

The United Nations has developed a global agreement, or compact, to help businesses align their operations and strategies with 10 universally accepted principles in the areas of human rights, labour, the environment and anti-corruption. TELUS supports the compact and we align our report with its principles. We became a signatory of the UNGC in 2010 and continued our support throughout 2013.

We committed to spearheading the Canadian Chapter of the UNGC in late 2012, and the Chapter was officially launched in 2013. As a patron member of the Global Compact Network Canada (GCNC), TELUS further demonstrated our commitment to the Principles of the UNGC. The Global Compact Network Canada (GCNC) offers the Canadian business and non-business sectors a unique opportunity to learn and exchange best practices in corporate responsibility within the network and among global peers. In doing so, we build the capacity of the Canadian corporate sector, empowering companies to embrace the UNGC's principles within their national and global operations.

## **Corporate Sustainability, Governance & Leadership**

### **Strategy**

#### ***Sustainability implementation and oversight***

TELUS is committed to Corporate Social Responsibility (CSR) and sustainable growth. Our triple-bottom-line approach balances economic growth with environmental and social goals. We are delivering on our future friendly® brand promise by putting customers first on our journey to become a global leader in the likelihood our customers recommend our products, services and people.

We follow the [Global Reporting Initiative \(GRI\)](#) definition of CSR, which is:

*'A firm's accountability to internal and external stakeholders for organizational performance towards the goal of sustainable development.'*

As signatories to the [United Nations Global Compact](#) (UNGC) and by having our reporting aligned to GRI guidelines, we are using international frameworks that both inform our strategy and help us communicate our progress to our stakeholders. This allows TELUS to achieve important goals:

- Integration of our sustainability strategy with universal principles and international standards
- Demonstration of our CSR commitment through policies, processes, and disclosure
- Providing stakeholders with focused, comprehensive and transparent information about our sustainability performance
- Standardization of our CSR report.

Overall responsibility for our CSR performance resides with [TELUS' Executive Leadership Team](#). In 2006, a CSR leadership team representing all TELUS business units was established and this team of senior leaders continues to foster a culture of sustainability. The team meets regularly to review progress against CSR objectives and assess new or ongoing initiatives. The team focuses on further entrenching CSR practices, measures and objectives throughout our Company. We provide progress reviews each quarter to the Corporate Governance Committee of [TELUS' Board of Directors](#) as well as updates to the Audit Committee on CSR reporting progress, typically in the first quarter of each year.

TELUS' Executive Leadership Team and our Chief Sustainability Officer (appointed in 2013) are responsible for the approval of the overall strategic direction of our CSR programs. Our annual CSR report discloses our performance and commitments for the future. Furthermore, our report is a catalyst for gathering stakeholder feedback on our programs and performance.

For a full statement of TELUS' corporate governance practices, including our Board policy manual and disclosure regarding our governance practices compared to those required by the NYSE, refer to our TELUS 2014 information circular or visit the governance section on our [website](#).

## ***Value Chain Implementation***

TELUS adheres to strict environmental and social standards and we expect our suppliers to do the same. There are three ways that TELUS identifies and supports the sustainability of our partners in our supply chain:

- Supplier Risk Assessment Survey: surveys are sent to our suppliers and include questions that identify the environmental and social risks and impacts of their processes and operations. Questions are objective with certain responses raising a 'risk' flag that TELUS follows up on within 30 to 90 days depending on its severity.
- Supplier Code of Conduct: our suppliers are contractually obligated to abide by the Code and are expected to demonstrate a commitment to sustainable development by adopting ethical, labour, health and safety, and environmental principles that align with ours and ensure the well-being of their employees, contractors and communities.
- TELUS' Environmental Policy: suppliers are expected to be aware of the policy and relevant aspects of our environmental management system, which aligns with the ISO 14001:2004 standard.

In addition to integrating successful sustainability initiatives into our supply chain, we support our suppliers' efforts to do the same. We integrate our [Supplier Code of Conduct](#) in all contracts, manage and monitor risk through supplier risk assessments and use our ComplyWorks management tool to connect suppliers and contractors to TELUS so that we can monitor compliance with our business processes and policies.

Our supply chain governance work begins when we assess potential business partnerships using a sustainability index. We complete this assessment of potential vendors by gauging their responses to questions related to:

- Transparency and disclosure
- Social and environmental impact
- Human rights and labour
- Use of natural resources and climate change impact.

There is a growing expectation from stakeholders that we better understand potential risks in our supply chain, and improve supply chain sustainability. Our goal in 2013 was to consider our business partners' operations within our supply chain and assess the risk levels associated with these relationships. TELUS has thousands of external business partners, so we targeted the top 100 partners defined as critical to our business operations. We designed a TELUS supplier risk questionnaire to assess risk associated with governance as well as the social and environmental practices of our external business partners. Through our risk assessment we wanted to influence our suppliers and contractors through our purchasing policy and improve their performance in the risk areas we identified. We also wanted to:

- Gain a better understanding of our suppliers commitment to corporate social responsibility
- Demonstrate our own commitment to understanding risks.

We achieved a 47 per cent response rate for our survey and after required follow up, none of the respondents were identified as having risk concerns. This response rate is in line with other industry surveys. For example, the average supplier response rate for all companies participating in the Carbon Disclosure Project's Supply Chain Program was 44 per cent in 2011 and 39 per cent in 2012.

In 2014, we plan to work with a third party supply chain management company to continue our risk assessment efforts. We intend to focus on efficiency of survey delivery, data collection and management as well as improved categorization of risks based on supplier responses. We are setting a target of a 65 per cent response rate for our risk assessment surveys in 2014.

Our partner will also work with us to enhance [conflict mineral](#) compliance in our supply chain. They will implement a program to collect, assess and report data from our suppliers related to the sourcing of Tin, Tantalum and Tungsten and Gold (3TG) and provide us with:

- Reasonable country of origin inquiries and due diligence when required for suppliers for conflict minerals, back to the smelter or origin
- Mapping and visualization of each traced supply chain and auditable documentation
- Assessment of all smelters identified through tracing
- Data mining to identify warning signs and other circumstances that may indicate that 3TG minerals are entering our supply chain.

To achieve best-in-class status, we collaborate with and support vendors in our supply chain to be efficient, flexible and capable of meeting customer demands regardless of vendor issues that have the potential to affect our customers. We believe that by forging relationships with suppliers that have similar sustainability values built into their strategy, and by actively supporting vendors to keep improving their processes, we will build a robust and low-risk supply chain.

### **Implementing the UNGC Ten Principles into Strategy & Operations**

#### **Human rights**

**UNGC Principle 1: Businesses should support and respect the protection of international human rights within their sphere of influence.**

TELUS has a long-standing commitment to respecting and protecting human rights as outlined in our Ethics policy and reflected in our respectful workplace, employment equity and diversity practices.

The [TELUS Ethics policy](#) ties together all policies regulating business behaviour and provides guidelines for the standards of ethical conduct by all team members, including officers and members of the TELUS Board of Directors, wherever we conduct business. The Ethics policy, which is updated and published annually, formalizes our commitment to safeguard internationally proclaimed human rights. Further details are provided for team members in our Respectful Workplace policy.

In addition to complying with these two policies, our International [operations](#) follow local legislation that protects human rights in all jurisdictions where we operate.

Each year, TELUS requires its team members and contractors to complete an online training course that outlines key aspects of the Ethics, Respectful Workplace, Security and Privacy policies. Entitled *Integrity 2013*, the course was completed by all team members and over 97 per cent of contractors, compared to 92 per cent in 2012. TELUS has also implemented specific training based upon its Respectful Workplace policy.

TELUS has several processes in place to further monitor company practices:

- Collective agreements that set out the steps of grievance and arbitration processes available to team members
- An internal complaints procedure about respectful workplace practices that are investigated and addressed by the Respectful Workplace office, and reported quarterly to the Human Resources and Compensation Committee of [TELUS' Board of Directors](#)
- The TELUS [EthicsLine](#), which 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 Ethics policy, government law or regulation, questionable business practice or accounting/auditing matter.

TELUS' [Supplier Code of Conduct](#) (SCOC) sets out social and environmental practices that TELUS business partners must adhere to. The code aligns to the 10 principles of the UNGC. We expect our suppliers to:

- Comply with applicable laws and regulations wherever they operate
- Follow recognized standards of behaviour
- Advance social and environmental responsibilities
- Operate consistently with TELUS' commitment to being a leading corporate citizen
- Make certain their affiliates, suppliers, employees and contractors perform obligations to TELUS that are in line with the ethical standards set out in this code.

Additionally, TELUS became a signatory of the UNGC in 2010 and continued our support throughout 2013. We committed to spearheading the Canadian Chapter of the UNGC in late 2012, and the Chapter was officially launched in 2013. As a patron member of the Global Compact Network Canada (GCNC), TELUS further demonstrated our commitment to the Principles of the UNGC.

The Global Compact Network Canada (GCNC) offers the Canadian business and non-business sectors a unique opportunity to learn and exchange best practices in corporate responsibility within the network and among global peers. In doing so, we build the capacity of the Canadian corporate sector, empowering companies to embrace the UNGC's principles within their national and global operations.

*"TELUS has played a critical role in establishing the Global Compact Network Canada as a leading corporate responsibility initiative in Canada, since we began to design and launch the local network in early 2013," said Helle Bank Jorgensen, head, Global Compact Network Canada. "TELUS' leadership in collaborating with other Canadian companies has played a key role in the 15% growth the network has seen in 2013. I commend TELUS' leadership in organizing and pursuing a national working group on communication for 2014 and look forward to continuing to collaborate."*

TELUS has a [Supplier Diversity](#) program which encourages economic development and provides more opportunities for ethnic minority, Aboriginal, and/or female-led organizations to bid for our business. The program helps us provide equal access to diverse suppliers that are reflective of our customers and communities. In 2013, TELUS strengthened its Supplier Diversity program through a number of initiatives, including:

- Providing thought leadership to the [Canadian Aboriginal and Minority Supplier Council](#) (CAMSC) and [WEConnect](#) in policy development and growth of supplier diversity in Canada
- Working alongside the [Canadian Gay and Lesbian Chamber of Commerce](#) (CGLCC) to develop a program for recognizing and certifying Lesbian Gay Bisexual Transgender, Queer and Allies (LGBTQA) owned companies.

Additionally, CAMSC awarded TELUS the Corporation of the Year, an award that recognizes corporations that actively include certified Aboriginal and minority suppliers in their procurement opportunities, assists in the development of these suppliers and promotes supplier diversity and business development within their corporation and to their vendors and other businesses organizations.

In 2014, we will continue to evolve our Supplier Diversity program by continuing to have our team members serve on the Board of both CAMSC and WEConnect and working with our strategic partners to encourage them to integrate diversity into their procurement and supply chain management policies and practices.

As part of our commitment to supplier diversity and developing longstanding partnerships with suppliers that mirror our core leadership values, we are constantly evolving our Supplier Diversity Mentorship program, which launched in 2013. TELUS invited all CAMSC, WEConnect and CGLCC certified suppliers to participate in this 12-month program with two key components:

- Executive Protégé program: six diverse suppliers and certified companies work with top TELUS executives to develop targeted strategies to strengthen and grow the partnering business
- Protégé Training and Development: we provide participants with the tools to be successful including access to workshops and a Protégé toolkit.

In 2013, TELUS incorporated supplier diversity metrics into senior leader's performance scorecards, driving variable pay and directly affecting their compensation. We also introduced an awareness campaign internally, which includes:

- Twice annual strategic reviews with our president and CEO
- Procurement and Supply Chain management team monthly meetings
- Training and awareness workshops for all team members
- Program success and updates through internal social media platforms.

Externally, we focused on hosting and participating in events that will guide our future planning in this area. These included:

- Enrollment in CAMSC's Corporate Learning Centre (completing four of six learning modules)
- Attendance and sponsorship of CAMSC's Diversity Procurement Fair and Betting on Diversity event
- Hosting the LGBTQA Supplier Diversity Workshop
- Hosting the CGLCC Corporate Roundtable
- Attendance at the CAMSC awards dinner.

### **UNGC Principle 2: Businesses should make sure that they are not complicit in human rights abuses.**

TELUS' focus on respect in the workplace is an indication of our commitment to creating a positive, professional and safe working environment and is a cornerstone of our leadership values and culture. When employees respect each other, we improve work relationships, enhance teamwork and increase productivity. In support of this priority, TELUS launched the Respectful Workplace Office in 2004, which oversees our Respectful Workplace policy and works to resolve issues.

Each year, key points from TELUS' Respectful Workplace policy are covered in the mandatory Integrity training course. In addition, all newly hired employees are provided training on the policy. Our overriding goals are to help team members understand the law, and what is considered acceptable behaviour at work as well as the protections and processes available to them should an inappropriate workplace issue arise.

TELUS analyzes complaints filed by team members with the [Canadian Human Rights Commission](#) to determine if there are any internal practices that are causing concern and require attention.

We have updated our [Supplier Code of Conduct](#) and expect our suppliers to evaluate the origin or source of their materials throughout their supply chains to reasonably assure that they have not been obtained in any illegal or unethical manner. In particular, our suppliers must have a policy to reasonably assure that the tantalum, tin, tungsten and gold, or other rare earth minerals in their products, do not directly or indirectly finance or benefit armed groups that are perpetrators of human rights abuses in the Democratic Republic of the Congo or an adjoining country. Suppliers are expected to exercise due diligence on the source and chain of custody of these minerals and make their due diligence measures available to TELUS upon request.

TELUS engages in ongoing monitoring and measurement of human rights integration such as implementation of our [Supplier Code of Conduct](#), regular risk and control assessment processes and through other forms of stakeholder engagement and communicates our progress in our annual [CSR Report](#).

## **Labour standards**

### **UNGC Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.**

TELUS upholds our employees' right to freedom of association at the workplace and maintains a constructive dialogue with all labour unions and work councils active in our operations.

[TELUS team members](#) across Canada are represented by four different unions: the Telecommunications Workers Union (TWU), the Syndicat Québécois des employés de TELUS (SQET), the Syndicat des agents de maîtrise de TELUS (SAMT) and the B.C. Government and Services Employees' Union (BCGEU). The agreement with the TWU, which expires on December 31, 2015, covers approximately 10,924 team members across Canada and uniquely, is the only nationwide collective agreement in the wireless and wireline telecom industry.

Additionally, we have 1,515 team members represented by the SQET and the SAMT in the province of Quebec under three separate collective agreements (one with the SQET and two with the SAMT). The SQET contract, covering approximately 885 trades, clerical and operator services team members, expires December 31, 2014. We expect to begin collective bargaining with SQET in the fall of 2014.

Our subsidiary, TELUS Sourcing Solutions Inc., is a signatory to a collective agreement with the BCGEU, which covers approximately 60 team members. That contract came into effect on May 1, 2013 and expires on April 30, 2016.

#### ***Union recognition through consultation***

TELUS strongly believes in building professional and respectful relationships with the bargaining agents representing our team members. Communications with the unions is recognized as an important element in nurturing these relationships. To that end, we have negotiated provisions in our collective agreements with the TWU and the SQET that establishes formal structured consultation committees and processes. In addition to the regular information sharing with unions in 2013, there were approximately six consultation sessions with unions at the executive level to discuss emerging strategic issues in the telecom industry.

Additionally, TELUS endeavors to provide advance notice to its unions and affected team members regarding operational changes such as contracting out, technological change and mergers, acquisitions and divestitures. Notice requirements of such changes are contained in the collective agreements.

### **UNGC Principle 4: The elimination of all forms of forced and compulsory labour.**

TELUS does not use or support forced labour at any of our operations. The TELUS [Ethics policy](#) also states that team members have the right to a safe and violence-free workplace, and violence in the workplace is considered a criminal issue. TELUS has a Violence Prevention in the Workplace Investigation and Reporting policy. The TELUS [Supplier Code of Conduct](#) addresses forced labour and does not allow the use of forced labour in our supply chain.

### **UNGC Principle 5: The effective abolition of child labour.**

TELUS does not use or support child labour at any of our operations. The TELUS [Supplier Code of Conduct](#) does not allow the use of child labour in our supply chain.

### **UNGC Principle 6: The elimination of discrimination in respect of employment and occupation.**

The TELUS [Ethics policy](#) states that every team member has the right to a workplace that is free from discrimination and harassment. We place great importance on maintaining a culture that encourages the achievement of our business objectives in a manner consistent with our values. To promote company-wide awareness of this issue, all team members must complete annual online Integrity training as a term of employment as noted above under Principle 1.

TELUS recognizes a diverse and inclusive environment that values [diversity](#) of thought, background, skills and experience facilitates a broader exchange of perspectives. TELUS' Diversity and Inclusiveness Council has developed and implemented initiatives including providing diversity training to TELUS team members and assisting with the establishment of team member resource groups. These resource groups include:

- **Connections:** our women's network
- **Abilities Network:** for team members and family members with varying abilities
- **Eagles:** our First Nations network
- **Mosaic:** for new Canadians
- **Spectrum:** a network for our lesbian, gay, bisexual, transgender and allies.

To learn more about diversity and inclusiveness at TELUS, review our 2013 TELUS Diversity and Inclusiveness Report.

TELUS engages in ongoing monitoring and evaluation mechanisms of labour principles integration such as consultations with unions, regular risk and control assessment processes and through other forms of stakeholder engagement and communicates our progress in our annual [CSR Report](#).

## Environment

### **UNGC Principle 7: Businesses should support a precautionary approach to environmental challenges.**

Responsibility for managing TELUS' environmental footprint is shared by senior leaders from across our Company who have specific areas of expertise such as risk management, network operations, real estate operations, supply operations, procurement, and our environmental consultants. The Corporate Governance Committee of TELUS' Board of Directors receives quarterly reports about TELUS' ongoing environmental risk management activities.

TELUS' [Environmental policy](#) explains our commitment to environmental responsibility. TELUS has had a formal environmental management system (EMS) since the mid-1990s. In 2013, we reached alignment with the ISO 14001:2004 standard, and looking forward, we will continue to make improvements to our EMS, evaluating the certification of our system to the ISO 14001:2004 standard in 2015.

TELUS established a [Climate Change Strategy](#) in 2010 with a goal of reducing absolute energy consumption by 10 per cent and realizing a 25 per cent reduction in greenhouse gas emissions by 2020 based on 2010 levels. We monitor and report our progress annually and these goals form a component of our executive's personal performance objectives.

### **UNGC Principle 8: Undertake initiatives to promote greater environmental responsibility.**

The strength of our environmental and sustainability culture at TELUS is the result of over two decades of dedicated work in this field. Since we published our first environmental report in 1992, we have continued to evolve our environmental management and sustainability program to support what we believe is a best-in-class corporate responsibility program. Our disclosure now aligns to the Global Reporting Initiative

A+ level and in 2013, we were named to the Dow Jones Sustainability North American Index for the thirteenth consecutive year. The Environmental Stewardship section of our [CSR Report](#) details initiatives that promote greater environmental responsibility, including training, auditing and ongoing assessment of our environmental performance and compliance.

To affirm our compliance with regulatory requirements, TELUS standards and the ISO 14001:2004 framework, we conduct regular site assessments and audits of our operations. In 2013, we had an external regulatory compliance and EMS audit conducted at several facilities in Alberta and are conducting a similar audit program in Ontario and Quebec in 2014.

In addition to external audits, our team of environment professionals conducted 55 site audits throughout the year on a sample of TELUS facilities prioritized by their potential for environmental risks.

Environmental training, provided to our team members and contractors for more than 30 years, is a key component of our EMS. Our training programs are designed to give team members the necessary information to address potential environmental risks associated with their work. Training covers topics such as spills and releases response and reporting, and the transportation and disposal of waste. In 2013, our team members completed 1,922 training courses with environmental themes. This is an increase over the 1,718 courses completed in 2012 and is a result of our course refresher frequency, which ranges from one to three years.

In 2014, to meet the [ISO 14001:2004](#) requirements, we will introduce a new environmental awareness training program that covers requirements for contractors.

We continue to operate a 24/7 hotline that team members and others can call to report spill or release incidents. The hotline provides guidance for onsite management and reporting to external agencies as required. The follow up and root-cause analysis for each incident is performed by TELUS' Environment team. This is in addition to the TELUS EthicsLine (1-888-265-4112 or [telus.ethicspoint.com](http://telus.ethicspoint.com)), team members and external stakeholders can raise anonymous and confidential questions or file complaints related to accounting, internal controls or ethical issues.

### **Principle 9: Encourage the development and diffusion of environmentally friendly technologies.**

TELUS develops and implements technology solutions that support the principle of moving ideas instead of people. Our TELUS Technology Labs enable testing, trialing and proof of concept of emerging technologies and services. Associated with the labs, TELUS Innovation Centres across Canada showcase our current and potential future networks and services. When we implement environmentally friendly technologies internally, we not only support our own sustainability goals, we provide benefits to society as a whole by reducing resource use and greenhouse gas (GHG) emissions. In 2013, we aimed to eliminate 40.5 gigawatt hours of energy use (GWh) from our operations. We exceeded our target by eliminating 41.9 GWh, which also resulted in \$3.8 million in annualized cost savings. Externally, we offer videoconference and teleconference technologies for our customers and partners, which reduces the need for travel, providing a reduced carbon footprint.

Key project highlights and results for 2013 include:

- Improved efficiency of power and cooling systems in targeted buildings: 19 GWh eliminated
- Reduced energy consumption from real estate consolidation and energy efficiency programs: 8.8 GWh eliminated
- Rimouski's Super Internet Data Centre online information technology load consumption reduction: 5.1 GWh eliminated
- Legacy equipment turn downs: 4.7 GWh eliminated

- Server/storage decommissioning: 2.55 GWh eliminated.

Additionally, our Work Styles program, Green Building initiatives and many of our [TELUS Health](#) solutions support this principle.

In 2013, we engaged consultants to help further integrate sustainability into our procurement and supply chain management processes with the objective of reducing costs while minimizing environmental impacts. We define green supply chain management as the integration of environmental thinking into every aspect of our supply-chain management. This means we consider each step in the chain, from product design to material sourcing and selection to the manufacturing process to the delivery of the final product. We also consider a complete life-cycle assessment of our products, which includes their recycling potential.

TELUS engages in ongoing monitoring and evaluation mechanisms of environmental stewardship integration such as audits and site assessments, regular risk and control assessment processes and through other forms of stakeholder engagement and communicates our progress in our annual [CSR Report](#).

### **Anti-corruption**

**UNGC Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.**

Strengthening anti-bribery and corruption procedures across TELUS remains a priority. In 2013, we continued to build on our risk-based review and framework developed in 2012. Here are the highlights:

- **Senior management involvement and support:** senior leaders across TELUS were identified as responsible and accountable for making certain the anti-bribery and corruption compliance program is effectively implemented and consistently monitored. Senior executives set the tone to create a culture where bribery is unacceptable.
- **Corporate compliance policies and procedures:** in 2013, a specific anti-bribery and corruption policy was approved by the TELUS Board of Directors to provide further clarity and guidance for TELUS team members and third parties engaged by TELUS. This supplements guidance in the [TELUS Ethics policy](#), the [Supplier Code of Conduct](#) and our Code of Conduct for Business Sales Activities.
- **Training and education:** our annual Integrity training highlights our zero-tolerance approach to bribery and corruption. Further training continues to be provided through specific Business Sales Code of Conduct training, and will also be provided through a specific anti-bribery and corruption training program set for launch in 2014.
- **Monitoring, auditing, and reporting mechanisms:** team members in various areas of the company are tasked with managing the ongoing effectiveness of the compliance program. Future reviews and audits will be conducted and reports will be provided to the TELUS Board of Directors as appropriate.
- **Incentives and consistent disciplinary procedures:** specific objectives will be created in 2014 for team members responsible for implementing and monitoring the compliance program. Failure to act in accordance with anti-bribery and corruption policy will subject TELUS team members to disciplinary action, up to and including dismissal.

### **UN Goals**

TELUS has taken action, in line with corporate strategy, to address several broader UN Goals and Issues such as Health, Education, Climate Change mitigation and adaptation and Employment and decent working conditions.

Close to 50 per cent of all provincial budgets in Canada are dedicated to healthcare, yet according to the 2012 [Commonwealth Fund Health Policy Survey](#), the Canadian healthcare system consistently rates amongst the lowest internationally when compared to 11 OECD countries in the areas of:

- Accessibility to a doctor or nurse when sick or needing care
- Delays for specialist appointments and elective surgeries
- Adoption rates for Electronic Health Records.

To help address these issues, over the last decade we have leveraged our world-class innovation and technology to tackle the challenges facing our healthcare system. We have invested more than \$1 billion to bring healthcare information technology to market that enables the flow of information across the continuum of care.

We have invested more than \$1 billion to bring healthcare information technology to market  
Some of the solutions we provide include:

- [Electronic Medical Records](#)
- [Telehealth](#), our high-definition videoconferencing solution and scheduling platform that connects patients in real-time with the best informed medical experts nationally
- [Remote Patient Monitoring Solutions](#), which enable clinicians to closely monitor patients in the comfort of their homes.

Through our Telehealth technology, a patient suffering from a heart condition that lives in a remote or non-urban community can visit the Telehealth enabled clinic in her community and receive treatment from a cardiologist based in an urban centre, using high-definition videoconferencing in both locations. This patient's consultation can occur cost-effectively and without the risk, stress and the expense of travelling hundreds of kilometres from home.

Our [broadband](#) technology is enabling the home to be the hospital room of the future, in a world where we will undoubtedly have a shortage of hospital beds. The communities that have embraced these technologies and services have seen emergency room visits and re-admissions reduced by 40 per cent for patients with chronic diseases. Additionally, medical practitioners who once provided home care to 20 patients per week are now able to monitor 120 patients per day.

[TELUS Health](#) is turning information into better health outcomes. We are:

- Empowering doctors, nurses and extended health teams to coordinate and share information to provide integrated care efficiently and cost-effectively
- Offering doctors, patients and their families the ability to share information anytime, anywhere to further involve patients in the management of their own health
- Enabling pharmacists to provide better medication management and healthcare services for clients
- Improving benefits claims management to make the process more efficient for employees, companies and insurance providers
- Allowing hospitals, governments and health system managers to analyze information for finding best practices, evidence-based treatments and quality improvements
- Encouraging patients to care for themselves at home and wherever life takes them.

Our steadfast efforts to enhance and improve the delivery of healthcare in Canada has resulted in TELUS being recognized by Branham 300 as the number one [Information and Communications Technology partner](#) to the Canadian healthcare sector for five out of the last six years.

For more information on how TELUS is supporting healthier, more sustainable communities, refer to our [website](#).

Protecting our customers against online threats such as cyberbullying, identity theft, malware and phishing is increasingly important. Strong cyber security is essential to maintaining the integrity and reliability of our network, as well as protecting the privacy of personal customer information. TELUS has implemented a variety of stringent processes, policies, and procedures to protect our customers and the services we offer from the full spectrum of online threats.

In 2013, we also designed and launched key programs to educate and raise awareness among Canadians and drive stronger policymaking around privacy. An example of our innovation and leadership in safety and privacy protection was the expansion of our unique educational program [TELUS WISE®](#) (Wise Internet and Smartphone Education). Previously introduced to our team members and business customers, in 2013 we formally launched this program focused on the topic of Internet and smartphone safety/security to protect all Canadians from online criminal activity such as financial fraud and cyberbullying. We have reached Canadians through:

- The sharing of 250,000 copies of TELUS WISE and TELUS WISE footprint materials, including tip sheets and activity books
- Hosting TELUS WISE seminars for more than 1,500 adults
- Reaching more than 500 children with our TELUS WISE footprint school sessions
- Distributing more than 100,000 TELUS WISE footprint activity books to [We Day](#) participants.

In 2014, we will expand this innovative educational program by:

- Creating programs specifically for seniors, high school and college students, Aboriginal communities and military families
- Launching interactive TELUS WISE applications
- Offering TELUS WISE seminars in more languages
- Being a leader in Internet and Smartphone safety and security research.

Additionally, in 2013 we partnered with the [Canadian Centre for Child Protection](#) to launch [Find Me ID](#), a new app designed to help find missing or lost children. This easy-to-use free app allows parents to email the most critical information about their child and a current photo directly to law enforcement or other important contacts should a child go missing.

The app provides a direct link to [MissingKids.ca](#) – Canada's Missing Children Resource Centre where families in crisis can access support 24/7.

Flexibility matters to our team members. Work Styles is a program designed to create value by providing team members with the flexibility to choose a work style that best suits their needs.

The ability to work in the office, at a [mobile](#) site or [at home](#) offers the following benefits:

- Increased engagement, productivity and business results
- Differentiates us in attracting and retaining top talent
- Reduces our environmental impact
- Significant cost savings for the company.

Our investments in the community are deeply rooted in our culture and brand promise – the future is friendly®. Keeping this promise means engaging with the public, our team members, retirees and partners to identify how we can best meet the needs of our communities. We continue to evolve and grow our programs to drive [shared value creation](#) by building a strong social fabric and supporting long-term business growth. With a particular emphasis on innovation, health, and engaging and empowering youth through technology, we will accomplish our goals by:

- Using our expertise in technology to help build stronger and healthier communities
- Creating lasting, strategic partnerships with community and charitable organizations
- Providing grants to grassroots organizations in Canada and internationally
- Investing in our cause marketing programs – a platform that is mutually beneficial to the communities we support and our business
- Supporting our team members and retirees who directly contribute to charities and community-based organizations
- Financially supporting causes in a way that has impact to the community and helps sustain our business.

In 2013, we:

- Supported over 4,600 charities and gave more than \$46.23 million in support of numerous causes
- Contributed \$5.7 million to 478 community organizations through our 11 Canadian and three International TELUS Community Boards
- Connected with youth through our national co-title sponsorship of We Day, directly reaching more than 120,000 youth through nine Canadian events
- Developed and launched 30 marketing campaigns resulting in more than \$2 million in donations to charities and community organizations
- Engaged more than 14,000 team members, retirees, family and friends on our annual day of giving
- Recorded more than 625,000 volunteer hours through our Team TELUS Cares programs
- Established three new TELUS Community Ambassador clubs for a total of 23 clubs across Canada, whose members created and donated 70,886 care items valued at more than \$685,500
- Improved customer awareness of TELUS' community support – 43 per cent agreed we made a positive difference in their community compared to 39 per cent in 2012
- Won a Halo award for Best Social Media Campaign from the Cause Marketing Forum.

In 2014, we are planning a strategic shift in our community investment practice, moving to two broad pillars of support in health and education, while maintaining our local community approach to giving. We aim to transform healthcare by funding socially innovative health technology projects in self-management, disease prevention, clinical research and primary health care and aim to enhance and inspire learning by bridging the digital divide and creating a vibrant environment for kids to learn using technology.

Our Vice-President of Corporate Affairs and Sustainability sits on the Board of the [Global Compact Network Canada](#) and our Chief Sustainability Officer is taking a leadership role with the [Council for Clean Capitalism](#) to publicly advocate with partners to take action on common challenges and influence policy.

## Governance

In our annual [CSR Report](#), our Executive Chair shares TELUS' commitment to UNGC Principles.

*We continue to conduct our business operations and strategies in alignment with our longstanding everyday leadership values of having a passion for growth; embracing change and initiating opportunity; having the courage to innovate; and believing in spirited teamwork. We also embrace universally accepted principles in human rights, labour, environment and anti-corruption practices, guided by the [United Nations Global Compact](#). Notably, this commitment adds an additional dimension of accountability that exemplifies our dedication to be a globally leading corporate citizen.*

Our CEO and Executive team have a CSR Index within their personal performance objectives that relates directly to their compensation. This CSR Index contains customer commitments, Climate Change objectives and Community Investment metrics.

Overall responsibility for our CSR performance resides with [TELUS' Executive Leadership Team](#). In 2006, a CSR leadership team representing all TELUS business units was established and this team of senior leaders continues to foster a culture of sustainability. The team meets regularly to review progress against CSR objectives and assess new or ongoing initiatives. The team focuses on further entrenching CSR practices, measures and objectives throughout our Company. We provide progress reviews each quarter to the Corporate Governance Committee of [TELUS' Board of Directors](#) as well as updates to the Audit Committee on CSR reporting progress, typically in the first quarter of each year.

In early 2014, TELUS once again reviewed the scope of our CSR report, to make sure it is relevant to stakeholders and identifies and integrates emerging issues into our strategy development. We convened a sustainability advisory panel which was facilitated by The Delphi Group, a strategic management consulting organization. Panelists included representatives from different stakeholder groups including

customers, team members, suppliers, shareholders, non-governmental organizations, TELUS Community Board members, media, community partners, peer organizations and investment companies with socially responsible mandates. The purpose of the session was to have panelists assess and discuss TELUS' and stakeholder material issues and provide feedback on our CSR report content, design and functionality.

In each of the sections of our CSR report, we describe who our stakeholders are and how we engage with them to inform our sustainability strategy and reporting. The following groups have been identified as TELUS stakeholders through a formal internal review process and by collaborating with independent third parties:

- Customers
- Shareholders
- Debt holders
- Federal, provincial and municipal governments
- Internal stakeholders – team members, business unit leaders and executive leaders
- TELUS alumni/retirees
- TELUS Community Board members
- Community partners
- Suppliers and strategic partners
- Aboriginal Peoples and their communities
- TELUS Community Ambassadors
- Non-governmental organizations
- Academic organizations
- Investment companies with socially responsible mandates
- Credit rating agencies and sustainability indices
- Peer organizations
- TELUS enterprise risk assessment participants.

### **Business and Peace**

[TELUS International](#) conducts business in potential areas of risk. In support of our nearly 15,000 International team members, TELUS is responsible for making certain all of our non-Canadian operations comply with the regulatory laws and requirements in foreign jurisdictions. To accomplish this, we complete initial research into the general regulatory requirements, fees, privacy, data protection, and other compliance obligations for doing business and providing services outside of Canada. We also collaborate internally to acquire and maintain required foreign authorizations, and externally with regulatory and tax authorities as required.

We also have a team that provides strategic regulatory planning and guidance for international corporate transactions such as acquisitions, restructurings, and financings and international service offerings as well as international contract reviews. We work directly with TELUS stakeholders to develop all international service offerings, and review all international business opportunities for regulatory compliance. When we need to, we work with outside counsel for guidance to make sure we complete ongoing regulatory compliance obligations.

The base wages received by TELUS International Philippines team members are more than 30 per cent higher than the Philippines National Capital Region Minimum Wage. This range increase is in line with supplementary income to team members who have certain technical and language skills and grants various allowances for meals and transportation. In Central America, a role as a call centre agent often pays twice what an administrative role at a bank would pay.

TELUS' Chief Compliance and Privacy Officer is responsible for oversight of the TELUS Privacy Code and making certain that internal controls are implemented by the business to support our code and commitments. For privacy matters that involve countries outside of Canada, we work with privacy lawyers with local expertise. To meet European Union Directive requirements for our international operations, TELUS International has been [Safe Harbour](#) certified since 2012.

TELUS adheres to Canadian and international tax laws, which is in alignment with our longstanding track record of open and transparent corporate reporting and globally leading governance practices.

In 2013, TELUS contributed \$5.7 million to 478 community organizations through our 11 Canadian and three International TELUS Community Boards. Our three international Community Boards – in Guatemala, El Salvador and the Philippines – contributed \$300,000 to 40 charitable projects in their communities.

Our operations at TELUS International Philippines and TELUS International Central America provide educational opportunities for team members through an innovative TELUS International University (TIU) program that helps team members earn Bachelor and Masters Degrees while working. TIU provides tuition assistance through a subsidized program and students have access to state-of-the-art library centres in TELUS buildings and onsite university professors.

To promote company-wide awareness of integrity issues, all team members read our policies and complete our training programs. We also offer access to subject matter experts who work as a virtual team across the corporation, both in Canada and internationally, to address questions and investigate potential breaches in the areas of ethics, privacy, security, respectful workplace as well as bribery and corruption.