



United Nations Global Compact

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 became a signatory of the United Nations Global Compact (UNGC) in 2010 and continued our support throughout 2019. The CEO letter in our [Sustainability Report](#) confirms our support for the Global Compact.

Communication on Progress - TELUS

Embracing global sustainability principles

As a visionary member of the [Global Compact Network Canada](#) (GCNC), TELUS continues to demonstrate our commitment to the Principles of the UNGC. The GCNC offers Canadian business and non-business sectors a unique opportunity to learn and exchange best practices in corporate responsibility within the network and amongst 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.

Specifically in 2018, TELUS presented at the [Canadian SDG Business Forum](#) and at SDG training events hosted by the GCNC throughout the year. Additionally, TELUS is one of several companies to participate in the Gender Equality Leadership in the Canadian Private Sector [project](#) which is sponsored by the Government of Canada and facilitated by the GCNC.

Sustainable Development Goals

TELUS has joined many other Canadian companies to advance progress toward the 17 United Nations (UN) [Sustainable Development Goals](#) (SDGs) in partnership with the [Global Compact Network Canada \(GCNC\)](#). The SDGs include transformative global targets that intend to shape policy development, organizational strategy and stakeholder engagement through 2030.

In 2017, we released our first set of goals aligned with the SDGs and by 2019, we reached or exceeded the majority of them. In our 2019 Sustainability Report, we released a new set of one, five and 10 year goals that will help drive performance in realizing SDG 3, 4, 11, 13 and 17. These goals are as follows:

- By 2025, 137,500 primary and extended health care providers to use TELUS technology to connect members of the health ecosystem to drive improvements.
- 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.
- By 2025, 100% of our electricity requirements procured from renewable sources.
- Achieve net carbon neutral operations by 2030.
- Reduce our energy intensity by 50% between 2020 and 2030.
- 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.
- By 2020, we plan to have reached 76,000 Canadians from low income families with low cost, high speed connectivity.
- 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.
- 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.

In addition to focusing on these five SDGs and targets, in 2018, TELUS began participating in a [Gender Equality Leadership in the Canadian Private Sector Project](#) (supporting SDG 5 – Gender Equality), which is facilitated by the GCNC in conjunction with the Government of Canada's Minister of Status of Women. The GCNC's expected outcome of this three-year project is a Gender Equality Blueprint that will become a common framework to lead Canadian companies on the path to gender equality in the workplace and beyond.

Alignment with 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 [Code of Ethics and Conduct](#), and reflected in our respectful workplace, employment equity and diversity practices. The Code ties together policies regulating business behaviour and provides guidelines for the standards of ethical conduct expected of all employees, including officers and members of the [TELUS Board of Directors](#). The Code, which is updated and published annually, formalizes our commitment to safeguard internationally proclaimed human rights. Further details about our expectations are provided for employees in our Respectful Workplace policy.

Each year, TELUS requires all employees and contractors to complete an online Integrity training course that outlines key aspects of the Ethics, Respectful Workplace, Security and Privacy policies. The 2019 course was completed by 100 per cent of employees by 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, and team members newly promoted into management professional and people leader roles. Newly engaged contractors are also required to complete this online training. 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.

In addition to complying with the Code of Ethics and Conduct and Respectful Workplace policy, our [international operations](#) follow local legislation that protects human rights in all jurisdictions where we operate.

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.

As a result of these practices, teams 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. These risks and responsible business units are reported in our 2019 Sustainability Report.

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

Alignment with 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 nurturing 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 any issues identified through our processes.

Each year, key points from TELUS' Respectful Workplace policy are covered in our mandatory Integrity training course. In addition, all newly hired employees are provided training on the policy. Our overriding goals are to:

- Help employees understand the law and what is considered acceptable behaviour at work
- Be sure employees are aware of the protections and processes available to them should an inappropriate workplace issue arise.

Complaints filed by our employees with the [Canadian Human Rights Commission](#) are analyzed to determine if there are any internal practices that are causing concern and require attention. In our international locations, we comply with regulatory laws and requirements for each jurisdiction. Details can be found in our [Sustainability Report](#).

We support suppliers who demonstrate a strong commitment to sustainable development. This involves adhering to ethical, privacy, labour, health and safety, and environmental principles that align with ours, and ensure the well-being of our suppliers' employees, contractors and communities. Our SCOC is fundamentally aligned with TELUS' commitment to be a leading corporate citizen. The SCOC is incorporated in major procurement contractual templates, and goes beyond legal compliance, drawing upon internationally recognized standards, to advance social and environmental responsibility and business ethics.

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.

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

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 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.

Board of Directors diversity representation

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. In early 2020, we 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.

We also signed the [Catalyst Accord 2022](#). The Accord calls on Canadian boards and CEOs to accelerate the advancement of women in business by increasing the average percentage of women on boards and in executive positions in corporate Canada to 30 per cent or greater by 2022. This involves sharing key metrics with Catalyst for annual benchmarking of our collective progress.

Alignment with UNGC Principle 4: The elimination of all forms of forced and compulsory labour.

The following codes and policies guide our workplace practices and provide assurance TELUS does not use or support forced labour at any of our operations:

- The TELUS Code of Ethics and Conduct states that employees have the right to a safe and violence-free workplace, and violence in the workplace is considered a criminal issue
- A Violence Prevention in the Workplace Investigation and Reporting policy

In addition, our Supplier Code of Conduct addresses freely chosen employment. It is expected that all work for our suppliers is voluntary, and workers are free to leave at any time or terminate their employment. Forced, bonded (including debt bondage) or indentured labour, involuntary prison labour, slavery or trafficking of persons shall not be used. This includes transporting, harbouring, recruiting, transferring or receiving vulnerable persons by means of threat, force, coercion, abduction or fraud for the purpose of exploitation. While workers may be asked to provide government-issued documentation as identification, it is expected that they will not be required to surrender government-issued identification, passports or work permits as a condition of employment.

Alignment with UNGC Principle 5: The effective abolition of child labour.

TELUS does not use or support child labour at any of our operations and the TELUS [Supplier Code of Conduct](#) does not allow the use of child labour anywhere in our supply chain. It is expected that our suppliers do not use child labour in any part of their business operations. The minimum age for employment or work shall be 15 years of age (or 14 where the laws of the country permit) or the age for completing compulsory education in that country, whichever is higher. If any child labour is detected, the Supplier shall immediately stop such child labour and improve the supplier's child labour avoidance practices. We encourage the use of workplace apprenticeship programs, provided they comply with all applicable laws and regulations in the jurisdiction in which they operate.

TELUS routinely monitors developments with respect to the [International Labour Organization \(ILO\) conventions 138 and 182](#) with respect to child labour, particularly in countries in which we do business.

Alignment with UNGC Principle 6: The elimination of discrimination in respect of employment and occupation.

The TELUS [Code of Ethics and Conduct](#) states that every employee 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 employees must complete annual online Integrity training as a condition of employment as noted above under Principle 1.

Diversity

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)"

Our Diversity and Inclusiveness (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. These resource groups include:

- Abilities Network: for employees and family members with varying abilities
- Connections: our women's network
- Eagles: our Indigenous Peoples network
- Mosaic: for multicultural employees
- Spectrum: our network for our lesbian, gay, bisexual, transgender, queer and allied team members.

To read stories on the achievements reached in 2019 by these resource groups as well as to learn more about diversity and inclusiveness at TELUS, please visit our [website](#).

Alignment with UNGC Principle 7: Businesses should support a precautionary approach to environmental challenges.

TELUS has a strong foundation of sustainability governance, led by our Board and Corporate Governance Committee, which oversees our work in environmental sustainability. Our environmental governance 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. The Corporate Governance Committee receives quarterly reports about TELUS' ongoing environmental risk management activities.

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.

Alignment with 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 sustainability program. Our disclosure is now prepared in accordance with the Global Reporting Initiative Standards Core option and is annually independently assured.

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. These awards reflect our commitment to social capitalism that supports the future of connectivity in Canada.

Environmental initiatives

TELUS maintains numerous projects to continuously reduce our environmental footprint. Below is a selection of these initiatives and for more examples, please read our 2019 Sustainability Report.

Work Styles™ continues to keep our team members engaged by providing them with flexible work options that promote balance between their work and personal life. In 2019, we saved over 20,000 tonnes of CO₂e by enabling employees to work from home. The ability to work in the office, at a mobile site or at home offers the following benefits:

- Increases engagement, productivity and business results
- Differentiates us in attracting and retaining top talent
- Reduces our environmental impact
- Provides significant cost savings for our company and team members.

In 2018, TELUS launched our Trees for Paper program. We work to reduce our paper and packaging consumption by 10% year-over-year, but 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 Yunesit'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.

Alignment with UNGC 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 GHG emissions. Externally, we offer videoconference and teleconference technologies for our customers and partners, which reduces the need for travel, providing a reduced carbon footprint.

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. Our energy efficiency program highlights include:

- 15% reduction in domestic energy consumption 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 rightsizing of real estate space
- 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.

Additionally, many of our [TELUS Health](#) solutions are offered through energy efficient technologies. In late 2020, we were also proud to announce the launch of [TELUS Agriculture](#), with a mission to tackle one of the most significant social challenges of our generation, feeding the world, while improving the quality and safety of our food by leveraging technology innovation and human compassion.

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

At TELUS, we are committed to high standards in corporate governance and are constantly evolving our practices and pursuing transparency and integrity in everything we do. We believe that strong corporate governance is the foundation for accountability to our shareholders and we strive to be at the forefront of governance best practices.

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.