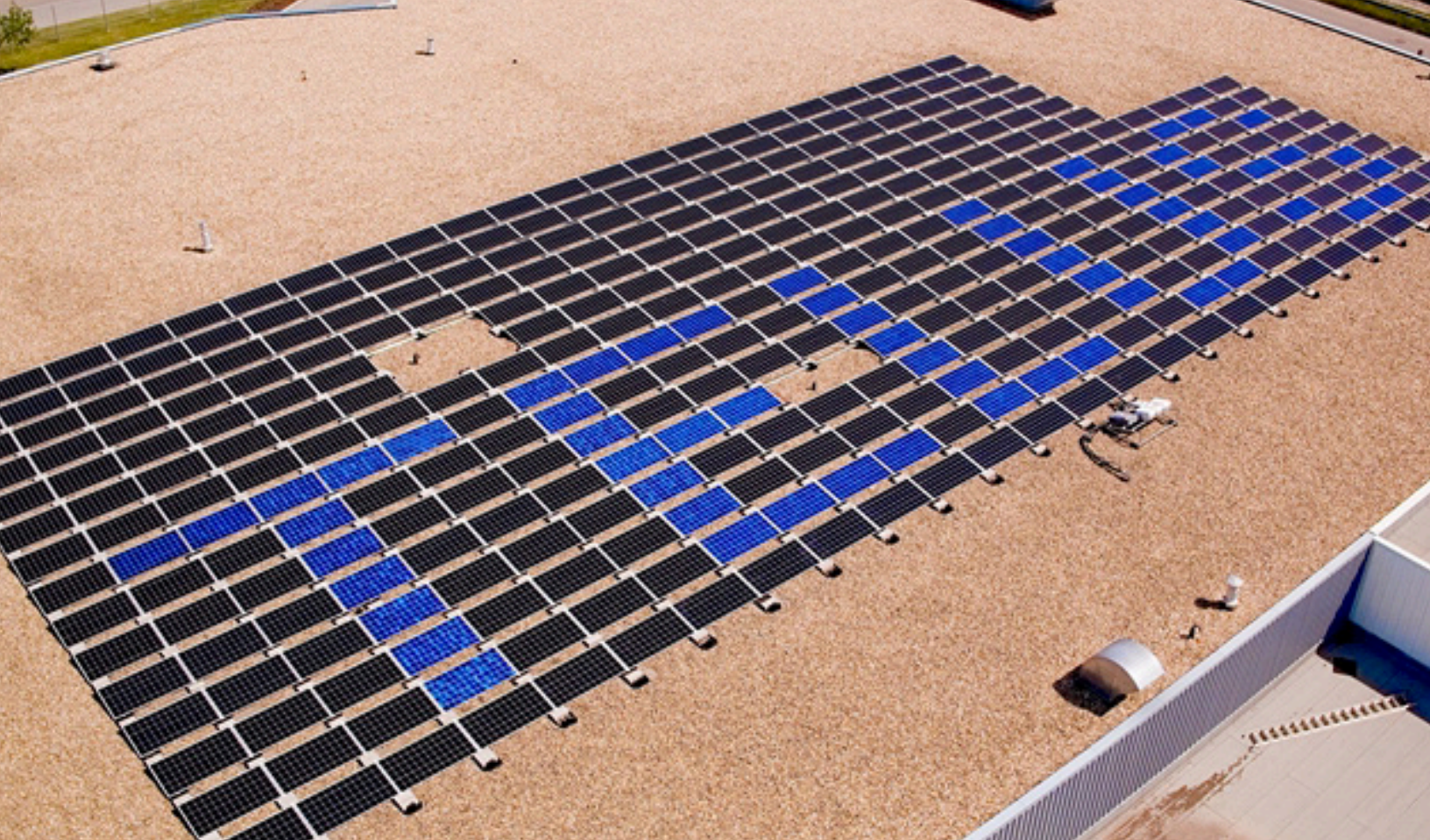
4 Weight in kilograms includes refrigerants (Chlorofluorocarbons) and fire suppression agents (Halon and FM-200).

5 Halocarbon – Category A > 100 kg, Category B = 10 - 100 kg, and Category C < 10 kg

Hydrocarbon – Category A > 1000 L or enters water, Category B = 100 - 1000 L, and Category C < 100 L

Glycol – Category A > 500 L, Category B = 5 - 500 L, and Category C < 5 L

Battery acid – Category A > 50 L, Category B = 5 - 50 L, and Category C < 5 L.



Radio frequency emissions

Innovation, Science and Economic Development (ISED) Canada is responsible for establishing safe limits for signal levels of radio devices. We are confident the wireless devices we sell, as well as our cellular antennas and other associated devices, comply with all applicable Canadian and U.S. government safety standards. For further information on radio frequency emissions, see page 113 of our 2019 Annual Report.

Impacts of wireless network expansion

Cellular antennas found on towers and other structures are the backbone of our wireless network, allowing for the connectivity of TELUS devices that our customers rely on. Due to limitations on the range of some antennas and the increasing demand for bandwidth from increased smartphone adoption, we need to continuously improve our network and evaluate new antenna locations. Where possible, we seek to partner with other network operators to minimize the number of new locations. This reduces the environmental and aesthetic impacts these antennas may have on our customers and communities.

Exclusive jurisdiction over the placement of cellular antennas is set out under ISED requirements in circular CPC-2-0-03 for telecommunication carriers. If a new antenna location is required, we follow the Default Public Consultation Process when reviewing locations unless the land use authority has their own recommended protocol.

TELUS is currently collaborating with the University of Toronto and University of Alberta on antenna and systems research. These collaborations support a network build strategy that favours low power microcells over large, high power towers – an approach that also reduces handset transmit power and associated user exposure, infrastructure visibility, and community concerns over tower siting. We have been employing this strategy for our wireless expansion in recent years and it will become increasingly important with the implementation of next-generation 5G technology. Additional information can be found on our website.



Empowering Canadians with connectivity

We are on a mission to create a safer, friendlier world online through our educational initiatives and innovative support for our communities. When we are all connected for good, we can #EndBullying.

Governance and oversight

TELUS has a strong foundation of social purpose governance that supports our work to align and integrate our community investment and business strategies. This governance includes developing and implementing effective strategies, assessing and managing risks, setting targets and objectives as well as reporting on our progress and performance. This governance

begins at the highest level of our company, with our Board and Corporate Governance Committee.

As part of our long-term commitment to help youth realize their full potential we invest in educational initiatives to promote friendly and responsible online behaviour, notably, our promise to help #EndBullying and to facilitate digital literacy through our TELUS Wise program.

TELUS Wise

TELUS Wise, now in its seventh year and endorsed by the Canadian Association of Chiefs of Police, is a free digital literacy educational program that provides workshops and online resources related to protecting our citizen's online security, privacy and reputation, rising above cyberbullying, and using technology responsibly.

Since inception, over 250,000 Canadians of all ages have participated in our free TELUS Wise workshops, which include:

TELUS Wise footprint: helps elementary school children learn how to be good digital citizens and keep their digital footprint clean.

TELUS Wise impact: engages middle school and junior high students in a conversation around cyberbullying, helping them explore and understand different options for safe and appropriate ways of intervening when they witness cruel behaviour online.

TELUS Wise in control: engages middle school, junior high and high school students in a discussion about cyberbullying, identity theft, protecting and positively growing their online reputation and more.

TELUS Wise happiness: newly launched in 2019, this workshop engages high school students in a conversation about building and maintaining a healthy relationship with technology.

TELUS Wise: intended for adults, this workshop covers topics such as living and parenting in a digital society, as well as internet, smartphone and social media safety.

TELUS Wise seniors: engages Canadian seniors in a discussion about how to participate safely in our growing digital society.



Our workshops are delivered by hundreds of committed TELUS Wise Ambassadors, consisting of TELUS employees, retirees, and members of the community, such as police school resource officers from 29 police services across the country.

In 2019, we launched online versions of our youth workshops, enabling educators and students, especially those in rural communities, to more easily access program information. We also continued our work with our peers at TELUS International and delivered 15 TELUS Wise workshops in the Philippines, Bulgaria, Romania, El Salvador and Guatemala.



 #EndBullying All-Stars

TELUS is proud to launch the
#EndBullying All-Stars.










Working together to #EndBullying

In 2019, we worked collaboratively with many of our partners in communities across Canada to promote the important #EndBullying message, including WE, the CFL and Hockey Canada.

WE

Through our 13-year partnership with WE, hundreds of thousands of youth have been empowered to rise above to #EndBullying. As the national co-title sponsor of WE Day events, in 2019, we shared our #EndBullying message with over 70,000 youth at eight WE Day events across Canada. In addition, TELUS Wise information and messaging has been integrated into the 'We Rise Above' campaign and curriculum, made available to the more than six million WE school students across Canada.

Canadian Football League (CFL)

In 2019, TELUS launched #EndBullying All-Stars with our CFL partner teams, including the BC Lions, Calgary Stampeders, Edmonton Eskimos, Hamilton Tiger-Cats and Ottawa REDBLACKS. #EndBullying All-Stars is an umbrella program that promotes the importance of online safety while bringing TELUS Wise workshops led by CFL players to local schools.

Hockey Canada (The Code)

The Code is an extension of TELUS Wise and is designed specifically for the hockey community. The program offers customized, free digitized educational tools, resources and workshops to help hockey fans, players and families safely and respectfully navigate digital spaces. The Code is also a pledge that every player, fan, coach, parent, official, volunteer or administrator can be a good digital citizen and a great teammate. Since 2018, Hockey Canada and TELUS have socialized The Code with more than 730,000 players and coaches across 30,000 minor league hockey teams in Canada.

Watch Code Ambassadors and Team Canada members Jordan Eberle, Jill Saulnier and Dom Cozzolino speak to the importance of this program.

Hockey Canada (World Juniors)

For the 2019/2020 World Juniors, TELUS premiered a new #EndBullying brand spot featuring Max Comtois, Team Canada's captain from last year's 2018/2019 IIHF World Junior Championship. The story highlights the fans that took a stand to support Max on social media, after missing a shot during the quarterfinals, and encouraged Canadians to cheer on Team Canada respectfully during this year's tournament. [View the video here.](#)



Giving back to our community

The culture of caring we have created over two decades is underpinned by our collective belief in the power of giving where we live. The TELUS family has given \$1.3 billion since 2000 to build stronger, healthier, more sustainable communities. From connecting families in need with high-speed internet, to delivering medical care to vulnerable citizens living on the streets, we remain committed to ensuring underserved Canadians have access to the tools and resources needed to stay connected.

Governance and oversight

TELUS has a strong foundation of social purpose governance that supports our work to align and integrate our community investment and business strategies. This governance includes developing and implementing effective strategies, assessing and

managing risks, setting targets and objectives as well as reporting on our progress and performance. Our governance begins at the highest level of our company, with our Board and Corporate Governance Committee.

Initiatives to give back

In 2019, TELUS, our team members and retirees contributed \$55 million to charitable and community organizations and volunteered 1.1 million hours. Our commitment to giving back to our communities and volunteering is structured through a number of programs and initiatives for our business as well as our team members.

TELUS Days of Giving

TELUS Days of Giving is just one of the many opportunities for our team to volunteer throughout the year. We held our 14th annual TELUS Days of Giving in May 2019, bringing together more than 27,000 volunteers at over 2,000 activities across Canada. Internationally, we held more than 50 days of giving in nine countries, which for the first time in 2019, included Ireland. Combined, more than 40,000 participants offered their time to help support local, grassroots initiatives and organizations within our communities.

TELUS Match and volunteer rewards

TELUS Match provides our team members and retirees an opportunity to do more for their communities. When members of the TELUS family make a donation to a registered charity, we do too – matching team member and retiree donations, up to \$2,500 per person, per year. Since 2000, this annual workplace campaign has contributed \$100 million to support the important work of thousands of charitable organizations across the country.

Similarly, through our volunteer rewards program, we support our team members and retirees who volunteer. For every volunteer hour a member of our TELUS family records, we make a \$1 donation to the charity of their choice.

Employee and retiree giving

Our Team TELUS Cares programs represent a collection of community engagement initiatives that are making our world a better place. Through these programs we motivate, mobilize and reward employees and retirees who make positive change in the communities where we live and work.

TELUS Community Ambassadors

TELUS Community Ambassadors, our network of current and retired team member volunteers, provide a critical connection between TELUS and our communities. Over 5,000 Ambassadors based in 23 clubs across British Columbia, Alberta, Ontario, Quebec, and Atlantic Canada work collectively to respond to the needs of their communities. In 2019, our Ambassadors:

- Donated 60,000 care items
- Fundraised \$280,000 for local causes
- Filled over 13,000 Kits for Kids with school supplies
- Prepared more than 6,000 comfort kits with basic toiletries and comfort items for homeless and displaced families.

Connecting for Good

At TELUS, we understand the power of technology as an equalizer. Through our Connecting for Good™ programs – including Health for Good™, Mobility for Good™, Internet for Good™ and Tech for Good™ – we are leveraging our technology

to make certain disadvantaged and underserved citizens are connected to the people, information and opportunities that matter most in our increasingly digital society.

BRINGING COMPASSION TO OUR STREETS

Health for Good brings necessary medical care, with integrated technology, including electronic medical records, to people living on the streets.

The program helps reconnect marginalized citizens to our healthcare system by deploying specially equipped mobile health clinics into communities where frontline care is urgently needed. Every mobile clinic is equipped with TELUS wireless connectivity, TELUS Health electronic medical records and powered by additional TELUS technology solutions to assist the onboard care team.

Since its inception in Montreal in 2014, and the launch of additional clinics in Vancouver, Victoria and Calgary in 2019, the program has provided care to 22,000 patients with ongoing efforts being made to integrate these patients into the broader healthcare and social support systems. We will be launching seven additional mobile health clinics in 2020, with the goal of supporting 20,000 patient visits each year across all mobile health clinics. [Click here](#) to learn more.



CONNECTING FAMILIES IN NEED

Internet for Good offers over 200,000 low-income families in TELUS' broadband internet footprint access to low-cost, high-speed internet and a computer to help them participate safely in our digital world.

In 2019, in partnership with B.C.'s Ministry of Social Development and Poverty Reduction and the national connecting families program, we extended the reach of Internet for Good to an even greater number of families. Since the program began in 2016, over 11,000 households in B.C., Alberta and Quebec have been connected. [Click here](#) to learn more.



HELPING YOUTH ACHIEVE INDEPENDENCE

Mobility for Good provides youth transitioning out of foster care with fully subsidized smartphones and data plans, enabling them to stay connected to their support networks, social services, education and employment opportunities.

The program launched in B.C. in 2017, and expanded into Ontario, Alberta, Manitoba, Quebec, and New Brunswick, in partnership with the Children's Aid Foundation of Canada and the Fondation du Centre jeunesse.

Mobility for Good is available to more than 20,000 qualifying youth with nearly 4,000 youth enrolled in the program. We anticipate this program will grow throughout 2020 as we expand it to all remaining Canadian provinces and territories. [Click here](#) to learn more.



ENSURING DIGITAL ACCESSIBILITY FOR EVERYONE

Tech for Good provides customers with varying abilities who require assistive technology to independently use their smartphone or tablet.

This program offers specialized assistance and tools, delivered through our partnership with the [Neil Squire Society](#). Some of the program elements include access to experts with specialized knowledge about assistive technologies, phone and assistive technology training and support, set-up and installation if required of wireless smartphones or tablets and a \$20 monthly discount on Simple Share and Peace of Mind TELUS Mobility Smartphone plans. [Click here](#) to learn more.





Pride

Since 2007, TELUS has supported Pride¹³ through targeted local sponsorships. Our team members, friends and family come together to walk and celebrate the power of inclusion and the importance of diversity for our customers, community and team.

In 2019, close to 43,000 team members, family and friends celebrated diversity in nearly 20 Pride events in communities across Canada as well as in Manila, Philippines. Read more about our commitment to diversity on page 64.

TELUS Friendly Future Foundation

In 2018, the TELUS Friendly Future Foundation™ was launched with a \$118 million donation from TELUS. The Foundation is an independent charitable organization addressing the social and economic challenges facing Canada's disadvantaged youth. Through the programs it supports, the Foundation is helping vulnerable youth thrive in our digital society by providing better access to health and educational opportunities, enabled by technology.

The Foundation represents the next evolution of our philosophy to give where we live. It provides financial grants to grassroots charities across Canada that need help supporting youth. Together with the 13 TELUS Canadian Community Boards, it provided nearly \$8 million in 2019 in support of more than 500 projects, creating a brighter future for vulnerable youth in Canada. For more information, visit the [Foundation's website](#).

TELUS Community Boards

Founded in 2005, the TELUS Community Boards are based on an innovative funding model that puts philanthropic decision-making in the hands of local leaders who know their communities best. In 2018, with the creation of the TELUS Friendly Future Foundation, the Boards' role evolved. They now provide recommendations on the allocations of funds from the Foundation for grants to grassroots Canadian charities that support disadvantaged youth and other vulnerable populations. Preference is given to projects that also demonstrate tangible technological or social innovation. Since 2005, the Boards have contributed \$78 million and supported over 6,000 projects.

The five TELUS International Community Boards – in Bulgaria, Romania, Guatemala, El Salvador and the Philippines – contributed approximately \$500,000 in support of 85 projects in their respective areas in 2019.

¹³ Pride parades are outdoor events celebrating lesbian, gay, bisexual, transgender, and queer social and self-acceptance, achievements, legal rights, and pride.



Our impact

Understanding the broad impact of our community investments is a critical component of understanding the success and reach of the program. We work with the [London Benchmarking Group](#) and use their methodology to measure our impact. Our community investments can be categorized as follows:

(\$ millions)	2019	2018	2017	2016
Philanthropic investment	16.7	7.9	8.6	6.9
Social investment	23.1	130.0 ¹	20.0	15.6
Commercial initiatives	12.5	10.3	14.4	17.3
Value of employee giving ²	2.2	2.4	2.4	2.5
Total	54.5	150.6	45.3	42.4

¹ In 2018, the TELUS Friendly Future Foundation™ was launched with a \$118 million donation from TELUS.

² TELUS-matched dollars are included in the philanthropic investment category.



**OUR FOUNDATIONAL
PRIORITIES**

ECONOMIC IMPACT

We leverage our globally leading technology to enable remarkable human outcomes and deliver value to all of our stakeholders. We are focused on the long-term growth of our wireless and wireline businesses to connect Canadians for good. Our products and services enhance the lives of our customers and contribute to the development of sustainable communities and Canada’s digital economy.



In 2019, TELUS once again reported strong financial and operating performance in a competitive environment. Our performance continues to be driven by our commitment to social capitalism, exceptional culture, customer service excellence and significant ongoing transformational investments in our advanced broadband network infrastructure. These investments have:

- Strengthened our competitive position and supported our focus on customer experience, helping us attract new customers and retain existing customers
- Supported the return of significant capital to investors through our multi-year dividend growth program and our discounted dividend reinvestment and share purchase plan
- Enhanced our ability to better respond to the needs of other stakeholders through community investment, including contributing \$55 million to charitable and community organizations.

See our [2019 Annual Report](#) for more information on our financial performance.

Investor engagement

Investors are interested in understanding TELUS’ plans to execute on its long-term growth strategy, while maintaining our unwavering focus on providing a superior customer experience in combination with the ongoing generational investments that we are making in our globally leading wireline and wireless broadband network.

In 2019, investors focused on the financial impact of our streamlined suite of offerings, including Peace of Mind endless data rate plans and Easy Payment device financing, as well as the regulatory environment for the communications industry in Canada. Investor engagement activities included: one-on-one meetings, roadshows, conferences, discussions with the Executive Team, conference calls, press releases and media relations, and the annual general meeting of shareholders.

Our [Shareholder Engagement Policy](#) outlines how the Board may communicate with investors, how investors may communicate with the Board and which topics are appropriate for the Board to address. Furthermore, our say-on-pay policy sets out the Board’s objectives and policies with respect to say on pay and disclosure pertaining to executive compensation.

¹⁴ The range of electromagnetic radio frequencies used in the transmission of sound, data and video. The capacity of a wireless network is in part a function of the amount of spectrum licensed and utilized by the carrier.

Paying dividends

In 2019, TELUS declared \$1.4 billion in dividends to our shareholders. We raised our quarterly dividend twice, most recently in November, representing an annual increase of seven per cent. For more information on TELUS' dividend performance, see pages 63-65 of our [2019 Annual Report](#).

Paying taxes

In 2019, TELUS paid and remitted on behalf of our employees more than \$3.1 billion to federal, provincial, local and international governments, which support services for Canadians and citizens wherever TELUS operates. TELUS follows a [Tax Strategy](#) that has been approved by the TELUS Board of Directors and is consistent with our overarching [Code of Ethics and Conduct](#) and [Anti-Bribery and Corruption Policy](#). The Tax Strategy outlines how we manage our tax risk in a manner that is ethical, transparent and collaborative while complying with all applicable tax laws and regulations.

Economic value distributed

(\$ millions)	2019	2018	2017
Goods and services purchased	6,070	6,368	5,904
Employee benefits expense	3,034	2,896	2,594
Capital expenditures, excluding spectrum licenses	2,906	2,914	3,094
Interest paid	714	608	539
Income taxes paid, net	644	197	191
Dividends declared to the holders of common shares	1,358	1,253	1,167
Cash payments for spectrum licenses	942	1	–
Total	15,668	14,237	13,489

POWERING SUSTAINABLE FOOD PRODUCTION

As part of our efforts to promote sustainability and wellness, we are expanding our reach in the emerging agriculture technology (AgTech) sector.

By leveraging technology innovation and AI, we intend to help farmers and ranchers produce food for the world's ever-expanding population more efficiently, safely and in a more environmentally friendly manner. Our recent acquisitions of leading companies in farm management software and precision agriculture solutions will enable us to realize these outcomes.



Our cloud-based farm management platforms empower farmers to easily plan and track their on-farm activity all from their smartphones. These platforms serve as a tool to optimize costs, track field activities, monitor results and the storage, and the movement and sale of commodities.

Precision agriculture technologies increase a farmer's ability to apply water, pesticides, and nutrients in exact quantities, only when and where they are needed. This means fewer inputs, fewer wasted resources, less environmental impact and lower GHG emissions. The use of precision AgTech (agriculture technology) for nutrient management can vastly improve yields and productivity levels while minimizing impact on land.

With this technology we are empowering farmers with solutions that help optimize crop production and manage costs, resulting in increases in both yields and profits. At the same time, this can result in better record keeping for food traceability, improved environmental performance through better soil nutrient management and reduced CO₂ emissions.

TELUS payments to governments

(\$ millions)	2019	2018	2017	2016
Corporate income tax paid				
Federal	339.5	96.6	103.3	319.6
British Columbia	103.1	36.7	46.7	105.8
Alberta	63.8	18.2	0.9	62.0
Saskatchewan	1.4	0.3	0.4	1.1
Manitoba	1.8	0.4	0.1	0.7
Ontario	57.0	19.6	13.4	52.8
Quebec	38.0	7.6	2.7	42.2
Atlantic provinces	6.9	1.5	1.3	5.2
International	36.6	17.2	22.4	11.2
Total	648.1	198.1	191.2	600.6
Other tax payments				
Employer portion of payroll taxes	142.2	128.7	135.4	136.8
Property and business taxes	111.4	111.8	111.1	108.6
Non-creditable/non-refundable sales taxes				
Federal	0.7	0.3	0.3	0.3
British Columbia	39.1	29.3	31.0	32.1
Saskatchewan	0.5	0.1	0.1	0.1
Manitoba	1.0	2.8	3.7	1.1
Ontario	0.0	0.1	0.5	0.8
Quebec	0.2	0.2	0.4	0.7
Atlantic provinces	0.0	0.0	0.0	0.0
International	65.8	54.5	27.7	25.2
Provincial premium and capital taxes	0.0	-3.0	0.0	0.0
Quebec tax credits	-5.0	-6.2	-3.8	-4.0
Total other tax payments and non-creditable/non-refundable sales taxes	355.9	318.6	306.4	301.7
Payroll taxes remitted	633.0	617.3	666.3	671.8
9-1-1 taxes and other payments remitted	38.8	38.1	28.7	26.3
Total other taxes remitted	671.8	655.4	695.0	698.1
Sales taxes remitted				
Canadian GST and HST	934.5	908.7	933.9	865.5
British Columbia	209.8	199.3	187.4	176.4
Saskatchewan	9.0	7.7	6.6	5.6
Manitoba	13.1	11.8	6.6	4.9
Ontario	0.0	0.0	0.0	0.0
Quebec	191.8	200.1	219.8	214
Atlantic provinces	0.0	0.0	0.0	0.0
International VAT	26.1	29.8	2.7	3.2
Net sales taxes collected/remitted	1,384.3	1,357.4	1,357.0	1,269.6
Total taxes remitted	3,060.1	2,529.5	2,549.6	2,870.0
Total Canadian taxes remitted	2,931.6	2,428.0	2,496.8	2,830.4
Total international taxes remitted	128.5	101.5	52.8	39.6

Research and development

Since 2000, we have invested more than \$215 billion in network infrastructure and spectrum to enhance the coverage, speed and reliability of its world-class network and connect our customers across Canada.

We deliver on our brand promise by offering customers the best technology and an amazing experience. To do this, we collaborate with many partners on research and development (R&D) opportunities that will enhance our product and service offering. In 2019, TELUS invested \$530 million in R&D, \$223 million more than in 2018.

R&D spend

(\$ millions)	Estimated investment in R&D
2019	530
2018	307
2017	240
2016	184

Network investments

We create critical connections through our transformational network investments. These investments have enhanced the connectivity of Canadians by extending the speed, reach and capabilities of our advanced wireless and wireline broadband network.

By investing in broadband infrastructure expansion and upgrades, as well as in network and systems resiliency and reliability, we have reinforced our leadership position by:

- Providing faster available symmetrical internet speeds and greater capacity
- Connecting more homes and businesses directly to TELUS PureFibre
- Enhancing our healthcare solutions
- Preparing for an efficient and timely evolution to 5G
- Launching our TELUS Internet of Things (IoT¹⁵) shop so customers can easily purchase and manage prepaid IoT connectivity.

In 2019, we continued to enhance our 4G LTE wireless capabilities to allow customers to take advantage of the newest mobile devices and enjoy a seamless experience across multiple devices. Our LTE wireless technology covers 99 per cent of the Canadian population and our LTE Advanced technology, covers 93 per cent of the population. Canadians enjoy one of the most advanced and accessible wireless networks in the world. TELUS consistently ranks among the 10 fastest networks globally.

In 2019, TELUS was recognized as having the fastest mobile network in Canada by Ookla and PCMag for the third year in a row, while also being recognized for having the fastest download speed experience by Opensignal. These acknowledgements

were in addition to our outstanding record of achievement with respect to network excellence, having earned the top spot in all major mobile network reporting from Tutela and earning the highest wireless network quality performance nationally by J.D. Power. These rankings are an important differentiator for us, confirming that our long-term strategy, based on smart investments in broadband technology and infrastructure, is delivering significant benefits for our customers and investors.

Fibre footprint



3.2 million +

households and businesses reached by our wireline broadband coverage in communities in British Columbia, Alberta and eastern Quebec.

In 2019, we expanded our fibre footprint to 130 communities and reached approximately 70 per cent of our wireline broadband coverage. These transformational investments are part of our broader strategy to bring our fibre network of the future to communities across British Columbia, Alberta, and eastern Quebec. This provides a distinct advantage to these communities and their residents by potentially stimulating employment and economic growth. It also allows healthcare

15 A network of uniquely identifiable end points (or things) that interact without human intervention, most commonly over a wireless network. These systems collect, analyze and act on information in real time and can be deployed to enable the creation of smart connected businesses, homes, cars and cities.

Capital expenditures by region¹

(\$ millions)	2019	2018	2017	2016
British Columbia	1,061	1,069	1,168	1,133
Alberta	889	911	893	906
Saskatchewan	7	2	3	2
Manitoba	14	29	47	29
Ontario	534	490	483	456
Quebec	315	333	449	383
Atlantic Canada	4	7	2	4
Outside Canada	83	71	50	55
Total capital expenditures	2,906	2,912	3,095	2,968

¹ Totals may differ due to rounding.

providers, educators and technology companies to reimagine how they deliver services and develop entirely new solutions. In addition, our wireline broadband investments are laying the foundation for our future 5G wireless network.

In 2019, TELUS capital expenditures were approximately \$2.9 billion or 20 per cent of operating revenues. This reflects our continued focus on investing in:

- Wireless and wireline broadband network infrastructure expansion and upgrades
- Network and systems resiliency and reliability, to provide faster available internet speeds and greater capacity
- Connecting more homes and businesses to high-speed internet services
- Extending the reach of Optik TV and Pik TV®

- Enhancing our healthcare solutions
- Enhancing and extending TELUS Smart Home Security services.

Since 2000, TELUS has invested approximately \$41 billion in technology and communications infrastructure across the country to significantly enhance the connectivity of Canadians. TELUS is making the world a better place by investing internationally to provide customers a greater breadth of business services.

In 2020, we will continue connecting more homes and businesses to our fibre-optic network, further expanding our PureFibre footprint to 80 per cent, while continuing to advance our small-cell technology strategy to improve coverage and prepare for a more efficient and timely evolution to 5G.

TELUS Ventures

TELUS Ventures strives to seamlessly connect millions of people, companies, and communities by strategically investing in the most advanced and innovative solutions that have the potential to drive significant growth, impact and scale and are aligned to our company strategy.






TELUS Ventures partners with disruptive, market-transforming global companies in early-to-late stage development with a focus in the areas of Healthcare IT, IoT, AgTech and the Connected Consumer.

Since 2001, we have invested in and helped more than 70 companies tackle some of today's biggest challenges by enhancing their visibility, expanding their business relationships and driving new business opportunities. For example, TELUS Ventures invested in Hummingbird Technologies, which uses AI applied to remote field imagery to provide advanced crop analytics that can increase yields, reduce chemical inputs and make farms more sustainable.

Visit our website for more information on our [previous and current investments](#).

OUR PEOPLE AND CULTURE

Our team members are the foundation of our business and drive our success as a globally leading telecommunications company.

				
Achieved 84 per cent in our annual Pulsecheck engagement survey, making TELUS the most engaged organization globally ¹⁶	Recognized as one of <u>Canada's Best Diversity Employers</u> for the 11th time	Named one of <u>Association for Talent Development's BEST</u> organizations for the 14th year and named <u>Best of the BEST</u> organization for the fifth year	Recognized by <u>Excellence Canada</u> for best practices in workplace well-being ¹⁷	Achieved gold level certification through <u>Women in Governance</u> and certification through the <u>LGBT Canadian Corporate Index</u>

Governance and oversight

Our People and Culture Team works to provide an environment for our team members that is safe, empowering and engaging. Our culture is anchored in our TELUS leadership values, which were created by our team nearly two decades ago. These values describe how:

- We embrace change and initiate opportunity
- We have a passion for growth
- We believe in spirited teamwork
- We have the courage to innovate.

Our objective is to attract, develop and retain talented employees in Canada and internationally. We achieve this objective by investing in our people throughout their careers, and by offering diverse and inclusive employment prospects and development opportunities. We are proud of the globally-admired culture our team has built together.

Employee experience

Each year, we invite our team members to share their ideas, comments and feedback on how we can improve their day-to-day experience through our annual engagement survey.

Pulsecheck engagement results

%	2019	2018	2017	2016
Overall engagement – TELUS Domestic	84	85	84	76
Overall engagement – TELUS International ^{1, 2}	85	81	83	81

¹ TELUS International data includes Bulgaria, Romania, the Philippines, Central America and U.S. operations for 2016-2019. TELUS International China is also included in 2019 data.
² 2018 and 2019 TELUS International includes data from our acquisitions of Voxpro and Xavient.

¹⁶ We are the most engaged organization globally compared to organizations of our size and composition. The Pulsecheck survey is administered by Kincentric (formerly part of Aon).
¹⁷ TELUS received two bronze awards, one in each of the following categories: (1) *Healthy Workplace*[®], which focuses on four key elements: physical environment, healthy lifestyles, mental health and workplace culture, and corporate social responsibility, and (2) *Mental Health at Work*[®], which aligns with the requirements of the National Standard of Canada for Psychological Health and Safety in the Workplace ("the Mental Health Standard").



Our success is driven by continuous improvement in the critical areas that influence the engagement of our team. Through listening to our team members and leveraging the practice of fair process¹⁸, we are investing our collective energy creating action plans that address the feedback we receive and identifying areas where we need to implement solutions to further enhance our customers' and team members' experience.

Work Styles

Work Styles is a program that engages our team members by providing them with the resources, support and flexibility to work when and where they are most effective. Work Styles helps drive our culture of collaboration and spirited teamwork by providing team members with flexible work options, both in and out of the office, and supporting the balance between work and personal life. This program offers the following benefits to our team and our organization by:

- Increasing engagement, productivity and business results
- Differentiating us in attracting and retaining top talent
- Reducing our environmental impact through reduced employee commuting and decreased energy costs through condensed office space
- Providing significant cost savings for our company and team members.

Through our sales teams, we offer [Work Styles® solutions](#) to other organizations seeking to transform their culture through best practices that promote flexibility and work-life balance.

Recognition

Team member and peer-to-peer recognition, when delivered effectively, is a powerful tool that supports a high-performance culture, reinforces corporate values, celebrates organizational goals and engages team members. Metrics pertaining to recognition remained strong in 2019, with 78 per cent of our team members indicating that they felt appropriately recognized, compared with 77 per cent in 2018.

Through our Bravo platform, TELUS encourages team members to recognize colleagues who live the TELUS values, go above and beyond, and positively affect our customers, business and team, by awarding them Bravo points. In 2019, over 31,000 Bravo awards were sent, with a total value over \$3.8 million, which can be traded in for a variety of gifts.

In addition to Bravo, we have Enterprise Recognition Awards, which include:

- Customers First Champion: recognizing frontline team members for above and beyond customer service
- Legend Award: a career achievement award honouring team members with 20+ years and exceptional contributions to our business, customer, team and community
- CHLOE Award: recognizing women and champions of diversity at TELUS
- President's Club: sales recognition program that distinguishes top performing team members in sales who demonstrate the four TELUS values and meet certain performance targets.

Family friendly policies

In addition to our Work Styles program, we provide a number of other family friendly resources to support our team members.

Employee and Family Assistance Program (EFAP): is a confidential and voluntary service dedicated to supporting and guiding team members and their families through issues that may be affecting their work, health or life. Services include a wide range of counselling and consultations, including many directly aimed to support family care, such as daycare centres and after-school programs, emergency home care services, rehabilitation and home support programs, adoption and multiple birth services, palliative care, and more.

Kids & Company: helps parents find guaranteed placement in a high quality private daycare centres across Canada. Services and features include, flexible childcare services designed to meet specific and ever-changing needs of families, guaranteed

¹⁸ Aims to engage team members at all levels in collaborative decision making, leveraging their knowledge and encouraging a business ownership culture.

childcare spot within six months of registering, and more. Kids & Company also offers support for team members who need help caring for their aging parents, which is currently available in Calgary and Toronto.

Well-being account: is a flexible benefits account as part of the overall employee benefits package. Designed to support team members in a personalized way, some examples related to family

care that can be claimed, include tuition fees for university, college or continuing education, child and elder-care expenses, and baby safety equipment.

Maternity leave: we provide a maternity leave top-up for regular full-time and regular part-time team members for the first 16 weeks of maternity leave.

Employee turnover

Our world leading culture helps us to attract and retain top talent, thus managing our overall turnover rate in a highly competitive Canadian labour market.

Canadian turnover rates¹

Type (%)	2019	2018	2017	2016
Voluntary ²	10.7	10.2	9.2	11.4
Involuntary	3.7	4.1	3.0	4.7
Total	14.4	14.3	12.2	16.1

¹ We are only reporting on permanent employees in Canada that are tracked in the primary human resources management system, as well as our Medisys and TES employees.

² Voluntary rates include employees that left TELUS due to retirement.

Canadian turnover by gender and generation¹

Gender and Generation (%)	2019	2018	2017	2016
Women	15.6	14.5	13.1	18.1
Men	13.6	14.3	11.7	14.9
Millennials (1980 - 2000)	19.4	18.3	17.3	20.3
Generation X (1965 - 1979)	7.4	7.8	6.2	8.2
Baby Boomer (1946 - 1964)	17.1	20.4	13.7	23.8
Average	14.4	14.4	12.2	16.1

¹ TELUS tracks the Silent Generation and Generation Z, but they only represent a small population of the total turnover (2 and 14 employees, respectively).

For the first time, turnover for TELUS International operations is being included in this year's sustainability report.

Compared to Canadian operations, our relatively higher turnover rates internationally are due to business process outsourcing contact centre nature of TELUS International roles. Employee turnover is closely monitored by senior leaders and the voluntary turnover for our frontline team members is lower than industry standards/averages in the geographies we operate in.

International turnover by country

Country (%)	2019
India	21.8
China	58.4
Philippines	45.6
Bulgaria	44.2
Romania	75.9
Ireland	57.4
United Kingdom	0.0
Guatemala	38.1
El Salvador	37.4
United States	67.3

Talent development

We believe that an effective performance development experience that provides team members the direction, coaching and feedback they need to achieve their personal and professional goals, is critical to achieving our business goals.

We launched a new performance development experience in 2019. Partnering with their leader, each team member sets quarterly goals, linked to business priorities and scorecards, and completes a year-end assessment. Our new program creates a continuous coaching culture with regular check-ins and real-time feedback from multiple sources, including peers and stakeholders, to ensure team members receive the feedback they need to achieve their business and personal goals.

In 2019, we achieved a score of 88 per cent on the 2019 Pulsecheck survey question regarding performance development, placing us in the top 10 per cent of organizations in Canada in a year of transformation.

Manager leadership forums

Our manager leadership forums are a one-day event designed to cascade the learnings from our senior leadership forum to next level leaders. Approximately 1,360 TELUS managers from across Canada participated in the forums in 2019. These sessions had a dedicated focus on the cultural evolution,

risk taking, smart collaboration, prioritization, decision making and everyday innovation.

TELUS MBA program

To cultivate leaders with a distinctive mindset, we have partnered with the University of Victoria's Peter B. Gustavson School of Business to create the TELUS MBA program. Partial content in each course is tailored to leadership and strategy issues specific to TELUS and the telecom industry. In 2019, 20 team members completed their studies and we started our third cohort with 20 new team members.

Leadership Now (LNow) program

Our LNow program focuses on the development of TELUS' existing and future high-potential leaders who have the desire and capability to move into roles of greater responsibility. In 2019, 196 individuals graduated from the program, and an additional 202 were accepted to the next cohort. The program delivers a comprehensive curriculum that moves participants beyond leadership fundamentals to cultivate their strategic leadership capabilities and business knowledge. The program is designed to enhance a leader's ability and discipline in self-leadership, innovation, strategic thinking, change management, business acumen and industry knowledge.

Canadian average training hours^{1, 2, 3}

Overall	Gender		Role			Level		
	Male	Female	Bargaining unit	Management professional	Retail	Single contributor	Middle manager	Senior manager
2019								
9.2	11.0	6.3	11.5	6.4	16.1	8.7	15.4	5.6
2018								
11.4	12.2	9.9	14.4	8.5	14.3	10.9	17.8	5.6

1 Only includes training completed by December 31, 2019 and was captured and recorded internally, as of February 28, 2020. This number does not include business unit specific training, external training or educational pursuits paid for by the company and other ad hoc training sessions that employees may engage in.

2 Averages are based on domestic employees on December 31, 2019, and are only reporting on permanent employees that are tracked in the primary human resources management system, as well as our Medisys and TES employees. Training that was provided for team members in 2019, who were no longer with the company on December 31, 2019 has not been included.

3 As tracked through our learning portal – TeamHub only. TELUS has shifted from instructor-led or classroom learning to informal learning (i.e. self-learning). The latter hours are not formally tracked and are difficult to estimate and so they are not included in this data.

Return on learning¹

Performance Impact (%)	2019	2018	2017	2016
Employees that felt satisfied with the learning opportunity	84	92	95	94
Employees that feel the learning opportunities helped their performance on the job	77	83	91	86
Employees that would recommend this learning opportunity to other employees	84	90	94	92

1 Results are based on responses to common survey questions included in all corporate broad scale leadership development offerings (excluding TELUS International).

Lower overall return on learning scores in 2019, were due in part to switching to more online learning, rather than face-to-face, as well as changes made to our cultural performance development transformational program.

Career development

In addition to supporting general skills and leadership development across our company, we encourage and empower our team members to own their own career by leveraging experiential, formal and social learning opportunities internally and externally. Internally, team members have access to a library

of learning and development opportunities, including information on how to create meaningful career action plans, available through our easy to use self-serve tool. Externally, for example, the Canadian Chapter of the Accounting for Sustainability (A4S) CFO Leadership Network, who work with Chief Financial Officers (CFOs) and their teams across Canada, led several educational sessions and workshops in 2019. Several TELUS team members, supported by our CFO, took part in these educational events and workshops to learn how to continue to integrate economic, environmental and social issues into business strategy, processes and decision making.

Compensation

Our cash compensation for team members (not covered by a collective agreement) consists of a non-variable base salary and a variable component that is designed to focus on results. This approach recognizes high performers and key talent who are critical to the success of our organization.

We conduct ongoing market reviews and compensation analyses of job roles relative to the market and take appropriate action to pay competitively. Based on the results of the market review, the midpoints of our salary ranges are adjusted to

align with the market median, where necessary. Terms and conditions, including wages for all team members covered by a collective agreement, are negotiated between TELUS and the respective unions.

All of these ranges can increase substantially, in-line with supplementary income to team members who are high-performing, have certain technical and language skills, and may receive grants for various allowances like meals and transportation.

TELUS wages compared to local minimum wage

Country/ location	Pay comparison
Canada	Average entry-level wage is above the median of minimum wages for all entry level roles, and the overall average is 19 per cent above the median.
Philippines	Base wages are more than 42 per cent higher than the Philippines National Capital Region minimum wage.
China	Base wages are 66 per cent higher than the minimum wage in Chengdu, China.
Central America	Team members earn are up to 30 per cent more than what similar entry level customer service positions are in other industries.
U.S.	Team members earn at least twice the minimum wage rate in base salary.
Bulgaria	Base wages are more than three times higher than the Bulgarian National minimum wage.
Romania	Average wages are two and half times larger than the Romanian National minimum wage.
Ireland	Average base salary for a Voxpro employee are 34 per cent higher than the minimum wage.
India	At Xavient Digital, team members earn base wages that are more than seven times the national/ regional minimum wage.

Total pay and benefits

(\$ millions)	2019	2018	2017	2016
Total pay and benefits ¹	3,493	3,254	3,036	2,985

¹ Excludes restructuring and other costs.

Benefits

We provide competitive, comprehensive and flexible benefit packages for permanent team members. This allows them to customize a plan to suit their diverse personal and familial situations and affords them peace of mind that their needs are being met with a cost-effective solution. In 2019, 98 per cent of team members participated in our extended health and dental plans.

While benefits are not provided to team members under contract, most are eligible for the well-being account, retirement savings and the employee share purchase plan.

Retirement and savings plans

We work to promote our culture of wellness, including the future financial well-being of our team members. We encourage team members to save for retirement through a variety of methods, including:

- Legacy defined benefit plans
- Defined contribution pensions with matching options

- A voluntary group registered retirement savings plan
- A tax-free savings account
- Employee share plans.

Our defined contribution pension plans allow team members to contribute up to 10 per cent of their salary with TELUS providing a maximum contribution of 5.8 per cent. Additionally, we offer team members the ability to purchase TELUS shares through regular payroll deductions, where a portion is matched by TELUS.

In 2019, approximately 24,000 team members were enrolled in one of our retirement savings plans and 21,000 participated in the employee share plans, representing approximately 15 million shares and ranking as our fourth largest shareholder.

We also offer transition assistance to team members who are retiring or transitioning from employment with TELUS. For more information regarding our compensation philosophy and executive pay, see our [2020 Information Circular](#).

Health, safety and well-being

Our vision is to have team members equipped with resources and knowledge that contributes to an elevated culture of well-being. Our health, safety and well-being programs aim to support the best outcomes for our team members.

Absenteeism

A more reactive measure of our health is absenteeism. In 2019, our absenteeism rate, which includes paid and unpaid time off work due to illness or injury, decreased slightly to 6.1 days per full-time equivalent position. Our absenteeism rate remains significantly below the Statistics Canada average, as shown in the table below.

We attribute low absenteeism to our drive towards better health outcomes, including our Early Intervention Model. We proactively reach out to team members who have been absent for three consecutive days, providing support and offering resources for improved well-being. After three years of implementation we have seen an overall decrease in short-term disability claims.

In 2020, our well-being and health services team will continue to collaborate to develop and enhance targeted prevention and attendance programs aimed to help team members and leaders address absenteeism.

Absenteeism rate (days)^{1,2}

Year	TELUS absenteeism per full-time employee	Average Canadian rate ³		
		For full-time employees	For organizations with over 500 employees	For unionized organizations
2019	6.1	9.0	12.5	14.9
2018	6.3	8.6	12.0	14.8
2017	6.2	8.4	11.8	14.3
2016	6.2	8.3	11.7	14.0

1 Data presented are for TELUS domestic employees tracked in the primary human resources management system.

2 The figure reported includes absences related to illness or injury (excluding long-term disability) calculated as the average number of productive days lost due to absenteeism per one full time employee (FTE) headcount.

3 Source: Statistics Canada.

2019 sick absence breakdown

	% of total days lost	Work days per full-time employee	% year-over-year change
Short-term disability	55.7	3.40	-6.1
Incidental absence	42.1	2.57	2.8
Work-related disability	2.1	0.13	-7.1
Total absenteeism	100	6.10	-2.6

Safety

We remain on a relentless pursuit of the prevention of workplace accidents and injuries. Our Safety Management System (SMS), which aligns with governing legislation¹⁹, promotes a positive safety culture and is continuously monitored for its effectiveness. Within our SMS, we have established comprehensive and systematic policies and programs to enhance the safety of our workforce.

Safety training programs serve a dual purpose by providing team members with the skills and knowledge to perform their work safely, and by reinforcing the safety culture at TELUS. For this reason, there is ongoing safety training in all areas of the organization, with a particular focus on the identification and management of workplace hazards. In 2019, our team members in the field completed approximately 12 hours per FTE of formal safety training, building their safety knowledge and skills.

Performance targets are also set for our hazard control programs. These results are reported every quarter to the Human Resources and Compensation Committee of our Board.

2019 safety record

Our current LTA rate of 0.62 is below the 2018 U.S. Telecommunications Industry average of 1.6 LTA (per 200,000 hours worked). In 2019, we reduced trending workplace accidents and incidents by:

- Training 700 technicians in our new defensive driving program, contributing to our reduction of preventable motor vehicle accidents by 13 per cent since 2018
- Delivering an improved manager safety training to more than 150 managers in high-risk areas of operation, which is designed to improve safety awareness, expertise and accountability
- Improving safety training content for technicians to help them more easily recognize safety hazards and how to control them.

In 2020, our goal is to continue to reduce accidents and injuries and reduce our ratio of lost time accidents to 0.60. TELUS has had no work-related deaths since 1997.

Lost time accidents per 200,000 hours worked^{1,2}

	2019	2018 ³	2017	2016
TELUS actual	0.62	0.62	0.69	0.63

1 Data from TELUS' records as of January 17, 2020.

2 Data presented are for TELUS domestic employees tracked in the primary human resources management system.

3 The 2018 figure has been revised from 0.63 for this report as a result of updated information available at year-end.

19 Part II of the Canadian Labour Code and its regulations.

Well-being

Our well-being strategy is guided by our three strategic objectives:

- To systematically support organizational health and well-being at TELUS
- To help team members connect with one another and well-being resources
- To positively impact team member and family member health and well-being.

Our scope of support includes five key dimensions of well-being – physical, psychological, social, financial and environmental. We have implemented a multi-pronged approach to support team member mental health by offering specialized resources,

anti-stigma campaigns and mental health training. We also assessed our organizational alignment against [Canada's Mental Health Standard](#) to enable ongoing improvements.

In 2019, we improved team member access to physical well-being resources through fitness equipment upgrades, additional onsite fitness experts and wellness practitioner services. Our national team member well-being challenge continued to inspire physical activity, charitable giving and social connections – we saw a 28 per cent increase in participation over our 2018 challenge.

As we grow our well-being strategy, we continue to refine our key areas of focus to ensure we are meeting and exceeding our objectives.

Labour relations

Unionized team members at TELUS are covered by three collective agreements with the following unions:

- Telecommunications Workers Union (TWU), United Steelworkers Local 1944
- Syndicat québécois des employés de TELUS (SQET)
- Syndicat des agents de maîtrise de TELUS (SAMT).

In addition, TELUS subsidiaries, TELUS Employer Solutions Inc. (TES), and recently acquired ADT Services Canada, Inc. (ADT Canada), have team members covered by a number of collective agreements, including:

- TELUS Employer Solutions
 - B.C. Government and Services Employees' Union (BCGEU)
- ADT Canada
 - International Brotherhood of Electrical Workers (IBEW)
 - Unifor
 - Syndicat des salariés des services d'alarmes (centrale des syndicats démocratiques – CSD).

We maintain respectful and professional relationships with the labour unions that represent our team members across Canada and therefore, the right to exercise freedom of association and collective bargaining is not at risk for TELUS. Our collective agreements contain mutually agreed upon adjustment processes that include:

- Redeployment to another position based on seniority/ qualifications
- Wage protection/retraining opportunities
- Paid relocations
- Early retirement or voluntary severance options for team members affected by organizational change
- Advance notice periods for employees and the union in cases of management-initiated workplace changes.

Notice periods are different in each collective agreement and vary based on the nature of the operational issue, and in some cases a team member's seniority.

Union representation in 2019

Group	Employees covered by a collective agreement	Total employees	% covered by a collective agreement
Domestic	9,217	27,530	33
International	0	38,103	0
Total¹	9,217	65,633	14

¹ Active employees as of December 31, 2019.

Union recognition and consultation

We build professional and respectful relationships with the labour unions representing our team members and communication is an important element in nurturing these relationships. To this end, we have negotiated provisions in our collective agreements with the TWU and the SQET that establish formal structured consultation committees and processes.

In addition to regular day-to-day information sharing with unions, in 2019, there were several joint consultation sessions at the senior leadership level to discuss matters of mutual interest. In the most recent collective agreement with the TWU, we have expanded our commitment to consultation through three formalized joint union–management consultation processes concerning workplace accommodation, workplace issues of mutual concern and the grievance and arbitration process.

Bargaining unit employees by union affiliation

Union	Total Employees
TWU	7,561
SQET	748
SAMT	605
BCGEU	55
IBEW ¹	125
Other ¹	123
Total²	9,217

¹ IBEW/other per ADT Canada acquisition.
² Active employees as of December 31, 2019.

Human rights

TELUS has a long-standing commitment to respecting and protecting human rights in our value chain as outlined in our Code of Ethics and Conduct, Respectful Workplace policy and Supplier Code of Conduct. The Code of Ethics and Conduct ties together all policies regulating business behaviour and provides standards of ethical conduct expected of all team members, including our Board. We also have a Workplace Accommodation Policy that aims to remove barriers preventing affected individuals from fully participating in the workplace and allows our team members to submit requests for assistance in assessing their individual circumstances and potential solutions. Our international operations comply with local legislation that protects human rights in all jurisdictions where we operate.

These policies formalize our commitment to safeguard internationally-proclaimed human rights.

Feedback mechanisms

We maintain feedback mechanisms for our team members, suppliers, customers and communities, to help address human rights risks and maintain a positive working environment. The TELUS EthicsLine provides an opportunity for anyone to anonymously and confidentially ask questions, request support or make a good faith report about a real or perceived violation of the Code of Ethics and Conduct, human rights legislation or other government law or regulation, or questionable business practices or accounting/auditing matters. Read more on page 18.

We also maintain an internal complaints procedure for human rights and Respectful Workplace issues, which are investigated and addressed by our Respectful Workplace Office. Complaints may also be dismissed, withdrawn or referred to the appropriate Human Rights Tribunal. Complaints and resolution status are reported quarterly to the Human Resources and Compensation Committee of our Board.

Human rights feedback¹

Human rights complaints	2019	2018	2017	2016
Carry over from previous year	18	12	11	6
New	22	12	11	9
Closed	16	6	10	4
In progress at end of year	24	18	12	11

¹ This data includes domestic operations in Canada only.

Human rights resolution¹

Closed human rights complaints	2019	2018	2017	2016
Referred to TELUS internal or other resolution process	0	2	0	0
Resolution reached	5	0	3	2
Dismissed	8	4	6	2
Withdrawn	3	0	1	0

¹ This data includes domestic operations in Canada only.

In addition to these feedback mechanisms, all collective agreements applicable to unionized team members include grievance and arbitration processes.

Assessing human rights risks

Our Respectful Workplace Office performs an annual review of the Respectful Workplace policy to foster continued compliance with associated human rights legislation in each of the jurisdictions that TELUS operates. An analysis of complaints filed with our office and the Canadian Human Rights Commission, or other applicable human rights commissions, is conducted

quarterly to determine if there are internal practices causing concern for our team members.

Our integrity working group also reviews data quarterly on ethics, privacy, human rights and respectful workplace incidents to identify risks to team members and customers (read more on page 18).

As a result of these practices, the teams identified in the table below, that work across all of our operations, continually identify gaps and make progress related to key human rights issues where TELUS may experience risk or exert influence.

Human rights risk mapping

Relevant human rights risk	Approach to risk mitigation	Responsible business unit
Freedom of association	Administer and interpret collective agreements, labour and human rights laws and maintain respectful and professional relationships with the labour unions that represent team members.	Labour Relations
Data protection and privacy	Ensure that data handling practices are responsible and respectful of customer and team member privacy.	Data & Trust Office
Aboriginal title and rights, treaty rights and self-determination	Engage with Indigenous Nations in a manner that supports and respects self-determination and the rights set out in UNDRIP. Build authentic relationships with Indigenous governments that respect Aboriginal Title and Rights, Treaty Rights that create opportunity and support the processes of decolonization and reconciliation.	Regulatory Affairs and Indigenous Relations
Freedom from discrimination and harassment	Support a strong culture of respect in the workplace through education, consultation, mediation, and investigation of workplace issues.	Respectful Workplace Office
Equity and accessibility	Develop and implement initiatives and provide education that promotes diversity and inclusiveness within the workplace and the community.	Diversity and Inclusiveness
Safety	Support the creation and maintenance of a healthy and safe workplace through education, hazard identification, and prevention.	Corporate Safety
Standard of living	Design and promote personalized recognition, compensation and benefits programs that support the diverse needs and well-being of our team members and their families.	Total Rewards
Health	Equip team members with resources and knowledge to optimize their well-being, support the health of those around them, and contribute to an elevated culture of well-being.	Well-Being and Health Services

Monitoring and identifying risk in our value chain

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

- For our Canadian workforce, the Compliance Governance Committee provides oversight of our annual human rights program inherent residual risk assessments
- For the assessment and understanding of community needs, we partner with local organizations in the community and other organizations with subject matter experience about the vulnerable groups who could benefit most from our Connecting for Good initiatives
- For the assessment of suppliers, our Supply Chain Team uses surveys to ensure alignment on sustainability-related matters, which includes human rights principles.

Training

Each year, we require our team members and contractors to complete online integrity training that outlines key aspects of our ethics, respectful workplace, security and privacy policies. This course is completed by 100 per cent of employees in early 2020, where required.

TELUS also has specific online training based on our Respectful Workplace policy that is required for all newly hired team members, team members promoted into management professional and people leader roles, and newly engaged contractors. The training outlines acceptable behaviour in the workplace, current human rights legislation, and the available human rights and respectful workplace protections and processes should an issue arise. The Respectful Workplace Office also offers customized refresher training courses when requested.

Gender transition guidelines

To support leading diversity and inclusiveness practices and ensure individuals considering or going through a gender transition receive the support they need, gender transition guidelines are available internally on our intranet. Upon request, the Respectful Workplace Office provides team members with additional information, resources and education on gender transition.

Diversity and workforce profile

Our commitment to diversity and inclusiveness is a defining feature of our culture. Our team members have made it clear that this commitment is an important aspect of what makes them proud to be part of the TELUS family and our vision is to be a global leader in diversity and inclusion.

We are committed to drawing from a candidate pool that reflects the diversity of our customers and the communities we serve. At TELUS International, our recruitment policy for senior roles is to

promote from within the team or hire candidates from the local market where we operate.

We closely monitor the success of our inclusive culture through our annual Pulsecheck survey, and found that in 2019, 95 per cent of TELUS team members agree or strongly agree that, “we have a work environment that embraces diversity and accepts individual differences (e.g., gender, race, ethnicity, sexual orientation, religion and age)”.

2019 Canadian employees by category¹

Work Type	Female	Male	Total
Permanent	9,822	16,956	26,778
Temporary	374	340	714
Total			27,492
Full-time	8,670	15,719	24,389
Part-time	1,526	1,577	3,103
Total			27,492

¹ This data does not include our acquisition of SkyHawk Telematics that was acquired in June 2019 and includes 38 employees.

2019 Canadian employees by province and gender

Province	Female	Male	Total
British Columbia	2,853	4,943	7,796
Alberta	1,975	3,684	5,659
Saskatchewan	51	74	125
Manitoba	64	81	145
Northwest Territories	0	4	4
Ontario	3,108	4,516	7,624
Quebec	2,007	3,791	5,798
Newfoundland and Labrador	62	74	136
New Brunswick	26	46	72
Nova Scotia	50	83	133
Canadian total	10,196	17,296	27,492

2019 Canadian employees by province and employment contract

Province	Permanent	Temporary	Total
British Columbia	7,634	162	7,796
Alberta	5,539	120	5,659
Saskatchewan	121	4	125
Manitoba	127	18	145
Northwest Territories	2	2	4
Ontario	7,482	142	7,624
Quebec	5,568	230	5,798
Newfoundland and Labrador	101	35	136
New Brunswick	72	0	72
Nova Scotia	132	1	133
Canadian total	26,778	714	27,492

2019 Canadian employees by age category

Generation	Female	Male	Total
Silent	1	3	4
Baby boomer	1,270	1,991	3,261
Generation X	3,795	6,860	10,655
Millennial	5,119	8,414	13,533
Generation Z	11	28	39
Total	10,196	17,296	27,492

2019 international employees by category

	Female	Male	Total
Permanent	16,545	20,916	37,461
Temporary	328	313	641
Full-time	16,041	20,525	36,566
Part-time	832	704	1,536

2019 international employees by country and gender

		Female	Male	Total
Asia Pacific	Australia	0	4	4
	India	420	1,839	2,259
	China	192	82	274
	Philippines	8,249	8,457	16,706
Europe	Bulgaria	1,556	1,730	3,286
	Romania	813	536	1,349
	Ireland	935	1,062	1,997
	United Kingdom	1	4	5
Central America and the Caribbean	Guatemala	2,241	3,777	6,018
	El Salvador	1,376	2,529	3,905
North America*	United States	1,090	1,209	2,299
International Total		16,873	21,229	38,102
TELUS total				65,594

*excludes Canada

2019 international employees by country and employment contract

		Permanent	Temporary	Total
Asia Pacific	Australia	4	0	4
	India	2,253	6	2,259
	China	3	271	274
	Philippines	16,694	12	16,706
Europe	Bulgaria	3,088	198	3,286
	Romania	1,316	33	1,349
	Ireland	1,940	57	1,997
	United Kingdom	5	0	5
Central America and the Caribbean	Guatemala	6,007	11	6,018
	El Salvador	3,852	53	3,905
North America*	United States	2,299	0	2,299
International Total		37,461	641	38,102
TELUS total				65,594

*excludes Canada

2019 international employees by age category

Generation	Female	Male	Total
Silent	1	3	4
Baby boomer	209	226	435
Generation X	1,654	2,189	3,843
Millennial	14,671	18,379	33,050
Generation Z	338	432	770
Total			38,102

2019 workforce profile of Canadian employees

Canadian by age (%)	Baby boomer (1946-1964)	Generation X (1965-1979)	Millennial (1980-2000)	Generation Z (2001-)
Overall	12	39	49	0
Senior managers	17	66	17	0
Middle and other managers ¹	10	49	42	0

¹ Comprised of Middle Managers and Supervisors.

2019 Canadian workforce by employee category

Business unit (%)	Female	Male	Average across business
Bargaining unit	34	66	34
Management/professional	39	61	57
TELUS Retail	38	62	10
Overall	37	63	100

2019 international workforce by employee category

International (%)	Female	Male	Average across business
Directors and above	35	65	1
Management/staff	45	55	20
Agents	44	56	80
Overall	44	56	100



Employment equity

We are committed to increasing the presence of underrepresented groups within our organization, and despite having a strong inclusive culture, we still face representation gaps. In 2017, we set a three-year goal to help close identified

employment equity gaps through comparison of our internal representational data to the Canadian workforce availability data, provided by the federal government. As part of our legislated employment equity program, we monitor and report our progress annually.

Canadian workforce profile¹

Designated group (%)	Canadian workforce availability ²	TELUS actual 2018 ³	TELUS actual 2017 ³	TELUS actual 2016 ³	TELUS actual 2015 ³
Women	38.8	34.7	34.9	35.1	35.8
Visible minorities	28.8	30.1	30.6	29.5	16.7
Persons with disabilities	8.7	5.5	5.8	6.0	2.3
Indigenous Peoples	2.3	3.6	3.7	4.0	1.4

¹ Based on data collected for reporting under the Federal Employment Equity Act for the 2018 Employment Equity as of March 8, 2019.

² Canadian workforce availability refers to the percentage of the designated group in the Canadian workforce who may have the skills necessary to fill positions at TELUS. Based on 2016 Census data, the National Household Survey, and 2017 Canadian Survey on Disability, this is the most current information available.

³ TELUS actual data reflects representation rates of Federally Regulated TMs based on inputs from self-identification team member survey.

We continue to evolve our inclusive practices for recruiting and retaining women within business and technology fields. Starting in 2018, we revised the language for our career posting with the aim of attracting and encouraging more women to apply for TELUS roles. As a result, in the 2018 employment equity reporting period, we achieved a 25 per cent increase in representation of women in technician roles.

From 2018 to 2019, we awarded 13 scholarships through a new scholarship program focused on women and visible minorities in technology. In 2019, we achieved parity of gender representation in our LNow program with 52 per cent women participating in the program (read more on page 57).

Diversity and Inclusion (D&I) Council and Team Member Resource groups

Our D&I Council is made up of approximately 20 to 30 team members across TELUS who develop and implement initiatives to promote D&I. We also have five Team Member Resource groups who support over 7,000 members, and together play an

important role in advancing inclusion within our organization and communities. These groups offer mentoring, networking, peer support, volunteering and coaching opportunities to members.

The stories below highlight the 2019 achievements of our D&I Team.

D&I Council: developed and launched an equity, diversity and inclusiveness (EDI) framework and dashboard tool to evolve our analytics across equity groups and enable business ownership of EDI-related initiatives. We also continued to drive participation in the Neuro Leadership Institute brain-based unconscious bias training program called DECIDE. To celebrate global D&I Awareness month and other key awareness days, we published stories online to celebrate the diversity of our team members and highlighted important aspects of our inclusive culture.

Abilities network: engaged team members nationally to generate improvement ideas on the employee accommodation process as well as education and awareness opportunities on varying abilities in the workplace. We focused on accessibility benchmarking across all areas of the business to generate improvement ideas for our team members, customers and communities. We recognized the [UN Day of Persons with Disabilities](#) through a signature event that featured employee's shared experiences and showcased projects supporting accessibility and inclusion.

Connections: engaged team members nationally to celebrate international women's day with the pledge to #beboldforchange. We also held the Connections Honours Leaders of Excellence (CHLOE) Awards across the country, where team members came together to celebrate 322 remarkable finalists and honour the power of diversity and the value it brings to our customers, team and communities. Connections also grew globally by launching three new international chapters in Nevada, California, and Texas.

Eagles: honoured our Indigenous customers and team members by hosting and participating in celebrations of national Indigenous Peoples day events that showcased the stories of Indigenous communities and artists. We also focused on increasing Indigenous cultural awareness and education for our team members by partnering with the Canadian Museum of Human Rights to sponsor artist Carey Newman's documentary, *Picking Up the Pieces: The Making of the Witness Blanket* about the history of residential schools in Canada.

MOSAIC: supported more than 60 mentor matches and hosted several open houses and speed mentoring events in collaboration with our immigrant employment council partners in the community. TELUS earned recognition for MOSAIC's work by being named as a national mentorship partner with the immigration employment councils across Canada.

Spectrum: raised over \$52,000 for non-profit organizations supporting LGBTQ+ communities across Canada, in addition to launching two new international chapters for Spectrum in California and Texas. We also launched a virtual education series to increase team members' knowledge and awareness of Spectrum, as well as timely and relevant issues within the LGBTQ+ community. Topics included: gender neutral conversations in the workplace; parenting a LGBTQ+ child; how to be an ally; introduction to gender variations; and why Pride.



SUPPLY CHAIN SUSTAINABILITY

Our Supply Chain Team plays a vital role in carrying out TELUS' strategic initiatives. This involves collaborating across business units and working with suppliers and service providers to ensure the right products and services are deployed across our network in a safe and cost-effective manner.

Governance and oversight

We value our relationships with our suppliers because they help us achieve our business objectives and contribute to our overall success as an organization. We strive to award business to suppliers who demonstrate a strong commitment to sustainable development by adopting ethical, labour, health and safety, environmental principles and compliance practices that align with ours, and ensure the well-being of their employees, contractors and communities.

Our [Supplier Code of Conduct](#) (the Code) is fundamentally aligned with our commitment to being a leading corporate citizen. Consistent with the Code of Ethics and Conduct that applies to our employees and contractors, the Code is based upon generally accepted standards of ethical business conduct. We expect our suppliers to comply with this Code, embedded in all supplier contracts, and all applicable laws and regulations wherever they operate.

Supplier diversity

Our supplier diversity program delivers an improved and innovative customer experience by taking proactive steps to provide equal access to suppliers that reflects the diversity of where we live, work and serve. The program provides more opportunities for ethnic minorities, Indigenous LGBTQ+ and/or women-run organizations to bid for our business in competitive processes so that our suppliers reflects our diverse customer base and bring new ideas and creativity to the table.

This year, we set a target for ourselves to increase our spend with diverse suppliers by three to five per cent (year-over-year) in 2020, compared to our 2019 performance. We have also set a target to further increase this spend by an additional three to five per cent in 2021, compared to our 2020 performance.

As supplier diversity develops across Canada, TELUS is committed to remain a leader in supporting policy development and growth through board representation, partnerships and development programs. Members of our procurement group actively contribute on the boards of:

- [Canadian Aboriginal and Minority Supplier Council](#)
- [Women Business Enterprises Canada](#)
- [The Procurement Advisory Council for Canadian Gay and Lesbian Chamber of Commerce.](#)

Throughout the year, our team members, including members of our internal team member resource groups, participated in a variety of supplier diversity marketplace events across Canada as presenters and regular corporate table hosts for marketplace meetings to expand opportunities for diverse suppliers.

Supply operations

A key focus for our Supply Operations Team, including our Reverse Logistics Team, is the management of end of life of products and devices that are returned or recovered from our customers. During the year, we enhanced our processes to collect and refurbish for reuse consumer electronics, high-speed internet and TV services equipment in our continued efforts to reduce our environmental footprint. In 2019, a key initiative was introduced to optimize our equipment recovery program, which

led to a reduction of the number of boxes sent to customers while maintaining our recovery rates.

In addition, the Supply Chain Team provides direction and support in the creation of our strategic marketing initiatives such as our [Bring-It-Back™](#) program (BiB). BiB provides a financial incentive to customers to return devices, increasing our overall recovery rate. These devices are refurbished and reintroduced into the market, extending their useful life and providing an



affordable mobile device option for customers. TELUS also uses refurbished units as the primary source of devices for internal team members.

In 2019, TELUS successfully completed and passed an external audit and was re-certified by the British Columbia Ministry of Environment as a steward of electronic waste under the

[B.C. Stewardship Program](#), demonstrating our continued commitment in responsibly managing our impact on the environment.

For further information on our work in responsible resource use in our supply chain, including our targets to improve our performance, see page 34.

Monitoring our suppliers

In 2019, we improved our tools to monitor supplier risk and brought them all together under one comprehensive supplier risk management program. For our new program, we have partnered with a third-party who is onboarding vendors on the new platform. The tool is designed to screen all suppliers across a spectrum of 42 activities, including human rights violations, bribery and corruption, money laundering and fraud. All of our suppliers undergo this screening before their work begins.

For 2020, we have set a goal to complete vendor onboarding to this new program for all of our existing vendors as well as to continue managing ongoing compliance. Beginning in 2021, we have set a goal to begin annual renewal of supplier compliance to the new supplier risk management program.

Large suppliers

An additional level of scrutiny is applied to suppliers surpassing a spend threshold. These suppliers will receive a risk rating based on their adherence to a sustainability questionnaire, an analysis of their financial stability, insurance compliance and a health and safety audit. Following this screening, suppliers who are rated as high risk will be notified and a corrective action plan will be developed between TELUS and the vendor to move towards compliance.

Critical suppliers

TELUS fosters strong relationships with suppliers that are critical to the products and services our customers rely upon. We define critical suppliers as those having a high impact on customer experience or network reliability, as well as other parameters. In addition, non-critical suppliers may become defined as critical if they experience repeated outages and become a risk for our business continuity performance.

Our Supply Chain Team works to establish a culture of continuous improvement with these suppliers through regular meetings on reliability and performance, governance and technological risk.

We screen and monitor critical suppliers through our performance management framework called SENTINEL. This framework has two parts: a dashboard that tracks metrics on performance (primarily based on business continuity and risk); and a stakeholder management component where TELUS shares our findings with the vendor. Where there are lagging metrics, an improvement plan is developed and monitored on a quarterly basis.

Looking ahead to 2020, TELUS will focus on the continued evolution of the SENTINEL program. As technology changes and more services become cloud based, we will build reliability and sustainability into the design. TELUS will also seek to integrate best practices from ADT Canada, a recent acquisition, into our supply chain management to deliver the most reliable customer services and product life cycle management.



Vendor payments

TELUS helps strengthen Canada's economy through our purchase of goods and services. This supports Canadians and the companies they work for and invest in.

Vendor payments

(\$ millions, except as noted)	2019	2018	2017	2016
Vendors with locations in Canada	8,861	9,287	8,574	7,715
As a % of total vendor payments	93%	93%	91%	92%
Non-Canadian vendors	689	676	829	707
As a % of total vendor payments	7%	7%	9%	8%
Total vendor payments	9,550	9,963	9,403	8,422
As a % of consolidated revenues	65%	69%	70%	66%

Conflict minerals

In 2012, the Securities and Exchange Commission (SEC) finalized reporting requirements to disclose the use of designated minerals and metals mined in the Democratic Republic of Congo and adjacent countries. Cassiterite (a source of tin), wolframite (a source of tungsten), columbite-tantalite (or coltan, a source of tantalum) and gold are often referred to collectively as conflict minerals. Such minerals may be used in electronic and communications equipment that we use or sell.

As a signatory of the UNGC, we are committed to preventing human rights abuses that could result from our operations. These

SEC reporting requirements for conflict minerals, mandated by Section 1502 of the *Dodd-Frank Wall Street Reform and Consumer Protection Act*, came into effect for our 2013 annual reporting cycle. Through the establishment of an internal conflict minerals working group, we have performed our due diligence and have met the reporting requirements each year.

Through the establishment of an internal conflict minerals working group, we have performed our due diligence and have met the reporting requirements each year.

PRIVACY, TRANSPARENCY AND REGULATORY COMPLIANCE

At TELUS, we recognize that customer trust is critical to participation in the digital economy. We earn and maintain customers' trust by vigilantly protecting their personal information and using data in a way that generates value, promotes respect and delivers security.

Governance and oversight

Our Data & Trust Office ensures that our data handling practices are responsible and respectful of customers' privacy. Today's technology provides access to vast amounts of data that could be used to make better decisions that will benefit our society. To do this, we have implemented ethical reviews of data-related initiatives and also believe in the value of strong de-identification of applicable data sets. We work to evolve our privacy and data governance models so that the protections we put in place for our customers are up to date with technological advancements that may carry privacy implications. Learn more about the TELUS trust model [here](#).

In 2019, we established a new role in the Data & Trust Office dedicated to ensuring that our cutting-edge work in AI is consistent with our commitment to put customers, and their privacy, first. Learn more about responsible AI at TELUS [here](#).

Privacy by Design

We have embraced Privacy by Design (PbD) as an essential component of our privacy management program. PbD is a set of seven principles that the former Information and Privacy Commissioner of Ontario, Ann Cavoukian developed. These principles have become a globally recognized framework for the protection of privacy. PbD seeks to proactively embed privacy

into the design specifications of information technologies, organizational practices and system architectures.

In 2020, we will pursue further PbD certification of our products and services where it will help our customers feel safe and respected online. We have developed a PbD curriculum for our product and service developers and recently added new technical components to that material, with a handbook of considerations when developing advanced technology such as AI, IoT and mobile apps.

Our privacy commitment

At TELUS, we believe that an important part of protecting privacy is to be clear about how we handle customers' personal information, and to make information about our approach easily accessible and understandable.

To help our customers understand our privacy practices, we have created information sources that explain those practices in our [online Privacy Centre](#), which was updated in 2019. This includes extensive information about our data handling practices and privacy commitments. We are committed to regularly reviewing this information to make certain the content is relevant and consistent with changing technologies and laws, and continues to meet our customers' evolving needs.

Online privacy resources for customers

Privacy centre	Provides information to help understand TELUS' privacy practices, data analytics and responsible AI, as well as best practices on how our customers can help to protect their information online, and more.
Privacy commitment	Without our customers' consent, we will not share their personal information with marketers of third-party products or services.
Privacy code	Explains privacy legislation and describes the broad privacy principles that we adhere to in handling customer and team member information.
Cookies notice	Describes the limited purposes for which we use cookies across TELUS' websites and applications.
Frequently asked question	Answers the most common customer questions we receive regarding TELUS' privacy practices.
Privacy management program	Identifies the ways we have operationalized our privacy commitments.
Contact	Customers can call us at 1-800-567-0000 or email us at privacy@telus.com for further information.

Privacy complaints

We received four privacy complaints filed with the Office of the Privacy Commissioner of Canada (OPC) in 2019. Two complaints

were cancelled, one complaint was determined to be not well-founded and we continue to work with the OPC regarding the remaining complaint.

Transparency

Accurate information about the nature and volume of personal information requests by law enforcement to private companies helps inform the ongoing global discussion about the collection and handling of personal information by government organizations. As a national telecommunications company, we routinely receive requests for information about our telecommunications customers from law enforcement agencies and other government organizations.

It is in that spirit that we have included our seventh annual Transparency Report in this report, which provides insight into our approach for responding to personal information requests as well as the volume and types of requests we receive. We are proud of our record of openly sharing with our customers the details about how we respectfully handle and secure their data.

The vast majority of the requests we received in 2019, and over the past few years, were for information to help find or communicate with someone in an emergency. Calls from a local police detachment or 9-1-1 Public Safety Answering Point (PSAP) operator, asking for help locating someone who is lost or suicidal are typical examples of this type of request. We responded to 54,220 calls from 9-1-1 PSAP operators and 3,223 calls from law enforcement agencies requesting information specific to an emergency event.

Apart from emergency circumstances, we must respond and only do respond when we are required by a lawful authority. Consistent with our customers first philosophy, TELUS will challenge information requests that go beyond what is lawful, in the interest of protecting customer data and privacy. For example, we will challenge any request or court order that we believe goes beyond what a judge is authorized to order under applicable legislation, such as the Criminal Code. We will only release confidential customer information when we are satisfied it is appropriate to do so. When necessary, we will take an issue to court.

In 2019, we challenged or declined to provide information in response to a total of 586 court orders because we thought the order was invalid or over-reaching.

The increase in requests for information – from approximately five per cent in 2017 to 10 per cent in 2018 and 11 per cent in 2019 – is mainly attributed to a change in legal name of a subsidiary from TELUS Communications Company to TELUS Communications Inc. The continued due care that law enforcement exercises in preparing their requests for records has contributed to minimizing the challenges to court orders that we have submitted. This highlights a positive trend in the protection of customer privacy.

Requests for information

Type of request	2019	2018	2017	2016
Court orders	6,069	4,858	4,785	4,678
Subpoenas	439	559	465	517
MLAT orders	4	2	3	1
Court orders/Subpoenas ¹	6,512	5,419	5,253	5,196
Emergency calls	74,065	60,935	57,704	58,721
Legislative demands	1,335	1,152	975	1,266
Total (excluding court orders)	81,912	67,506	63,932	65,183

¹ TELUS measures the number of requests in this category based on numbers of court orders or subpoenas received, rather than the number of impacted subscribers. Many court orders and subpoenas request information with respect to more than one TELUS subscriber.

MLAT Orders: requests take the form of an order issued by a Canadian court pursuant to the Mutual Legal Assistance in Criminal Matters Act and any applicable mutual legal assistance treaty (MLAT). Typically, these are requests for aid from a law enforcement agency in another country related to a criminal investigation and require an order from a Canadian court. We do not respond to requests that come directly from foreign agencies but will provide information if ordered to do so by a Canadian court.

Applicable law: *The Mutual Legal Assistance in Criminal Matters Act*, mutual legal assistance treaties with other countries.

Customer Name and Address Checks: requests for TELUS to provide basic customer information, such as customer name and address on a voluntary basis. These requests were usually made to identify an individual associated with a telephone number, most often so police can ensure they are serving a warrant on or arresting the correct individual.

In the 2014 decision of *R. v. Spencer*, the Supreme Court of Canada made it clear that a court order is required for TELUS to provide customer name and address information except in an emergency or where the information is published in a directory. Consequently, TELUS has not complied with any non-emergency requests for voluntary disclosure since this decision.

Applicable law: *Personal Information Protection and Electronic Documents Act (PIPEDA)*, CRTC rules with respect to customer confidentiality; see also applicable TELUS Service Terms and customer Privacy Commitment.

Emergency Calls: urgent requests for help locating or assisting where an individual's life or property is at imminent risk. For example, TELUS will provide police or other emergency responders with location information for TELUS wireless devices belonging to someone who is lost or in danger. More than half of such requests (57,529 in 2018) came from 9-1-1 call centres seeking help locating a caller in distress. The remaining 3,406 requests came from local police or emergency responders. In these cases, we provide only the information needed to respond to the emergency.

Applicable law: PIPEDA and CRTC rules with respect to customer confidentiality.

Internet Child Exploitation Emergency Assistance

Requests: in response to police requests, in the past, TELUS would disclose the name and address of a customer using an IP address to help the police investigate a real-time case of online child sexual exploitation. Previously, it was understood that such disclosure without a court order was permitted under Canadian law and TELUS' service terms. However, the Supreme Court of Canada in the *Spencer* case (referred to above) ruled that such disclosure requires a court order, except in an emergency. Accordingly, TELUS amended its practices in this regard.

Since that court decision, TELUS collaborated with law enforcement agencies to establish a new process to expedite the sharing of this critical information through court orders where children are in danger, while abiding by the spirit and language of the *Spencer* decision.

TELUS has always required a court order to provide customer information associated with an IP address in other cases.

Applicable law: PIPEDA, Criminal Code

Legislative Demands: requests for information by a government body where TELUS is required by applicable legislation to provide the information. For example, pursuant to the Income Tax Act, the Canada Revenue Agency may require TELUS to disclose certain customer information.

Applicable law: any federal or provincial legislation that authorizes a government body to compel information from TELUS.

To help our stakeholders better understand our privacy practices and our commitment to safeguarding customer personal information, we have published a list of Frequently Asked Questions (FAQs) as a supplement to our Privacy Commitment [on our website](#).

Regulatory compliance

We understand the important role regulation plays for our operating environment and to our customers. We continue to be an advocate for positive regulatory changes, demonstrating compliance with legislation, regulatory rules and requirements while delivering vital and reliable products and services. Our compliance differentiates us from our competitors.

The Canadian Radio-television and Telecommunications Commission (CRTC) decisions and court rulings continue to support the federal government's exclusive jurisdiction over telecommunications, including the construction, maintenance and operation of network infrastructure. These outcomes reaffirm that federal jurisdiction cannot be circumvented by municipal legislation. Such decisions and court rulings include:

- Telecom Decision, CRTC 2019-19, Municipal Rights-of-Way Bylaw and a proposed Municipal Consent and Access Agreement
- Telecom Decision CRTC 2019-31, City of Gatineau – Terms and conditions of a municipal access agreement with certain carriers
- Québec Court of Appeal ruling, Procureure générale du Québec c. Vidéotron, 2019 QCCA 840.

For further details on regulatory impacts to our business, see section 10.3 of our 2019 Annual Report.

Preventing spam and nuisance calls

Canada's anti-spam legislation (CASL) is intended to protect Canadians from spam (e.g., marketing emails, text messages) and other electronic threats, while allowing companies to compete in an increasingly digital world. We maintain a CASL compliance program that includes consent and form requirements that apply to commercial electronic messages sent to customers by or on behalf of TELUS. Our Unsolicited Telecommunications Rules (UTR) compliance program includes effective customer-controlled nuisance call filtering processes.

Our team members receive up to date training and education with respect to TELUS' CASL and UTR obligations to ensure compliance with CASL while also enabling customers to receive our products and services information in accordance with their preferences. Additionally, we have developed call control service, an advanced call filtering system that is very effective at blocking auto-dialed nuisance calls.

Net neutrality

The CRTC has an established net neutrality framework with respect to internet traffic and we remain in full compliance. The legislative framework for net neutrality is included in the Telecommunications Act as well as mandated in CRTC decisions governing internet traffic management practices and differential pricing practices.

In 2018, TELUS reported to the CRTC on its current internet traffic management practices and differential pricing practices, demonstrating how we are compliant. In 2019, the CRTC requested amended disclosure practices from TELUS, as well as others in our industry, which we have since completed.

Wireless and internet code

The CRTC's wireless code is a mandatory code of conduct for all retail mobile wireless voice and data services providers offering services to consumer and small business customers. The code sets baseline requirements for customer rights and service provider responsibilities. We submit a wireless code compliance report to the CRTC each year in accordance with their requirements.

The CRTC's mandatory internet code came into force in January 2020, for large facilities-based internet service providers that have retail fixed internet access. While the code sets baseline requirements for customer rights and service provider responsibilities, we strive to exceed these baseline elements as part of our customers first commitment.

Accessibility

We work to make certain that our products and services are accessible to all of our customers. We believe in integration and equal opportunity and are committed to meeting the needs of people with disabilities. We will do this by preventing and removing barriers to accessibility, and meeting and exceeding legislated accessibility requirements.

In this effort, we conduct third party audits of wireless devices on a regular basis against a list of individual accessibility features and against 11 accessibility personas. We list the mobile devices that have passed through our accessibility audits and support accessibility features [on our website](#). We also ensure that any new TELUS apps and web pages follow accessibility guidelines and standards.

In 2019, the Accessible Canada Act (ACA) came into force, which created a framework for governance bodies to develop, report on and enforce accessibility requirements to priority areas (e.g., employment and built environment), as well as monitor implementation. The ACA will require organizations governed by

federal law, such as TELUS, to develop an accessibility plan, which needs to be updated every three years and include a feedback process as well as published progress reports. We are actively involved in the development of regulations under the ACA and are at the forefront of government and industry led consultations.

Our accessibility policy is available online, and a full description of our various products and services can be found [on our website](#).

Wireless public alerting

TELUS is a proud supporter of the wireless public alerting system which provides wireless customers with immediate notice of an emergency that is occurring, or about to occur, in their local area. Further details of Canada's emergency public alerting system and a demonstration of how the alert appears and sounds on a wireless device are available at the [Alertready.ca](#)

Broadcasting and copyright

In 2019, we secured a five-year renewal of our regional broadcasting distribution undertaking license serving areas in Quebec.

In 2019, we participated in the federal government's joint review of the Telecommunications Act and the Broadcasting Act by providing a written submission to the expert panel's call for comments. The panel has since released an interim report that provided a summary of the input it has received from industry and other stakeholders.

Copyright Act

"Notice and Notice" provisions in the Copyright Act require internet service providers to forward notices received from copyright-holders about alleged acts of copyright infringement

to relevant customers. We voluntarily forward notices of alleged infringement and have complied with Notice and Notice requirements since they came into force. In 2018, in the context of the Copyright Act review, TELUS advocated for changes to support automation of notice processing. The intent of these advocacy efforts, which remain ongoing, is to:

- Deter misuse of the regime by allowing internet service providers to charge a fee for notice forwarding
- Facilitate automation by having a statutory form of notice that rights holders are required to use when sending notices
- Reduce non-compliance risks by requiring that statutory damages awards be proportional to actual harm to rights holders and supported by evidence of bad faith.

The television service provider code, which came into effect in 2017, requires all television service providers to ensure their agreements and offers are clear and set out, among other things:

- The duration of promotional offers
- The price of the service once any discounts end
- Obligations placed on consumers if they accept the offer.

Political contributions

As a means of supporting the democratic process, TELUS may occasionally provide political contributions. Any contributions are made in accordance with all applicable laws, as well as our Code of Ethics and Conduct and our Political Contributions policy. In addition to annual TELUS disclosure in this report, details regarding political contributions are publicly available on applicable jurisdictions' election agency and campaign disclosure websites. We made no political contributions in 2019.

LIMITED ASSURANCE REPORT

To: The Board of Directors and Management of TELUS

Our scope of work

We have undertaken a limited assurance engagement of the accompanying selected corporate-wide and business unit information (Appendix A) included in TELUS' 2019 Sustainability Report (the Report) for the year ended December 31, 2019.

TELUS responsibility for the Sustainability Report

TELUS management is responsible for the collection and presentation of the disclosures and information set out in the Report. TELUS is also responsible for selecting the information as well as their presentation in the report. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of a sustainability report that is free from material misstatement, whether due to fraud or error.

Our independence and quality control

We have complied with the relevant rules of professional conduct / code of ethics applicable to the practice of public accounting and related to assurance engagements, issued by various professional accounting bodies, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies Canadian Standard on Quality Control 1, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our responsibility, assurance standards and key assurance procedures

Our responsibility is to express a limited assurance conclusion on the selected information in TELUS' 2019 Sustainability Report based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 developed by the International Federation of Accountants. As such, we planned and performed our work in order to provide limited assurance with respect to the selected information that we reviewed. Our criteria were based on the Global Reporting Initiative (GRI) Sustainability Standards 2016 (or GRI Standards). Our procedures included:

- interviewing relevant TELUS management and staff responsible for data collection and reporting;
- obtaining an understanding of the management systems, processes and the relevant controls used to generate, aggregate and report the data at TELUS regional operations and head office;
- reviewing relevant documents and records on a sample basis;
- testing and re-calculating information related to the selected information on a sample basis;
- assessing the information for consistency with our knowledge of TELUS operations, including comparing TELUS' assertions to publicly available third-party information; and,
- assessing the selected quantitative information noted in Appendix A and TELUS' self-declaration that it has met the Core level of conformance with the Global Reporting Initiative (GRI) Sustainability Standards 2016 (GRI Standards) requirements. The GRI Standards definitions can be found at www.globalreporting.org/standards/.

Environmental and energy use data are subject to inherent limitations of accuracy given the nature and the methods used for determining such data. The selection of different acceptable measurement techniques can result in materially different measurements. The precision of different measurement techniques may also vary

Limited assurance conclusion

Based on our work described in the Scope of Our Work section above and the evidence we have obtained, nothing has come to our attention that causes us to believe that the selected information is not presented fairly, in all material respects, in accordance with the relevant criteria.



Deloitte LLP
Chartered Professional Accountants
Vancouver, British Columbia, Canada
March 30, 2020

Appendix A – Selected corporate-wide and business unit sustainability information

The following selected sustainability information were included in our limited assurance engagement of TELUS' Corporate Social Responsibility Report for the year ended December 31, 2019.

GRI Standard	Performance indicator	Coverage	2019 value
102-8	Total workforce – By region	Company-wide	British Columbia: 7,796 Alberta: 5,659 Saskatchewan: 125 Manitoba: 145 Ontario: 7,624 Quebec: 5,798 Newfoundland & Labrador: 136 New Brunswick: 72 Nova Scotia: 133 NWT: 4 International: 38,102 Total: 65,594
102-8	Total workforce – By employment type	Company-wide	Permanent (Canada): 26,778 Temporary (Canada): 714 Permanent (International): 37,461 Temporary (International): 641 Total: 65,594 Silent Generation: (C) 4 (Intl) 4 Baby Boomers: (C) 3,261 (Intl) 435 Generation X: (C) 10,655 (Intl) 3,843 Millennials: (C) 13,533 (Intl) 33,050 Generation Z: (C): 39 (Intl): 770 Total: 65,594
102-41	Unionization - Percent of workforce unionized	Company-wide	TELUS domestic: 33% TELUS International: 0%
201-1	Community investment	Company-wide	\$54,517,092
205-2	Percent of employees completing ethics training	Company-wide	100%
205-3	Inquiries and complaints relating to the company's ethics policy	Company-wide	619
205-3	Number of concerns determined to be breaches of the ethics policy	Company-wide	141
301-1	Paper purchased	Canada	9,228,500 sheets
302-1	Total energy use – Direct sources	Company-wide	277,077 kwh (000s)
302-1	Total energy use – Indirect sources	Company-wide	848,801 kwh (000s)
305-1	Total direct greenhouse gas emissions	Company-wide	61,393 tonnes CO ₂ e
305-2	Total indirect greenhouse gas emissions	Company-wide	256,497 tonnes CO ₂ e
305-3	Air travel greenhouse gas emissions	Company-wide	9,210 tonnes CO ₂ e
306-3	Number of reportable spills and releases	Canada	39
306-3	Number of non-reportable spills and releases	Canada	163

306-3	Total volume of spills and releases	Canada	Liquids: 2,125 litres, Gases: 1,791 kg
401-1	Employee turnover rate	Canada	Overall voluntary: 10.7% Involuntary: 3.7% Total: 14.4% Female: 15.6% Male: 13.6% Baby Boomers: 17.1% Generation X: 7.4% Millennials: 19.4%
403-2	Lost time accident rate	Canada	0.62
403-2	Absenteeism rate	Canada	6.10
404-1	Average annual learning hours	Canada	Overall: 9.21 Males: 11.0 Females: 6.29 BU: 11.5 MP: 6.4 Retail: 16.1 Single Contributor: 8.7 Middle Manager: 15.4 Senior Manager: 5.6
405-1	Workforce demographics – Gender and minorities as a percent of TELUS workforce	Canada	Women overall: 34.7% Visible minorities overall: 30.1% Persons with disability overall: 5.5% Aboriginal overall: 3.6%
406-1	Number of human rights cases opened and closed	Canada	Carried over from previous year: 18 New cases opened: 22 Cases closed: 16 Cases still in progress: 24

TELUS 2019 SASB DISCLOSURE

This index relates to items suggested for disclosure by the Sustainability Accounting Standards Board (SASB) – Telecommunication Services industry classification. TELUS seeks to report on topics that align with our business model and are important to our stakeholders.

Data and information can be found in our annual sustainability report with links and page numbers provided below. In some cases, indicators suggested by the guidelines are not applicable, or the information is considered to be competitively sensitive and is therefore not disclosed.

See our annual sustainability and annual reports for information on scope for relevant indicators.

Table 1: Sustainability Disclosure Topics & Accounting Metrics

Standard	Activity Metric	Measurement/Omission	2019	2018	SASB Code
Environmental Footprint of Operations	Total energy consumed	Megawatt hour (eMWh), Percentage (%)	2019 Sustainability Report: page 30	2018 Sustainability Report, page 41	TC-TL - 130a.1
Environmental Footprint of Operations	Percentage grid electricity	Megawatt hour (eMWh), Percentage (%)	2019 Sustainability Report: page 30	2018 Sustainability Report, page 41	TC-TL - 130a.1
Environmental Footprint of Operations	Percentage renewable energy	Megawatt hour (eMWh), Percentage (%)	2019 Sustainability Report: page 30	2018 Sustainability Report, page 41	TC-TL - 130a.1
Data Privacy	Description of policies and practices relating to behavioural advertising and customer privacy	Percentage (%)	2019 Sustainability Report: page 73-77	2018 Sustainability Report, page 95-100	TC-TL - 220a.1
Data Privacy	Number of customers whose information is used for secondary purposes	TELUS uses customer personal information only for purposes for which we have the customer's express or implied consent or as otherwise authorized or required by law.	N/A	N/A	TC-TL - 220a.2
Data Privacy	Total amount of monetary losses as a result of legal proceedings associated with customer privacy	This response does not include any legal fees or costs incurred to defend claims. ¹	\$0	\$0	TC-TL - 220a.3
Data Privacy	(1) Number of law enforcement requests for customer information, (2) number of customers whose information was requested, (3) percentage resulting in disclosure	Number, Percentage (%)	2019 Sustainability Report: page 74	2018 Sustainability Report, page 95-100	TC-TL - 220a.4
Data Security	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of customers affected	Disclosure of the number of data breaches could be misleading, as some actions may not involve a company's direct fault (outside of a liability context), such as third party breaches. Please refer to TELUS' Privacy Management Program Framework for more details on how TELUS safeguards customer data.	N/A	N/A	TC-TL - 230a.1
Data Security	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	Discussion	2019 Sustainability Report: page 73-77	2018 Sustainability Report, page 95-100	TC-TL - 230a.2
Product End-of life Management	1) Materials recovered through take back programs, percentage of recovered materials that were (2) reused, (3) recycled, and (4) landfilled	Metric tons (t), Percentage (%)	2019 Sustainability Report: page 34-35	2018 Sustainability Report, page 44	TC-TL - 440a.1

Competitive Behaviour & Open Internet	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behaviour regulations	Discussion	2019 Annual Information Form: section 10	2018 Annual Information Form, page 19 - section 10	TC-TL - 520a.1
Competitive Behaviour & Open Internet	Average actual sustained download speed of (1) owned and commercially-associated content and (2) non-associated content	Megabits per second (Mbps)	2019 Annual Report: page 15	2018 Annual Report, page 3, 50, 52, 55	TC-TL - 520a.2
Competitive Behaviour & Open Internet	Description of risks and opportunities associated with net neutrality, paid peering, zero rating, and related practices	Discussion	2019 Sustainability Report: page 73-77	2018 Sustainability Report, page 95-100	TC-TL - 520a.3
Managing Systemic Risks	1) System average interruption frequency	Total number of customer interruptions divided by total number of customers	2019 Sustainability Report: page 20	Not disclosed – 2019 is the first year that TELUS has reported on this metric.	TC-TL - 550a.1
Managing Systemic Risks	(2) Customer average interruption duration	Sum for all interruptions of the total downtime of each interruption multiplied by the number of customer accounts affected by each interruption	2019 Sustainability Report: page 20	Not disclosed – 2019 is the first year that TELUS has reported on this metric.	TC-TL - 550a.1
Technology Disruptions	Discussion of systems to provide unimpeded	Discussion	2019 Sustainability Report: page 19-23	2018 Sustainability Report, page 72-73	TC-TL - 550a.2

¹ This indicator applies to Canada only

Table 2. Activity Metrics

Standard	Measurement	2019	2018	SASB Code
Number of wireless subscribers	Number	2019 Annual Report: page 22	2018 Annual Report, page 65	TC-TL-000.A
Number of wireline subscribers	Number	2019 Annual Report: page 24	2018 Annual Report, page 65	TC-TL-000.B
Number of broadband subscribers	Number	2019 Annual Report: page 24-25	2018 Annual Report, page 49	TC-TL-000.C
Network traffic	Petabytes	This information is considered to be competitively sensitive and is therefore not disclosed		TC-TL-000.D

TELUS 2019 GRI DISCLOSURE

This report has been prepared in accordance with the Global Reporting Initiative Standards Core Option and we have engaged Deloitte LLP as our independent assurance providers in relation to this information. The index below lists where you can find information related to each GRI criterion – either in the 2019

Sustainability Report (SR), the TELUS 2019 Annual Report (AR), the 2019 Annual Information Form (AIF), or the 2020 Information Circular (IC).

Information contained in the 2019 Sustainability Report covers January 1 to December 31, 2019, unless otherwise stated.

General Disclosure	Standard Indicator or disclosure	Report Location	Comment/Omission
Organizational Profile	GRI 102-1 Name of organization	AIF page 6	
	GRI 102-2 Activities	AR page 22-30, AIF page 6	
	GRI 102-3 Headquarters location	AIF page 6	
	GRI 102-4 Location of operations	SR page 65-67	
	GRI 102-5 Ownership and legal form	AIF page 6	
	GRI 102-6 Markets served	AR page 58-59 SR page 65-67	
	GRI 102-7 Scale of organization	SR page 64-67, AR page 58-59	
	GRI 102-8 Employee information	SR page 64-67	For International operations, no significant portion of activities are performed by non-employees, nor are there significant variations in employee data shared within this table. Data is compiled using Human Resource tracking systems.
	GRI 102-9 Supply Chain	SR page 10, 70-72	
	GRI 102-10 Significant changes to organization or supply chain	AR page 46-47	
Commitments to External Activities	GRI 102-11 Precautionary principle or approach	SR page 21, 27, 87, AIF page 11	
	GRI 102-12 External initiatives	SR page 1	
	GRI 102-13 Memberships	AR page 56	
Strategy and Analysis	GRI 102-14 Statement from Senior Decision Maker	SR page 2-7	
Ethics and Integrity	GRI 102-16 Organizational Values, principles, standards, norms of behaviour	SR page 8-12, AR 20-30	
Governance	GRI 102-18 Governance Structure and Composition	IC page 36-38, AR 32-33, SR page 14-15	
Stakeholder Engagement	GRI 102-40 List of stakeholders	SR page 11,16	
Organizational Profile	GRI 102-41 Collective bargaining agreements	SR page 61-62	
Stakeholder Engagement	GRI 102-42 Identifying and selecting stakeholders	SR page 10-11,16	
	GRI 102-43 Approach to stakeholder engagement	SR page 10-11,16	
	GRI 102-44 Key topics and concerns raised	SR page 11-12,16	

Identified Material Aspects and Boundaries	GRI 102-45 Entities included in consolidated financial statements	AR page 120-127	
	GRI 102-46 Defining report content and topic boundaries	SR page 1	
	GRI 102-47 List of material topics	SR page 11-12	
	GRI 102-48 Restatements of information	SR page 1	
	GRI 102-49 Changes in reporting	SR page 1	
Report Profile	GRI 102-50 Report content	SR page 1	
	GRI 102-51 Date of most recent report	SR page 1	
	GRI 102-52 Reporting cycle	SR page 1	
	GRI 102-53 Contact for report questions	SR page 1	
	GRI 102-54 Reporting in accordance with GRI standards	SR page 1	
	GRI 102-56 External assurance	SR page 1, 78-80	
Management Approach	Standard Indicator or disclosure	Report Location	Comment
Management approach	GRI 103-1 Explanation of material topic and its boundaries	N/A	Approaches for GRI Standards Specific Topics as indicated below in this table are disclosed in each relevant section in the report together with explanations regarding why they are significant
	GRI 103-2 Management approach and its components	N/A	Each relevant section in the report discloses applicable strategies, policies, procedures and KPIs
	GRI 103-3 Evaluation of management approach	N/A	At the end of each section we discuss plans for 2020 as part of our continuous evaluation process
Material Topics	Standard Indicator or disclosure	Report Location	Comment
Economic			
Economic Performance	GRI 201-1 Direct economic value generated and distributed	AR page 36-41, SR page 47, 49-53	
	GRI 201-2 Financial implications and other risks and opportunities due to climate change	AIF page 11-14	
	GRI 201-3 Defined benefit plan obligations and other retirement plans	SR page 58-59, AR page 159-165	
	GRI 201-4 Financial assistance received from government	AR page 151	
Indirect economic impacts	GRI 203-1 Infrastructure investment and services supported	SR page 49-53, AR page 54-57	
	GRI 203-2 Significant indirect economic impacts	SR page 41-46, 49-53	
Procurement practices	GRI 204-1 Proportion of spending on local suppliers	SR page 72	We define local as within Canada.
Anti-corruption	GRI 205-1 Operations assessed for risks related to corruption	SR page 1, 12, 18-19, 71	
	GRI 205-2 Communication and training about anti-corruption policies and procedures	SR page 18-19, 64-66, IC page 22-28	
	GRI 205-3 Confirmed incidents of corruption and actions taken	SR page 18-19	
Anti-competitive behaviour	GRI 206-1 Legal actions for anti-competitive behaviour, antitrust and monopoly practices	AR page 116, AIF page 21	

Environment			
Materials	GRI 301-1 Materials used by weight or volume	SR page 36	TELUS is not a manufacturer therefore this is not applicable. However, we do report on our office paper purchases, including weight, volume and renewable materials used. We do not disclose data on the content of the packaging used in the products we sell.
Energy	GRI 302-1 Energy consumption within the organization	SR page 30-32	Aggregate totals are reported.
	GRI 302-2 Energy consumption outside the organization	SR page 30-32	Aggregate totals are reported.
	GRI 302-3 Energy intensity	SR page 30	
	GRI 302-4 Reduction in energy consumption	SR page 29-31	
Water and effluents	GRI 303-1 Water withdrawal by source	SR page 37	
Emissions	GRI 305-1 Direct (Scope 1) GHG emissions	SR page 32	
	GRI 305-2 Indirect (Scope 2) GHG emissions	SR page 32	
	GRI 305-3 Other Indirect (Scope 3) GHG emissions	SR page 32-33	
	GRI 305-4 GHG emissions intensity	SR page 32	
	GRI 305-5 Reduction in GHG emissions	SR page 29, 32-33	
Effluents and waste	GRI 306-2 Waste by type and disposal method	SR page 34-36	
	GRI 306-3 Significant spills	SR page 39	
Environmental compliance	GRI 307-1 Non-compliance with environmental laws and regulations	SR page 38-39	
Supplier environmental assessment	GRI 308-1 New suppliers screened using environmental criteria	SR page 70-71	
	GRI 308-2 Negative environmental impacts in supply chain and actions taken	SR page 70-71	Number of suppliers assessed is disclosed but percentage unavailable due to data access issues for suppliers otherwise engaged.
Society			
Employment	GRI 401-1 New employee hires and employee turnover	SR page 56	Turnover by age group and gender uses a methodology described in the report and is only reported for domestic (Canadian) employees. Number of newly hired employees is not reported.
	GRI 401-2 Benefits provided	SR page 58-59	
Labour/Management relations	GRI 402-1 Minimum notice periods regarding operational changes	SR page 61-62	
Occupational health and safety	GRI 403-2 Rates of injury	SR page 60	Lost day and absentee rates are not broken down by region, gender or type of injury/ occupational disease.
Training and education	GRI 404-1 Average hours of training per year per employee	SR page 57	
	GRI 404-2 Programs for upgrading employee skills and transition assistance programs	SR page 57-58	
	GRI 404-3 Percentage of employees receiving regular performance and career development reviews	SR page 57-58	
Diversity and equal opportunity	GRI 405-1 Diversity of governance bodies and employees	SR page 15, 65-68, IC page 20	Employee data is broken out by age, gender and location
Non-discrimination	GRI 406-1 Incidents of discrimination and corrective actions taken	SR page 62-63	

Freedom of association and collective bargaining	GRI 407-1 Operations and suppliers in which freedom of association and collective bargaining may be at risk	SR page 61-62, 70-71	
Child labour	GRI 408-1 Operations and suppliers at significant risk for incidents of child labour	SR page 70-71, 62-64	See our UNGC Communication on Progress .
Forced and compulsory labour	GRI 409-1 Operations and suppliers at significant risk for incidents of forced and compulsory labour	SR page 70-71, 62-64	See our UNGC Communication on Progress .
Security practices	GRI 410-1 Security personnel trained in human rights policies and procedures	SR page 18-19, 64	
Rights of Indigenous Peoples	GRI 411-1 Incidents of violations involving rights of Indigenous Peoples	SR page 17	TELUS does not have human rights violations against Indigenous Peoples.
Rights assessment	GRI 412-1 Operations that have been subject to human rights reviews or impact assessments	SR page 62-64	
	GRI 412-2 Employee training on human rights policies or procedures	SR page 18-19, 62-64	All team members receive annual ethics training, which includes a review of our Respectful Workplace Policy and our human rights policies. The specific number of hours required to complete this training is not tracked.
	GRI 412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	SR page 71	
Supplier social assessment	GRI 414-1 New suppliers that were screened using social criteria	SR page 70-71	All new suppliers engaged through major procurement contractual templates have TELUS' Supplier Code of Conduct included. Percentage unavailable due to data access issues for suppliers otherwise engaged.
	GRI 414-2 Negative social impacts in the supply chain and actions taken	SR page 70-71	Numbers of suppliers assessed is disclosed but percentage unavailable due to data access issues for suppliers otherwise engaged.
Public policy	GRI 415-1 Political contributions	SR page 77	
Customer health and safety	GRI 416-1 Assessment of the health and safety impacts of products and service categories	SR page 39-40, AR page 113	TELUS does not have a mechanism in place nor have we assessed or reported on lifecycle stages or health and safety of the products we sell. However, our products and services are approved if required by all legal/governing bodies relevant to the product or service that we provide.
Society – Marketing and labeling	GRI 417-1 Requirement for product and services information and labeling	SR page 35, 38-40	Percentage data not available.
	GRI 417-3 Incidents of non-compliance concerning marketing communications	AR page 116, AIF page 21	From time to time there may be some certified or uncertified class action lawsuits with respect to non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship.
Customer privacy	GRI 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	SR page 73-74	
Socioeconomic compliance	GRI 419-1 Non-compliance with laws and/or regulations in the social and economic arena	AR page 116, AIF page 21	

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This sustainability report contains forward-looking statements. Forward-looking statements include any statements that do not refer to historical facts and are typically identified by the words “goal”, “objective”, “plan”, “intend”, “strategy” and other similar expressions. They include, but are not limited to, statements in the report relating to our sustainability goals and the United Nations Sustainable Development Goals, and statements relating to our business plans and objectives such as statements about business continuity plans, investment in and expansion of our network, energy reduction initiatives, environmental remediation targets, and plans to implement best practices as we integrate acquired businesses.

By their nature, forward-looking statements are subject to inherent risks and uncertainties and are based on assumptions, including assumptions about future economic conditions and courses of action. These assumptions may ultimately prove to have been inaccurate and, as a result, our actual results or events may differ materially from our expectations expressed in or implied by the forward-looking statements. There can be no assurance that TELUS will achieve its goals or objectives.

Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could also cause actual future performance and events to differ materially from

those expressed in the forward-looking statements. These factors include, but are not limited to:

- Regulatory developments and government decisions
- The competitive environment
- The impact of technological substitution
- Capital expenditure levels and potential outlays for spectrum licenses
- Economic performance in Canada
- Our earnings and free cash flow
- Business continuity events

Accordingly, this document is subject to the disclaimer and qualified by the assumptions, qualifications and risk factors described in detail in the annual Management’s discussion and analysis included in our 2019 Annual Report and in other TELUS public disclosure documents and in filings with securities regulatory authorities in Canada (on SEDAR at sedar.com) and in the United States (on EDGAR at sec.gov).

Except as required by law, TELUS disclaims any intention or obligation to update or revise forward-looking statements. Forward-looking statements in this report are presented for the purpose of assisting our stakeholders in understanding certain of our sustainability goals and objectives in the context of our anticipated operating environment. Such information may not be appropriate for other purposes.