



# Related Person Transaction Policy 2024

Dated December 21, 2020 and made effective February 1, 2021



## Introduction

This Related Person Transaction Policy was adopted by the Board of Directors of the **Company** to:

- assist the Board in reviewing, approving and ratifying related person transactions; and
- assist the Company in preparing the disclosures that are required under the securities laws of Canada and the United States and requirements of the New York Stock Exchange.

This Policy is intended to supplement, and not to supersede, other policies of the Company that may be applicable to or involve transactions with related persons, such as our policies for determining director independence and our Code of Ethics and Conduct.

## Transactions Covered by this Policy

Transactions covered by this Policy include any Transaction which is or may be a Related Person Transaction, as defined herein.

For purposes of this Policy, the following definitions apply:

**“Company”** means TELUS International (Cda) Inc. or one of its subsidiaries, which is also referred to as TELUS Digital.

**“Related Person”** means:

- any director or executive officer of the Company;
- any Immediate Family Member of a director or executive officer of the Company;
  - **“Immediate Family Member”** of a person means a child, stepchild, parent, stepparent, spouse, including common law partner, sibling or mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, including those of a common law partner or any person sharing the household of such person (other than a tenant or employee)
- any nominee for director and the Immediate Family Members of such nominee;
- any 5% beneficial owner of the Company’s voting securities or any Immediate Family Member of such owner.

**“Related Person Transaction”** means any Transaction involving the Company in which a Related Person has a direct or indirect material interest, as determined by the Committee.

**“Transaction”** means any financial transaction, arrangement or relationship or any series of similar transactions, arrangements or relationships. The term also includes indebtedness and guarantees of indebtedness and transactions involving employment and similar relationships.

## Parties Responsible For Applying This Policy

Any Related Person Transaction must be approved or ratified by the Board of Directors or a designated committee thereof consisting solely of independent directors (the “**Committee**”). The Board has designated its Audit Committee as the Committee for considering Transactions with Related Persons and approving Related Person Transactions under this Policy. The Audit Committee shall administer this Policy and may amend this Policy from time to time.

## Reporting

Each director, director nominee and executive officer shall promptly notify the Company’s Chief Legal Officer or a designee of any Transaction involving the Company and a Related Person. The notice shall include a complete description of the Transaction including:

- ☐ the name of the Related Person and the basis on which the person is a Related Person;
- ☐ the Related Person’s interest in the Transaction with the Company, including the Related Person’s position(s) or relationship(s) with, or ownership in, a firm, corporation or other entity that is a party to, or has an interest in, the Transaction;
- ☐ the parties to the Transaction, and if the Company is not a party, then the nature of Company’s participation in the Transaction;
- ☐ the approximate dollar value of the amount involved in the Transaction;
- ☐ the approximate dollar value of the amount of the Related Person’s interest in the Transaction, which shall be computed without regard to the amount of profit or loss;
- ☐ the purpose and timing of the Transaction; and
- ☐ any other information regarding the Transaction or the Related Person in the context of the Transaction that could be important to investors in light of the circumstances of the particular Transaction.

Although this Policy requires notice of all Transactions involving Related Persons, executive officers and directors must pay particular attention to:

- ☐ relationships that are outside of the ordinary course of business;
- ☐ employment of Immediate Family Members;
- ☐ transactions that would be considered unusual for one or more of the parties; and
- ☐ transactions that are provided on terms that may be more favorable than those available to the general public, including any that are on terms that are not valued on the basis of arms-length, fair market value.

## Review

The Chief Legal Officer or a designee will conduct an analysis of each Transaction for which a notification has been received. The analysis conducted by the Chief Legal Officer or designee shall include an assessment of whether the Transaction constitutes a Related Person Transaction under the Policy and a preliminary recommendation to the Committee. The Chief Legal Officer or designee will present Transactions involving Related Persons, along with an analysis and recommendation with respect to such Transaction, to the Committee at its next occurring regular meeting, or earlier if appropriate.

The Committee shall review Transactions, including considering the analysis conducted, and the recommendation provided by, the Chief Legal Officer, to determine whether the Related Person involved has a direct or indirect material interest in the Transaction. If the Committee determines that a Transaction is a Related Person Transaction, it shall proceed with its review as described below. The Committee may conclude, upon review of all relevant information, that the Transaction does not constitute a Related Person Transaction, and thus that no further review is required under the Policy. On an annual basis, the Committee shall review previously approved Related Person Transactions that are ongoing, under the standard described below, to determine whether such Transactions should continue.

In reviewing the Transaction or proposed Transaction, the Committee and the Chief Legal Officer shall consider all relevant facts and circumstances, including without limitation: (i) the commercial reasonableness of the terms, (ii) the benefit and perceived benefit, or lack thereof, to the Company, (iii) the availability and/or opportunity costs of alternate transactions, (iv) the materiality and character of the Related Person's direct or indirect interest, and (v) the actual or apparent conflict of interest of the Related Person. The Committee will not approve or ratify a Related Person Transaction unless it shall have determined that, upon consideration of all relevant information, the Transaction is in, or not inconsistent with, the best interests of the Company and its shareholders.



If after the review described above, the Committee determines not to approve or ratify a Related Person Transaction (whether such Transaction is being reviewed for the first time or has previously been approved and is being rereviewed), the Transaction will not be entered into or continued, as the Committee shall direct.

In the event the Chief Legal Officer determines that it is impractical or undesirable to wait until a meeting of the Committee to consider a Transaction involving a Related Person, the Chair of the Committee may review a Transaction and/or approve a Related Party Transaction, in accordance with this Policy. The consideration of any Transaction by the Chair of the Committee, including any approval of a Related Party Transaction, must be reported to the Committee at its next regularly scheduled meeting, including whether or not the Chair of the Committee followed the recommendation of the Chief Legal Officer.

In the event that any member of the Committee is a party to a Transaction that is being reviewed by the Committee, such Director shall be recused from participation in the review of the Transaction.

## Exceptions

Notwithstanding the foregoing, although the following types of Transactions require notification to the Chief Legal Officer or designee under this Policy, these Transactions are deemed not to create or involve a material interest on the part of the Related Person and will not be reviewed, nor will they require approval or ratification, under this Policy:

- Transactions and agreements involving TELUS Corporation and its subsidiaries (excluding TELUS Digital and its subsidiaries) that were entered into on or before February 1, 2021, provided that amendments or modifications to any such transactions or agreements should be reviewed in accordance with the terms of this Policy.
- Transactions involving the purchase or sale of products or services in the ordinary course of business, not exceeding \$50,000.
- Transactions in which the Related Person's interest derives solely from his or her service as a director of another corporation or organization that is a party to the transaction.
- Transactions in which the Related Person's interest derives solely from his or her (and any Immediate Family Member's) direct or indirect ownership of less than ten percent (10%) of the equity interest in another person which is a party to the transaction.
- Transactions in which the Related Person's interest derives solely from his or her position as a limited partner in a partnership in which the person (and any Immediate Family Member) has an interest of less than ten percent (10%), and is not a general partner and does not hold another position in the partnership.
- Transactions in which the Related Person's interest derives solely from his or her ownership of a class of equity securities of the Company and all holders of that class of equity securities received the same benefit on a pro rata basis.



- Any charitable contribution, grant or endowment by the Company to a charitable organization, foundation or university at which a Related Person's only relationship is as an employee (other than an executive officer) or a director, if the aggregate amount involved does not exceed the lesser of \$500,000 or 2% of the charitable organization's total annual receipts.
- Compensation arrangements of any executive officer, other than an individual who is an Immediate Family Member of a Related Person, if such arrangements have been approved by the Human Resources Committee.
- Director compensation arrangements, if such arrangements have been approved by the Board.
- Indemnification payments and payments made under directors and officers indemnification insurance policies or made pursuant to the certificate of incorporation or by-laws of the Company or any of its subsidiaries or pursuant to any policy, agreement or instrument.

## Disclosure

All Related Person Transactions that are required to be disclosed in the Company's filings with regulatory authorities in Canada or the United States, as required by applicable rules and regulations shall be so disclosed in accordance with such requirements.

## Policy Review

The Board shall review this Policy annually and propose recommendations for modifications to the Policy to the Board of Directors as appropriate.