

Committee reports

Audit Committee report



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meetings in 2023

At each quarterly meeting, the Committee has the opportunity to meet separately in-camera with each of the Chief Financial Officer (CFO), Chief Internal Auditor and external auditors. In addition, it holds an in-camera session without management present at each meeting.

The Board has determined that David Mowat and Thomas Flynn are the audit committee's financial experts and have accounting or related financial management expertise as defined by applicable securities laws. No member of the Committee serves simultaneously on the audit committee of more than three public companies. Information regarding the education and experience of the Committee members is contained in our annual information form for the year ended December 31, 2023 and hereunder in the *Director profiles* section.

100% independent and financially literate ✓

* Audit committee financial expert

Committee members



David Mowat*
(Chair) ✓



Hazel Claxton
✓



Thomas Flynn*
✓



Denise Pickett
✓



Sean Willy
✓

2023 Committee highlights

The following sets forth highlights of the actions taken by the Committee in 2023.

Financial reporting

- Received presentations from the CFO and made inquiries related to the quarterly and annual financial performance and operating results of the Company, including its reportable segments, relative to results in prior periods and investor expectations
- Reviewed any changes to, or adoption of, significant accounting policies and significant estimates impacting the current and future reporting of the financial results of the Company
- Reviewed and recommended to the Board for approval the public release and filing of the annual audited Consolidated financial statements and quarterly unaudited condensed interim Consolidated financial statements of the Company and those subsidiaries for which financial statements are publicly filed, including related news releases and Management's discussion and analysis
- Reviewed and recommended to the Board for approval key securities filings that contain financial information, including the annual information form and Form 40-F.

External auditors

- Oversaw the work of the external auditors
- Conducted an evaluation of the external auditors in accordance with Chartered Professional Accountants of Canada and Canadian Public Accountability Board protocols
- Reviewed and approved the annual audit plan
- Recommended to shareholders the appointment of the external auditors

- Reviewed and set the compensation of the external auditors
- Reviewed and pre-approved all audit, audit-related and non-audit services provided by the external auditors or their affiliates.

Accounting and financial management

- Reviewed the Company's major accounting policies, including alternatives and potential key management estimates and judgments and the Company's financial policies and compliance with such policies
- Reviewed quarterly financing reports, including the status of capital markets and the global availability of credit and implications for TELUS, industry and TELUS credit rating developments, hedging programs, pension funding updates and financing plans; and approved key treasury matters
- Reviewed and recommended to the Board for approval:
 - A five-year extension of the Company's \$2.75 billion syndicated credit facility
 - The issuance of one or more series of notes in an aggregate principal amount not exceeding \$3.0 billion
 - One or more new short-term letter of credit facilities, not exceeding \$400 million collectively, to support the 3800 MHz spectrum auction
 - An increase in the Common Share reserve of 110 million shares for issuance under the Company's dividend reinvestment and share purchase plan
- Reviewed and recommended to the Board for approval the renewal of the Company's normal course issuer bid

Audit Committee report (continued)

- Reviewed and recommended to the Board for approval the Company's dividend, including considering the Company's multiple stakeholders
- Reviewed quarterly reports on derivatives, guarantees and indemnities
- Received quarterly reports regarding taxation matters, including an analysis of tax expense, tax adjustments and tax morality, and reviewed and recommended to the Board for approval a restated version of the Company's tax policy
- Reviewed significant capital expenditures.

Internal controls and disclosure controls

- Reviewed and approved the annual internal audit program to provide assurance regarding risk exposures and internal controls
- Reviewed quarterly reports on internal audit activities, including evaluations of internal controls and risk mitigation progress
- Met regularly with the Chief Internal Auditor without management present
- Monitored the adequacy of the resources and the independence and objectivity of the internal audit function
- Reviewed quarterly the results of the SOX 302 certifications by key stakeholders in the financial reporting and disclosure controls processes to provide reasonable assurance and confidence to the President and CEO and CFO
- Received and reviewed management's quarterly reports on SOX 404 compliance for the 2023 financial year
- Considered reports from the Chief Data and Trust Officer and the Chief Legal and Governance Officer on matters relating to compliance with laws and regulations
- Received and considered quarterly reports regarding the receipt, investigation and treatment of whistleblower, ethics and internal controls complaints.

Enterprise risk governance

- Reviewed the results of management's annual risk assessment (and quarterly updates thereto), including identification and prioritization of key enterprise risks, engagement of executives to mitigate risk exposures, perceptions of risk culture, perceptions of risk appetite and the effectiveness of risk management integration by key categories
- Reviewed security reports and reports on management's approach to safeguarding corporate assets and information systems from the Chief Security Officer
- Received and considered quarterly reports on litigation matters and business continuity planning
- Reviewed results of management's annual fraud risk assessment.

Audit Committee related governance

- Reviewed the policy on corporate disclosure and confidentiality of information and recommended changes to the Board for approval
- Reviewed and updated the Committee's terms of reference
- Received and reviewed with management updates throughout the year regarding changing governance-related laws, rules and emerging best practices, and implications of the proposals of Canadian and U.S. regulators, including those related to environmental, social and governance (ESG).

Signed, the members of the Audit Committee



David Mowat (Chair)



Thomas Flynn



Sean Willy



Hazel Claxton



Denise Pickett