

# stronger together



# We are dedicated to good governance and integrity

Together, we are strongly committed to sound and effective practices in corporate governance and full and fair disclosure. Our ongoing efforts to enhance our practices help us pursue greater transparency and ensure integrity in our actions.

## Guiding our business

We announced the appointment of three new directors in 2017. Kathy Kinloch and Claude Mongeau were elected as directors in May, and Marc Parent joined our Board in November. Collectively, Kathy, Claude and Marc bring a wealth of strategic expertise, significant experience in key markets and extensive knowledge in areas that are aligned with our vision and business strategy.

We initiated our committee chair succession process in May 2016, with Mary Jo Haddad replacing John Lacey as Chair of the Human Resources and Compensation Committee in 2017. John remains a member of the committee, acting as a resource and helping the Board ensure a smooth transition with an emphasis on continuity and consistency.

## Fostering diversity

We recognize that cultivating diversity provides a major competitive advantage and helps to ensure our Board benefits from a broader range of perspectives and relevant experience that better reflects our customers and the communities we serve. In support of our Board diversity policy, we set targets to have diversity represented by not less than 30 per cent of our Board's independent members by 2017, and a minimum representation of 30 per cent of each gender by the end of 2018.



For a full statement of TELUS' corporate governance practices, including our Board policy manual and disclosure regarding our governance practices compared to those required by the New York Stock Exchange, refer to the TELUS 2018 information circular or visit [telus.com/governance](http://telus.com/governance)

Currently, 38 per cent (five members) of our independent directors represent this diversity, exceeding our goal of 30 per cent. As well, 23 per cent (three members) of our independent directors are women, and we are working toward meeting our goal of having 30 per cent of each gender represented in 2018.

## Earning the trust of our stakeholders

Adhering to high ethical standards is essential to everything we do at TELUS. Together, we know that having a shared commitment to integrity and fostering a culture of open communication sets the foundation for earning the trust of our customers, investors and team members.

Each year, we review our code of ethics and conduct to ensure it remains relevant. We also update our online learning course, called Integrity, which establishes the expectations of how we conduct business and interact with each other, as well as with our customers, investors, suppliers and communities. The course focuses on four main themes – ethics, privacy, security and respect – and is mandatory for all team members and the majority of our contractors.

In 2017, we advanced efforts to help our stakeholders better understand our commitment to protecting personal information and being transparent about how we collect, use and secure information. We enhanced our privacy training with a stand-alone annual mandatory training course. We also updated our privacy commitment and code, adding more detail and streamlining the information to make it easier for customers to find what they need on our website and helping them increase their understanding of our privacy practices. As well, we introduced a comprehensive privacy management program framework that incorporates a variety of controls and practices to protect the privacy of our customers and team members. For more information, visit [telus.com/privacy](http://telus.com/privacy).

# Long-standing best practices in corporate governance

		Say-on-pay vote	Majority voting policy	Clawback policy
Board diversity policy	Shareholder engagement policy	Code of ethics and conduct and EthicsLine	Privacy management program framework	Enterprise risk governance and oversight
Board recruitment process and orientation programs	Mandatory continuing education sessions for the Board	Board and committee succession planning	CEO succession planning	
Board, committee and director evaluations	Director term limits	Share ownership guidelines for directors and executives		



We continue to provide an EthicsLine for anonymous and confidential questions or complaints on internal controls and other issues related to integrity. Calls are handled by an independent agency, offering multi-language services to internal and external callers 24 hours a day. For the 15th consecutive year, none of the calls made to the Ethics Office in 2017 involved breaches by team members with a significant role in internal controls over financial reporting.

## Encouraging communication

We place great importance on communicating with our stakeholders and providing opportunities for open and honest dialogue, which is demonstrated by our shareholder engagement policy. We recognize that timely and regular communication helps investors make sound, informed investment decisions.

In 2017, we participated in numerous investor conferences and tours and met with many institutional investors in Canada, the United States and Europe. As well, Dick Auchinleck, TELUS Chair, along with some of our executives, met with representatives of

the Canadian Coalition for Good Governance to discuss our sustainability program and best practices in this area. To view past and upcoming events, visit [telus.com/investors](http://telus.com/investors).

## Gaining recognition for our efforts

Our efforts to achieve excellence in corporate governance and provide transparent disclosure continue to be recognized. In 2017, we received the Award of Excellence in Corporate Governance Disclosure and a Gold Award in Corporate Reporting from the Chartered Professional Accountants of Canada. In addition, our 2016 annual report placed first in the world in the telecommunications sector in the 2017 Annual Report on Annual Reports by ReportWatch, an international ranking by industry sector.



To provide shareholder feedback or comments to our Board, email [board@telus.com](mailto:board@telus.com)