

APPENDIX G - TERMS OF REFERENCE FOR THE PEOPLE, CULTURE AND COMPENSATION COMMITTEE

The Board of Directors has established the People, Culture and Compensation Committee of the Board (the “Committee”) to oversee the Company’s strategies relating to its people and its culture, including the Company’s philosophy and guidelines on executive compensation.

The term “Executive Management” refers to all Executive Vice Presidents who are appointed officers of the Company (collectively the “Executive Leadership Team or ELT”) and the President and Chief Executive Officer (“CEO”).

1. MEMBERSHIP

- 1.1 The Committee will have a minimum of three members, including the Chair of the Committee. The Board, upon the recommendation of the Corporate Governance Committee, will appoint and remove the members of the Committee by a majority vote. The members will sit on the Committee at the pleasure of the Board.
- 1.2 The Board, upon the recommendation of the Corporate Governance Committee, will appoint the Chair of the Committee from the Committee members by a majority vote. The Chair of the Committee will hold such position at the pleasure of the Board.
- 1.3 All members of the Committee will be Independent Directors.
- 1.4 No more than 1/3 of the members of the Committee may be a currently serving chief executive officer of another public company.

2. MEETINGS

- 2.1 The Committee will meet at least once each quarter and otherwise as necessary. Any member of the Committee may call meetings of the Committee.
- 2.2 All directors of the Company, including management directors, may attend meetings of the Committee provided, however, that no director is entitled to vote at such meetings and is not counted as part of the quorum for the Committee if they are not a member of the Committee.
- 2.3 The Chief Legal and Governance Officer or their nominee will act as Secretary to the Committee.
- 2.4 The Committee will report to the Board on its activities and deliberations as soon as practicable, and report to the Board at its next regular meeting all such actions which the Committee has taken since the previous report. Each member of the Board will have access to the minutes of the Committee’s meetings, regardless of whether the director is a member of the Committee.
- 2.5 The Committee should hold an in-camera session without management present, including management directors, as a regular feature of each Committee meeting.
- 2.6 At the invitation of the Committee, the external human resources consultant to the Committee may attend meetings of the Committee, including in-camera sessions.

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2.7 Subject to any contrary direction by the Committee, the external human resources consultant to the Committee will receive notice of every meeting of the Committee.

3. QUORUM

The quorum necessary for the transaction of business at Committee meetings will be a majority of the members of the Committee. A quorum once established is maintained even if members of the Committee leave the meeting prior to conclusion.

4. DUTIES

The Committee shall have the following duties, together with such other functions assigned by the Board:

4.1 Oversight of People and Culture Strategy

The Committee will provide oversight of the Company's people and culture strategy and its alignment with the Company's strategy and social purpose including with respect to diversity and inclusion, employee well-being, health and safety, business ethics. In furtherance of that oversight, the Committee will review and provide input on: (i) quarterly reports from Company management pertaining to Business Ethics, Respectful Workplace and Well-Being Health and Safety; and (ii) quarterly reports from the Company's Chief Human Resources Officer in relation to the Company's People Strategy and corporate scorecard.

4.2 Executive Management - Appointments and succession planning

The Committee:

- (a) will review and recommend to the Board for approval the proposed appointment of any person to Executive Management or as a corporate officer of the Company;
- (b) will review and recommend to the Board for approval all agreements, including those dealing with retirement, termination of employment or other special circumstances, between the Company and the CEO but excluding indemnity agreements which are reviewed by the Corporate Governance Committee;
- (c) will review and approve the key terms and conditions of all agreements, including those dealing with retirement, termination of employment or other special circumstances, between the Company and any ELT member, but excluding indemnity agreements which are reviewed by the Corporate Governance Committee; and
- (d) at least once annually, will review succession plans for Executive Management, including cross business-unit coordination and specific development plans and career planning for potential successors, provided that the Board must also review and approve the succession plan for the CEO.

4.3 Compensation Philosophy and Executive Programs

The Committee:

- (a) will develop and recommend to the Board for its approval, the Company's compensation philosophy and guidelines for Executive Management;

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- (b) at least once annually, will review the Company's compensation philosophy and guidelines for Executive Management and recommend any material changes to the Board for its approval. In its review, the Committee will assess the form and adequacy of compensation for Executive Management, the linkage of executive compensation philosophy and incentive plans to the corporate strategy and the Company's financial and non-financial performance, and alignment with the Company's employee compensation philosophy;
- (c) will review and recommend to the Board for approval the design of the annual performance bonus plan;
- (d) will review any proposed establishment of, and material changes to, incentive compensation plans and employee benefit plans for Executive Management and all equity-based incentive plans of the Company or its subsidiaries (except in relation to TELUS International and its subsidiaries), including guidelines and policies relating to such plans, and present its recommendations to the Board for approval, unless the plan texts provide otherwise;
- (e) will, within any guidelines established by the Board and subject to any authority otherwise reserved or delegated by the Board with respect to any stock option or other equity based incentive plans of the Company or its subsidiaries (except in relation to TELUS International and its subsidiaries):
 - (i) review management's recommendations for and, subject to confirmation by the Board, approve the granting of stock options or other securities under such plans to eligible participants; and
 - (ii) administer such plans;
- (f) at least once every two years, will review and approve the levels and types of benefits, including perquisites and vehicles, that may be granted to Executive Management, subject to the terms of any applicable employee benefit plans and guidelines established by the Board;
- (g) will assess the Company's policies and procedures with respect to the expense accounts, perquisites and use of corporate assets by Executive Management;
- (h) at least once annually, approve the share ownership guidelines for Executive Management and review the compliance with those guidelines by Executive Management; and
- (i) at least once every two years, review and approve all material Executive Management policies and guidelines that are not otherwise addressed in these Terms of Reference or under the mandate of the Board or another Board committee.

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4.4 Annual Executive Performance and Compensation

The Committee:

- (a) at least once annually, will review and approve the corporate scorecard and individual goals and objectives relevant to CEO compensation;
- (b) at least once annually, will undertake an objective assessment of CEO performance against the CEO's annual objectives, seek confidential input from members of the Board as to the CEO's performance evaluation and recommend to the Board for approval the performance evaluation of the CEO based on the Committee's recommendation;
- (c) at least once annually, will review and approve the performance evaluations of each ELT member based on the CEO's recommendations;
- (d) will review the performance of the Executive Management as provided in subparagraphs b) and c) above in light of the corporate scorecard and individual goals and objectives referred to in subparagraph (a) above;
- (e) at least once annually, review and recommend to the Board for approval the CEO's compensation based on the assessment of the CEO's performance as described in Section 4.4(b) (above);
- (f) at least once annually, will review and approve the compensation of each ELT member, after taking into consideration the evaluation and recommendations of the CEO, provided that any grant of securities will be approved by the Board where it is required;
- (g) within any guidelines established by the Board, and any authority reserved by the Board, the Committee may consider and determine all matters concerning incentive awards, perquisites and other remuneration matters with respect to Executive Management, provided that any determination with respect to CEO remuneration will be subject to the approval of the Board; and
- (h) will ensure that members of Executive Management excuse themselves from meetings during voting or deliberations by the Committee with respect to their performance evaluations or compensation.

4.5 External Board Memberships

Save and except for those boards of directors that a member of Executive Management is asked by the Company to join as part of that member's employment duties, the Committee, with respect to boards of directors of unrelated corporations or entities, whether they are for-profit or not-for-profit:

- (a) may establish a limit on the number of such boards on which individual members of Executive Management may participate;
- (b) will receive notice of proposed board membership by the CEO and have the right to approve or object to such membership (including any new role on a board that the CEO proposes to assume, such as Board Chair or Chair of a Committee of the board); and
- (c) annually, will review the external boards on which Executive Management serve.

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4.6 Risk management

The Committee:

- (a) will monitor, on behalf of the Board, the Company's health and safety policies and receive and review regular reports concerning the Company's health and safety programs, policies and results;
- (b) will review, at least once every two years, and recommend to the Board for approval, together with the Audit Committee, the Code of Ethics and Conduct and material changes thereto;
- (c) will receive, with such frequency as the Committee deems appropriate, reports from the Respectful Workplace Office;
- (d) will review regularly, management's approach to business ethics and corporate conduct and the program used by management to monitor compliance with the policy including quarterly reports on ethics breaches;
- (e) will annually review the labour relations environment for the Company, and report to the Board with respect to any potential financial implications related thereto; and
- (f) will in its review and determinations respecting the Company's compensation philosophy, guidelines, programs, practices, plans and specific arrangements for Executive Management under this Appendix G, also assess their impact on risk-taking, to ensure they are consistent with the Company's longer-term goals and prudent risk-taking and to avoid promoting excessive risk-taking in light of the Company's risk tolerance.

4.7 Public Reporting and Terms of Reference

The Committee:

- (a) will prepare and recommend to the Board for approval the reports on executive compensation for inclusion in the Company's information circulars and similar disclosure documents as required by law; and
- (b) at least once annually, will review and evaluate the adequacy of these Terms of Reference and the Committee's performance, and report its evaluation and any recommendations for change to the Corporate Governance Committee.

4.8 Supplemental Retirement Plans

Within any guidelines established by the Board, the Committee:

- (a) will administer the Supplemental Retirement Plans ("SRP") for Executive Management;
- (b) will designate Executive Management and key employees for the purpose of the SRP;
- (c) at least once annually, will review the benefits arising from and the liability for the SRP; and

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- (d) will review and approve amendments to the SRP which relate to particular benefits under the SRP to be granted to Executive Management and designated key employees (other than the CEO) and review any other amendment which the Committee considers appropriate, and make recommendations to the Board for its consideration and approval.

5. COMPENSATION CONSULTANT

The Committee:

- (a) will approve annually the letter of engagement of the compensation consultant;
- (b) will review the annual work plan, budget and fees of the Committee's compensation consultant;
- (c) will receive, with such frequency as the Committee deems appropriate, notification from the Committee's compensation consultant, on the non-Committee work performed by such consultant for the Company;
- (d) will annually assess the independence of the compensation consultant following the receipt of a report by such consultant including a statement and attestation of independence relating to the services performed during the prior year;
- (e) at least once annually, will conduct a performance assessment of the Committee's compensation consultant; and
- (f) coordinate the above with the Corporate Governance Committee as it relates to the compensation of the Board.

6. AUTHORITY

6.1 The Committee, in fulfilling its mandate, will have the authority to:

- (a) hire and terminate any external human resource consultant to the Committee, and set compensation and other retention terms for such consultant;
- (b) hire and terminate any other advisors including independent counsel, and set compensation and other retention terms for such advisors;
- (c) communicate directly with the Executive Vice-President responsible for People and Culture, the Chief Legal and Governance Officer and any other member of management as the Committee deems appropriate;
- (d) delegate tasks to Committee members or subcommittees of the Committee; and
- (e) access appropriate funding as determined by the Committee to carry out its duties.

6.2 The Committee will also have such other powers and duties as are delegated to it from time to time by the Board.