

# **TELUS Corporation**

Modern Slavery Report for the year ended December 31, 2024

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# Introduction

This statement has been prepared by TELUS Corporation ("'TELUS", "we", "us", "our") in compliance with the Canadian *Fighting Against Forced Labour and Child Labour in Supply Chains Act* ("the Canadian Act") and the United Kingdom *Modern Slavery Act 2015* ("the UK Act") for the reporting period January 1-December 31, 2024.

TELUS' social purpose is to leverage our global-leading technology and compassion to drive social change and enable remarkable human outcomes. As a global leader in social capitalism, we are using our technology for good to help answer some of the world's most pressing social issues and enabling a more sustainable future.

Human rights are universal at TELUS, which means every individual we connect with should be treated with dignity and equality. We understand our responsibility to respect and promote human rights through all of our business activities, in our team member management practices, while developing and delivering our products and services, and throughout our supply chain.

As a signatory of the United Nations Global Compact (UNGC) and member of the UNGC Network Canada, we are committed to respecting and supporting internationally recognized human rights in accordance with the United Nations Guiding Principles on Business and Human Rights (UNGPs) and other internationally accepted standards.

## Reporting entities

The term TELUS includes all subsidiaries and controlled entities required to report under the Canadian and UK Acts. This Report does not include TELUS International (Cda) Inc and its subsidiaries, and controlled entities (TELUS Digital), as TELUS Digital is not engaged in producing, selling or distributing goods in Canada or elsewhere, or importing into Canada goods produced outside Canada. TELUS Digital is a separate reporting entity under the UK Act and produces its own report in compliance with UK requirements.

TELUS' Chief Procurement Office (CPO) oversees all procurement under our principal businesses in accordance with the policies and due diligence processes noted in this Statement. While a portion of both TELUS Health and TELUS Agriculture & Consumer Goods procurement activities proceed through the CPO, recently acquired entities under these emerging businesses are in the process of being integrated into our operations, policies and processes.

# Key steps taken in 2024

In 2024, TELUS continued and undertook many steps to reduce the risk of modern slavery, including forced labour, and child labour, in our supply chain. This includes:

- Continuing to evolve our TELUS Supplier Due Diligence Program to identify and mitigate supplier risk.
- Advancing our TELUS Supplier Risk Council with the aim of enhancing efficiency, strengthening controls aligned with TELUS' risk tolerance, and fostering the expansion of collective due diligence efforts within TELUS.
- Completing our second year of membership in the Joint Alliance for Corporate Social Responsibility (<u>JAC</u>) - an association of telecommunications operators established to improve

- ethical, labour and environmental standards in the information and communication sector (ICT) supply chain.
- Conducting on-site facility audits (led by a third-party auditor) of our suppliers in compliance with JAC requirements.
- Continuing to actively participate in the JAC Supply Chain Due Diligence Working Group (formerly known as the JAC Human Rights Working Group).
- Continuing to invest in our multi-year transformation project to evolve how we manage our key supplier relationships, including supplier due diligence.

The sections below provide additional detail on these steps and other supplementary information, in alignment with the reporting obligations of the Acts. For further information, please refer to TELUS' 2024 Annual Report and Sustainability and ESG Report.

# TELUS' structure, activities and supply chains

#### Our business structure

Our principal subsidiaries are: TELUS Communications Inc., in which, as at December 31, 2024, we have a 100% equity interest; and TELUS Digital, in which, as at December 31, 2024, we have a 57.6% equity interest. TELUS' mobile and fixed telecommunications businesses are primarily operated through TELUS Communications Inc. (TCI). TELUS Digital is a digital customer experience innovator that crafts unique and enduring experiences for customers and employees, and creates future-focused digital transformations that can withstand disruption and deliver value for our clients.

A smaller part of our business structure are the emerging businesses and the subsidiaries within them which include: TELUS Health Inc., a global healthcare leader that leverages digital and data analytics capabilities to improve health outcomes; and TELUS Agriculture & Consumer Goods, which enables efficient and sustainable production from seed to store, helping improve the safety and quality of food and other goods.

Excluding employees in TELUS Digital, in 2024 total active employees were 27,800. For more information on our business structure, please see our <u>2024 Annual Report.</u>

#### Our core business activities

TELUS Corporation is one of Canada's largest telecommunications companies, providing a wide range of technology solutions, which include: mobile and fixed voice and data telecommunications services and products; healthcare services, software and technology solutions (including employee and family assistance programs and benefits administration); agriculture and consumer goods services (software, data management and data analytics-driven smart-food chain and consumer goods technologies); and digital experiences. Data services include: internet protocol; television; hosting, managed information technology and cloud-based services; and home and business security and automation.

We currently earn the majority of our revenue from access to, and usage of, our telecommunications infrastructure, and from providing services and products that facilitate access to, and usage of, our infrastructure, in addition to equipment revenue.

We are not a mass-market manufacturer and do not directly own or operate large factories or other production facilities. We do not own, operate or control the manufacturing operations that make TELUS-branded devices, nor do we handle raw materials or commodities.

## Our supply chain

Like most large communications technology companies, TELUS has a complex, dynamic global supply chain. In 2024, we spent approximately \$11 billion with over 13,000 direct (Tier 1) suppliers of all sizes around the world, 92% of which have operations in Canada, and who in turn have many suppliers of their own.

We do understand and have visibility into our direct suppliers, including spend, procurement categories, and other key information collected through our supplier due diligence and engagement processes. However, the complexity of our supply chain creates significant challenges in mapping beyond these direct suppliers. We are working internally and through collaborative initiatives like JAC and the evaluation of supply chain mapping tools to increase this visibility and manage our collective risks.

The vast majority of our direct spend is with global ICT suppliers that supply the devices, network equipment and services we resell to customers and use to support our networks. The majority of these devices and network equipment are manufactured in Asia.

We also procure technical and professional services related to the installation and repair of our networks and customer premise equipment; products and services such as software, cloud services, and marketing; facilities management; and travel. These suppliers are primarily based in Canada, where our main operations are located.

## Supply chain governance

TELUS' CPO oversees responsible sourcing at TELUS. Our Procurement and Supply Chain team plays a vital role in carrying out our strategic initiatives, working to procure the right products and to deploy them in a safe and cost-effective manner.

Our strategy aims to be inclusive, sustainable, and one that makes a positive difference for our business, customers and communities whilst mitigating risks along our supply chain. We are committed to applying policies and practices that reflect this vision and to collaborate with our stakeholders to reach our goals.

The Corporate Governance Committee of the Board receives and reviews quarterly reports on our sustainability performance and risk management, including supply chain sustainability.

# Policies and due diligence processes

#### **Policies and commitments**

TELUS has a long-standing commitment to respecting and protecting human rights in our value chain. We understand our responsibility to respect and promote human rights through all of our business activities, in our team member management practices, while developing and delivering our products and services, and throughout our supply chain.

We have several policies that formalize our commitment to safeguard internationally-proclaimed human rights, including addressing modern slavery in our operations and supply chain. These include, but are not limited to:

• **Supplier Code of Conduct**: Our Supplier Code of Conduct (the Supplier Code) outlines and reflects our expectations for partners to demonstrate a strong commitment to ethical, labour, health and safety, environmental principles and compliance practices that align with ours.

Consistent with the Code of Ethics and Conduct that applies to our employees and contractors, the Supplier Code is based upon generally accepted standards of ethical business conduct. We only contract with suppliers that accept the Supplier Code or have equivalent high standards, as well as comply with applicable laws and regulations wherever they operate.

- TELUS Anti-Bribery and Corruption Policy: The purpose of this Policy is to support TELUS' commitment to ethical business practices, including the protection of human rights, and commitment to full compliance with anti-corruption laws. This Policy sets out the rules to follow, measures to take to prevent bribery and corruption, information and guidance on how to recognize and deal with bribery and corruption and what to do when encountering suspicious circumstances. Its goal is to ensure that all TELUS team members have a clear and consistent understanding of their responsibility for following and upholding the Policy.
- Supplier Due Diligence Policy: The Supplier Due Diligence Policy requires suppliers to submit relevant information in order to identify the credibility and potential risks associated with TELUS. The purpose of the Supplier Due Diligence Policy is to enable a consistent and robust framework to protect, or mitigate the risks involved when TELUS engages with a supplier. All suppliers are subject to the Policy; however, the level of due diligence and the specific requirements for supplier risk information are determined based upon the criticality, total contract value, and scope of the supplier. This Policy sets forth the process to be followed by TELUS team members when they are engaging suppliers. Specifically, TELUS will only retain suppliers that TELUS can reasonably expect to:
  - (i) appropriately protect the privacy, confidentiality and security of personal information, as well as the confidentiality and security of confidential information, TELUS intellectual property (IP) and other TELUS assets;
  - (ii) support TELUS' compliance with its legal obligations and compliance requirements, including record retention, Anti-Bribery & Corruption, Privacy law, Canada's Anti-Spam legislation, and Unsolicited Telecommunication Rules;
  - o (iii) comply with TELUS Supplier Code of Conduct, and
  - o (iv) meet their obligations to us, including their financial obligations.
- Code of Ethics and Conduct: The Code of Ethics and Conduct outlines the behaviours that we
  must exhibit in order to meet and uphold TELUS' ethical and conduct standards. The Code is
  intended to set the tone for how we work at TELUS and to help us recognize ethical and
  compliance issues before they arise and guide our response should they arise including issues
  related to modern slavery. Specifically, the code outlines that:
  - All employees' work is voluntary, and employees may choose to terminate their employment at any time, subject to required notice, and
  - TELUS does not use child labour in any part of our business operations and complies with statutory and local requirements for the minimum age of employment.
- Respectful Workplace Policy: This Policy outlines TELUS' commitment to creating an
  inclusive workplace and leveraging the diversity of thought that exists within our teams with the
  goal of fostering a global sense of belonging at work. This includes workplace violence
  prevention.

## **Supplier Due Diligence Program**

TELUS endeavours to maintain the highest standards in risk mitigation to protect our customers, employees and partners, and we seek to partner with organizations who share the same values. TELUS has a robust Supplier Due Diligence Program that we use to screen and monitor our suppliers

for financial stability, safety, and other environmental, social and governance risks, in compliance with our Supplier Code. This is largely covered by these main activities:

- Supplier base assessment: A global watch-list check, based on publicly available data, is conducted on all TELUS suppliers at no cost to them. Through this screening we look to identify bad actors or criminal activity such as sanctions, law, or legal violations. The main assessment criteria are: i) Sanctions, ii) Regulatory enforcement, iii) Politically exposed people, and iv) Law enforcement. Suppliers flagged under any of these criteria will be reviewed to determine risk and future business with TELUS.
- Significant supplier assessment: Significant suppliers are those identified with substantial
  potential to impact business, customer experience or network reliability, as well as
  environmental, social and governance (ESG) risk. They are required to complete an annual selfassessment, which includes areas such as the supplier's policies for bribery and corruption,
  privacy, sustainability, financial and safety performance.
- Performance framework: Our team works closely with significant suppliers through our
  performance framework, which has two main elements: a scorecard that tracks metrics on
  performance (including due diligence assessment); and a stakeholder management component,
  creating and monitoring corrective actions and improvement plans. Suppliers evaluated may be
  excluded from contracting if they cannot achieve the minimum ESG requirements within a set
  timeframe.
- On-site audits: Supplier audits are conducted by an independent, third-party auditing firm
  according to a common JAC framework that includes child and forced labour, health and safety,
  freedom of association, non-discrimination, disciplinary practices, working hours, wages and
  compensation, environment, and business ethics. Based on audit findings, corrective action
  plans are agreed and followed up on until closure. We work closely with our suppliers to provide
  support and ensure the non-compliances are addressed. See JAC audits section below for
  more information.
- Supply chain mapping: In recent years, we have undertaken an initial mapping of our extended supply network to identify the suppliers of our key Tier 1 suppliers. The objective of this exercise is to identify risks and opportunities in the subsequent tiers of our supply chain. However, we recognize that this initial mapping is not exhaustive, and as a result we are currently evaluating tools that will enable us to expand upon this.

#### **JAC** audits

The core activity of JAC is to enable members to work together to assess, verify and improve the standards relating to labour, health and safety, environment, ethics and management systems of the industry's supply chains, as well as the identification of supplier sites to audit.

The benefits of collaboration include leveraging combined resources, increasing the scale of visibility, and increasing the transparency and standardization of the audit process. JAC members conduct audits using third-party recognized audit firms, on-site at the supplier facilities in accordance with the JAC Supply Chain Sustainability Guidelines.

Each year, JAC members identify common suppliers to the industry for audit. Members engage suppliers to identify relevant sites for audit, and through a centralized process managed by our support partner, audits are allocated to each member to execute, with completed audits shared within JAC. A lead JAC member for any specific supplier is also responsible for progressing any corrective actions that may arise from audits. Completed audits are shared with members on a shared audit platform.

JAC, as part of the audit process governance framework, regularly updates members on progress, monitoring the audit plan and timely closure of corrective actions through Operational Assembly meetings. The JAC membership is also updated on this progress through a bi-annual General Assembly meeting.

## **Supplier Risk Council**

In Q4 2023 the CPO announced the formation of the TELUS Supplier Risk Council. This Council brings senior leaders, directors and subject matter experts together with the objective of finding ways to streamline processes, refine controls related to TELUS' risk tolerance, and support the growth of collective due diligence activities. The Supplier Due Diligence program is facilitated by the CPO team, with TELUS risk subject matter experts from across the organization (e.g., privacy, security, finance, safety, environment) providing input on risk definitions, standards and thresholds as well as guidance on effective strategies for mitigation. Importantly, the TELUS Supplier Risk Council structure enhances our supplier risk screening protocols and engagement across team members, with the ultimate goal of collaborating to evolve TELUS' existing risk programs to best identify and mitigate supplier risk. The formation of the TELUS Supplier Risk Council is a vital part of TELUS' continuous improvement philosophy.

During 2024, the Supplier Risk Council continued to identify and address gaps in the Supplier Due Diligence Program. The Council also accelerated projects to map our supply chain and risk event monitoring, increasing the visibility and interconnections of potential impacts down to lower tiers of our value chain.

# Assessing and managing our risk

We believe that awareness and active management of human rights issues in our value chain is core to our business. We continuously work to identify and manage risk, and to create opportunities for our team members, customers and communities.

#### Risks in our business

Our internal Compliance Governance Committee provides oversight of our annual human rights program, and conducts an annual maturity assessment and an inherent and residual risk assessment.

Our Respectful Workplace Office performs an annual review of the Respectful Workplace Policy to foster continued compliance with relevant anti-discrimination legislation in each of the jurisdictions that TELUS operates. An analysis of complaints filed with our office and applicable human rights commissions is conducted quarterly to determine if there are internal practices causing concern for our team members.

In addition, when completing the due diligence process during mergers and acquisitions, the risk review covers the following human rights topics: privacy, environmental management and compliance, employee well-being and property rights, among others.

## Risks in our supply chain

Our Procurement and Supply Chain teams oversee the policies and due diligence processes that formalize our commitment to safeguard internationally-proclaimed human rights in our supply chain.

This includes our Supplier Due Diligence Program, which includes the processes for how we assess and manage that risk, and other supply chain risk management initiatives.

We recognize that the risk of modern slavery being used is greatest in our extended supply chain, particularly in higher risk geographies and in the manufacturing of ICT products.

Based on our JAC audit results (see JAC Impact Statistics below), we have identified key areas where corrective actions are often required at the manufacturing sites along our supply chain, and therefore carry higher risk of violations. These are: Health & Safety, Working Hours, Environment, and Wages and Compensation.

More information about our approach to assessing human rights risks can be found in our <u>2024</u> <u>Sustainability and ESG Report</u>.

## Remediation measures

## JAC audit corrective action plans

The JAC process led by TELUS and other members includes the follow up of corrective action plans until closure. Various types of non-compliances have been raised through these audits, most commonly related to health & safety, working hours, environment and wages. Non-compliances are classified as Priority, Major or Minor, with set timeframes established to address each non-compliance. In 2024, TELUS did not identify any occurrences of modern slavery in our supply chain.

Per JAC guidelines, child labour and any form of forced, bonded, compulsory labour, slavery or human trafficking is strictly prohibited. As a JAC member, it is TELUS' responsibility to conduct follow up verification (independently or with the support of a third-party auditor) to close the audit process by reporting on the action(s) the supplier has taken in response to audit findings and recommendations and on the progress made toward the implementation of corrective measures. If all findings and recommendations in relation to the current JAC audit are effectively resolved and all corrective actions are completed and reported in a timely manner, the audit will be considered as completed.

We understand that efforts to prevent and reduce the risk of modern slavery can have the unintended consequence of contributing to a loss of income for vulnerable families. We have not identified any specific instances of this as a result of steps TELUS has taken (independently or as a member of JAC).

## **JAC Supply Chain Due Diligence Working Group**

In 2024, TELUS was a member of the JAC Supply Chain Due Diligence Working Group (formerly the JAC Human Rights Working Group), a collaborative forum of JAC members focusing on collaboration with suppliers and other stakeholders in identifying, analyzing, evaluating, prioritizing, mitigating and controlling potential human rights risks in the supply chain.

Working group members share best practice to develop long term implementation of initiatives in the different layers or tiers of the industry's supply chain globally, with a focus on supply chain due diligence<sup>1</sup>. In 2024, the Supply Chain Due Diligence Working Group comprised the following four

<sup>&</sup>lt;sup>1</sup> This does not involve the sharing of any commercially sensitive information, in accordance with JAC anti-trust obligations, which are regularly communicated to members.

subgroups: Best Practice Sharing, Risk Assessment, Supply Chain Development, and Mitigation and Remediation.

#### **TELUS feedback mechanisms**

We maintain feedback mechanisms for our team members, suppliers, customers and communities, to help address human rights risk and maintain a positive working environment. The TELUS EthicsLine provides an opportunity for anyone to anonymously and confidentially ask questions, request support or make a good faith report. To ensure reporting protections, calls are handled by an independent agency that offers 24-hour multi-language services to both internal and external callers.

We provide detailed reports on all EthicsLine activities, including the nature of complaints or inquiries received, as well as any breaches identified, such as the type, location, business area, and tenure of the employee involved. These reports are shared quarterly with the People, Culture, and Compensation Committee and Audit Committee of our Board of Directors.

Our leaders are expected to foster a work environment where all team members feel comfortable speaking up and having open discussions without fear of retaliation. Retaliation or retribution against a team member for contacting the Ethics Office, or for assisting or participating in an investigation of a complaint, violates our ethical principles and is not tolerated.

We also maintain an internal complaints procedure for respectful workplace issues, which are investigated and addressed by our Respectful Workplace Office. Human rights complaints (e.g., discrimination-related) may be dismissed, withdrawn, resolved or referred to the appropriate Human Rights Tribunal. Complaints and resolution status are reported quarterly to the People, Culture, and Compensation Committee of our Board. In addition to these feedback mechanisms, all collective agreements applicable to unionized team members include grievance and arbitration processes.

# Training provided to employees

Team members are required to annually attest that they have read and will comply with TELUS' Code of Ethics and Conduct. This requirement ensures that team members understand that their employment is conditional upon their compliance with our ethical and conduct standards. Each year, we require our team members and contractors to complete an online integrity training course, referred to as TELUS Integrity, which outlines key aspects of our Ethics, Respectful Workplace, and Security and Privacy policies. Over 99 per cent of our team members completed the 2024 Integrity Training Course globally. The Code of Ethics and Conduct ensures that every TELUS team member is guided by the same values and understands what is expected, regardless of work location or role in our organization.

We also have dedicated training based on our Respectful Workplace Policy that is required for all team members at least once every three years. Newly hired team members and newly engaged contractors are required to complete the training within three months of their start date.

In 2024, we continued to implement our ESG training program for internal stakeholders, including procurement professionals and business managers. This training program is focused on capacity building, designed to equip them with the knowledge and skills necessary to actively contribute to the achievement of our ESG goals. Team members gain a deep understanding of the roles they play in promoting sustainability within the supply chain and are empowered to take meaningful action, including the creation of annual category playbooks with objectives and targets on ESG for their individual categories. This training program is continually reviewed and will be broadened over time.

# Assessing our effectiveness

Modern slavery presents complex risks, and that complexity extends to the assessment of our effectiveness in addressing it. For our business, our internal Compliance Governance Committee provides oversight of our annual human rights and ethics program, and conducts an annual maturity assessment and an inherent and residual risk assessment.

Our Respectful Workplace Office performs an annual review of the Respectful Workplace Policy to foster continued compliance with relevant anti-discrimination legislation in each of the jurisdictions that TELUS operates. An analysis of complaints filed with our office and applicable human rights commissions is conducted quarterly to determine if there are internal practices causing concern for our team members.

To monitor and assess the effectiveness of measures in our supply chains, we rely on our Supplier Due Diligence Program and annual data provided by JAC. JAC reports on progress with respect to third-party, on-site audits of common suppliers carried out on behalf of all its members in its own reporting.

In 2024, JAC conducted a total of 150 audits and surveys, including 115 CSR audits, 24 materially equivalent audits carried out under the Responsible Business Alliance process of Validated Assessment Program (VAP) and 11 Mobile Workers' Surveys<sup>2</sup> (MWS), which ask workers in supplier facilities to use their mobile devices to provide responses to confidential surveys.

JAC Impact Statistics: Key Performance Indicators (Jan 1-Dec 31, 2024)	
Total number of audits and surveys carried out:	150
a) JAC audits	115
b) VAP audits	24
c) Mobile Workers' Surveys (MWS)	11
Number of different countries in which audits were carried out:	31
Tiering <sup>3</sup> of suppliers where JAC, VAP audits and MWS were performed:	
Tier 1	62
Tier 2	77
Tier 3	11
Corrective action plans raised from JAC audits in 2024	661
of which, the following 4 areas made up 84% of all findings:	
Health & safety	44%
Working hours	19%
Environment	11%
Wages and compensation	11%
Corrective Action Plans closed from JAC audits in 2024	147
JAC audit score ratings:	
Excellent, Class A >= 90	35%
Good, Class B >= 70 and < 90	38%
Conditionally accepted, Class C >= 60 and <70	7%
Poor, Class D < 60	20%

<sup>&</sup>lt;sup>2</sup> MWS may be conducted to complement on-site audits to capture worker sentiment directly.

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<sup>&</sup>lt;sup>3</sup> Tiers are defined as upstream in the supply chain, e.g., Tier 1 is the direct supplier to a JAC member, Tier 2 suppliers are subcontractors/suppliers to the Tier 1 supplier, Tier 3 subcontractors/suppliers to Tier 2 suppliers. Tiering of suppliers is set by a third-party CSR auditor, by a supplier or by a JAC member.

Additional details on JAC, including data assumptions and verifications, can be found in the <u>JAC</u> Annual Report 2024.

# **Approval and attestation**

This statement is published in accordance with section 11 of Canada's *Fighting Against Forced Labour and Child Labour in Supply Chains Act* and section 54 of the United Kingdom *Modern Slavery Act* 2015, and has been approved by the TELUS Board of Directors.

In accordance with the requirements of the Canadian Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

Full name: John Manley

Title: Chair of the Board of Directors of TELUS Corporation

Date: May 27, 2025

Signature:

No Maly

I have the authority to bind TELUS Corporation