

## **APPENDIX F – TERMS OF REFERENCE FOR THE CORPORATE GOVERNANCE COMMITTEE**

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The Board has established the Corporate Governance Committee (the “Committee”) to assist the Board in fulfilling its oversight responsibilities regarding the effectiveness of the Company’s corporate governance system. The Committee is also responsible for establishing a process for identifying, recruiting, appointing and providing ongoing development for directors. In addition, it is the responsibility of the Committee to (i) identify individuals qualified to become board members, consistent with criteria approved by the Board, and to recommend that the Board select, the director nominees for the next annual meeting of shareholders; (ii) develop and recommend to the Board a set of corporate governance principles applicable to the Company; and (iii) oversee the evaluation of the Board.

### **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 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 Committee, will appoint the chair of the Committee from the Committee’s 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.

### **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 he or she is not a member of the Committee.
- 2.3 The Committee should hold an in-camera session without management present, including management directors, as a regular feature of each Committee meeting.
- 2.4 The Chief Governance Officer or his or her nominee will act as Secretary to the Committee.
- 2.5 The Committee will report to the Board on its meetings and 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.

### **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 Board hereby delegates to the Committee the following duties to be performed by the Committee on behalf of and for the Board:

#### **4.1 Corporate Governance**

The Committee is responsible for monitoring corporate governance developments, best practices for corporate governance and furthering the effectiveness of the Company's corporate governance practices.

#### **4.2 Board and Committees**

The Committee will review and recommend to the Board for approval:

- (a) prior to each annual general meeting, and in consultation with the Chair (and Lead Director if the Chair is not independent) and the CEO, the composition of the Board and the committees and any necessary changes;
- (b) annually, in consultation with the Chair (and Lead Director if the Chair is not independent) and the CEO, the nominees for election as directors of the Company at its annual general meetings and, as required, candidates to fill any casual vacancy occurring in the Board or committees;
- (c) candidates for appointment of the Chair and the Lead Director (if there is one in place) as required;
- (d) at appropriate intervals together with the Chair (and Lead Director if the Chair is not independent) and, where appropriate, the chairs of other committees, the mandate, scope, duties and responsibilities of those committees and any amendments thereto, as well as the establishment or disbanding of Board committees and changes to their composition, including the chairs thereof;
- (e) annually, the adequacy of the Board Policy Manual and Terms of Reference for each committee and any amendments thereto. As part of that review, the Committee will consider whether the respective responsibilities for risk oversight are appropriately covered and coordinated among the Board and Board committees;
- (f) at appropriate intervals, compensation and benefit levels for the directors of the Company and its major subsidiaries and affiliates (as appropriate), including the Chair and Lead Director (if there is one); and
- (g) annually, the effectiveness of the Board Diversity Policy and the measurable objectives for achieving Board diversity, and recommend to the Board any material changes.

#### **4.3 Director Selection, Education, Evaluation and Criteria**

The Committee will:

- (a) annually review a process for the selection of new directors (as set out in Appendix J) and recommend any changes thereto to the Board for approval;
- (b) annually review a process for the determination of the independence of the directors, and the financial expertise or accounting or related financial experience or financial literacy of the directors, as those terms are defined under applicable securities laws and recommend any changes thereto, as well as the actual determinations, to the Board for approval;

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- (c) approve orientation processes for new directors and annual plans for the ongoing development of existing directors;
- (d) in conjunction with the Chair and the Lead Director (if there is one in place), conduct an annual evaluation of the performance of individual directors, the Chair (and Lead Director, if applicable), the chairs of the committees, the Board as a whole and the committees, including its own performance;
- (e) annually review the criteria to be met by all directors of the Company in order to be eligible to serve as a director (as set out in Appendix J) and recommend any changes to the eligibility criteria to the Board for approval;
- (f) establish and annually review, Board skills and conduct a gap analysis;
- (g) establish and annually review, the succession planning process and actual succession plans for the Chair, Lead Director (if there is one) and the chair of each committee; and
- (h) maintain a list of potential candidates for directors who meet the established criteria and review such list as required to track progress.

### **4.4 Risk Management**

The Committee will:

- (a) annually review and approve directors' and officers' third party liability insurance coverage;
- (b) review and recommend to the Board for approval any material changes to directors' or officers' indemnity agreements;
- (c) monitor and review, on behalf of the Board, the Company's insurance, claims and property risks;
- (d) monitor, on behalf of the Board, environmental matters including the Company's compliance with environmental legislation and the adequacy of the Company's environmental budget expenditures;
- (e) review and recommend to the Board for approval environmental policies and procedure guidelines at least every two years and any material changes thereto; and
- (f) review and monitor, on behalf of the Board, the Company's approach, planning and reporting on corporate social responsibility and sustainability.

### **4.5 Other**

The Committee will review:

- (a) as required, and report to the Board on the necessity or advisability of appointing an independent committee to evaluate and confirm to the Board the fairness of any material transaction involving the Company

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- (b) and approve, any reports required or recommended on corporate governance for inclusion in public disclosure documents of the Company (e.g. the disclosure on corporate governance practices required by Canadian securities regulators);
- (c) the framework for the delegation of authority between the Board and management at least every two years and recommend to the Board for approval, any material changes thereto;
- (d) and annually report to the Board on the adequacy of the Company’s say on pay policy, shareholder engagement practices and policy, and recommend to the Board any material changes thereto;
- (e) and annually report to the Board on the adequacy of the Company’s insider trading policy, and recommend to the Board any material changes thereto;
- (f) and approve annually, the Company’s charitable and political contribution policies, budget and practices;
- (g) and monitor legislation affecting the duties, responsibilities and potential liability of directors;
- (h) and approve as needed, the policy regarding the engagement of outside advisors for individual directors or by committees; and
- (i) and pre-approve the hiring or promotion of employees who has a relationship with any director of the Company that would render the director to be not “independent” under TELUS policies upon such hiring or promotion. The Committee may delegate the authority to grant such pre-approval to any one member of the Committee, provided that a report is made to the Committee on any pre-approval at the Committee’s first scheduled meeting following the pre-approval.

The Committee will also have such other duties and responsibilities as are delegated to it and review such other matters as, from time to time, are referred to it by the Board.

### **5. OUTSIDE ADVISORS**

The Committee may engage and terminate outside advisors, at the expense of the Company, to provide advice with respect to a corporate decision or action.

### **6. AUTHORITY**

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

- (a) communicate directly with the Chief Legal Officer and the Chief Governance Officer, and any other member of management as the Committee deems appropriate;
- (b) delegate tasks to Committee members or subcommittees of the Committee; and
- (c) access appropriate funding as determined by the Committee to carry out its duties.