

CORPORATE GOVERNANCE

Statement of TELUS' corporate governance practices

WHAT WE DO

- ✓ **Independent board and committees** – Twelve of our 13 directors are independent and all of our committees are composed of independent directors
- ✓ **Separate role of Board Chair and President and Chief Executive Officer (CEO)** – We maintain separate Chair and CEO positions and our Chair is an independent director
- ✓ **Share ownership guidelines** – We require directors and senior executives to own shares, or have an equity interest in TELUS, to align their interests with our shareholders and we disclose share ownership targets and numbers
- ✓ **Majority voting for directors** – Our Board adopted a majority voting policy in 2003
- ✓ **Strong risk oversight** – Our Board and committees oversee our risk management program and strategic, financial and operational risks
- ✓ **Formal assessment process** – Our directors formally evaluate the effectiveness of the Board and its committees, as well as the performance of all individual directors (including the Board Chair and committee chairs). This assessment is conducted annually, with an alternating focus each year
- ✓ **Limit on interlocking boards** – We limit the number of other public company boards our directors can serve on together
- ✓ **No overboarding of directors** – No director sits on more than four other public company boards
- ✓ **Director recruitment and board succession** – We have adopted a 15-year term limit and a retirement roadmap, which informs our Board succession planning and process
- ✓ **Diverse board** – Our Board represents a diverse mix of skills, background and experience. Currently, 42% of our independent directors are female
- ✓ **Independent advice** – Each Board committee has full authority to retain independent external advisors to help it carry out its duties and responsibilities
- ✓ **Code of ethics and conduct** – Our directors, officers and employees must comply with our code of ethics and conduct and confirm their compliance every year
- ✓ **Shareholder engagement** – We have a formal shareholder engagement policy that describes how shareholders can provide direct feedback to the Board and we engage with shareholders throughout the year
- ✓ **Say on pay** – We have held an advisory vote on our approach to executive compensation every year since 2011
- ✓ **In-camera sessions** – Independent directors meet without management present at each Board and committee meeting
- ✓ **Formal director orientation and ongoing education program** – We have a comprehensive orientation process for new directors and an ongoing education program for the Board

WHAT WE DO NOT DO

- X **No slate voting** – Our directors are individually elected
- X **No management directors on committees** – Our management directors do not sit on any of the Board committees
- X **No share option awards for directors** – We do not grant share options to directors
- X **No monetization or hedging** – No director, executive or employee can monetize or hedge our shares or equity-based compensation to undermine the risk-alignment in our equity ownership requirements

We are committed to effective and sound practices in corporate governance and we regularly assess emerging best practices and changing legal requirements. We are also committed to transparent disclosure of our corporate governance practices and to providing voluntary disclosure when we believe that disclosure is helpful to our stakeholders, even if that disclosure goes beyond what is legally required.

TELUS complies with all applicable Canadian and U.S. corporate governance rules, regulations and policies. Although not required to do so, we have voluntarily adopted the expanded definition of independence in Section 303A of the New York Stock Exchange Governance Standards (the NYSE governance rules). We are also in substantial compliance with most of the provisions of the NYSE governance rules that are not mandatory

for foreign private issuers, including the NYSE requirements regarding the independence of compensation committee members, except as indicated below.

With respect to shareholders' approval of security-based compensation arrangements, TELUS follows the Toronto Stock Exchange (TSX) rules, which require shareholders' approval of security-based compensation arrangements and material amendments only if they involve newly issued securities. This is in contrast to the NYSE governance rules, which generally require shareholders' approval of all equity-based compensation arrangements regardless of whether they involve newly issued securities or securities purchased in the open market.

TELUS follows many (but not all) of the incremental disclosure provisions under the NYSE governance rules.

Board of Directors

Oversight and mandate

The Board is responsible for the stewardship of the Company and overseeing the management of the Company's business and affairs.

A copy of the *TELUS Board Policy Manual* is available at [telus.com/governance](https://www.telus.com/governance).

The Board has adopted the *TELUS Board Policy Manual* to assist Board members in fulfilling their obligations, both individually and collectively, and to set out the expectations for the Board, Board committees, individual directors, the Chair, the committee chairs and the CEO. The terms of reference for the Board of Directors are contained in the manual and attached as Appendix A to this information circular. The entire *TELUS Board Policy Manual*, including the terms of reference for the Board of Directors, is reviewed annually by the Corporate Governance Committee and any amendments are approved by the Board.

The Board fulfills its duties and responsibilities directly and by delegating some of these responsibilities to the Board committees. Following is a discussion of the key mandates for the Board, namely, strategic planning, risk oversight and succession planning.

To further delineate the Board's responsibilities, the Board has adopted a delegation policy under which it delegates certain decisions to management. This policy provides guidance to the Board and management on matters requiring Board approval, including major capital expenditures, acquisitions, investments and divestitures.

Strategic planning

One of the Board's key mandates is to oversee the development and implementation of the Company's strategic objectives and goals.

The corporate priorities and the plan to achieve those

priorities are approved by the Board each December. Every quarter, the Board receives updates on the Company's progress against each of the priorities and key performance metrics and drivers. At each meeting, the Board holds detailed discussions on strategy and implementation of the Company's strategic plan and priorities.

Critical to this process is the Board's annual strategic advance meeting, held over three days at the beginning of August. At this meeting, the Board and management hold comprehensive discussions on the strategic plan, as well as progress toward our operational and financial targets and our corporate priorities. The August meeting, as well as other activities during the course of the year, provides opportunities for our directors to meet with members of the senior leadership team to enhance their understanding of our business and to inform their participation in executive succession planning.

The Board plays a key role in reviewing the Company's corporate priorities and setting the Company's strategic objectives and goals.

Risk oversight

Risk oversight and management is another key mandate of the Board.

Board oversight

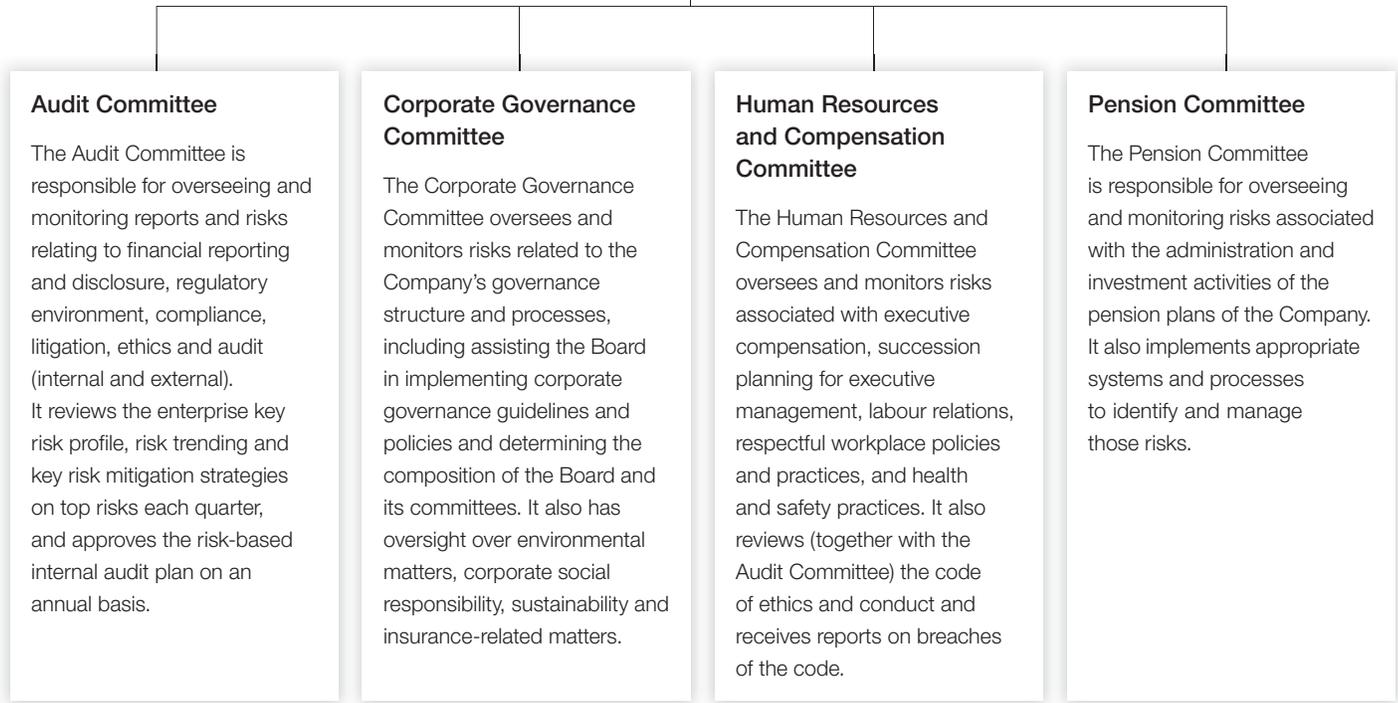
The Board has oversight for risk management and is responsible for:

- Identifying and overseeing material risks to the Company's business, including strategic, operational, financial, legal, compliance and regulatory risks
- Implementing appropriate systems and processes to identify, monitor and manage material risks
- Reviewing, on an annual basis, the Company's risk management program, including risk appetite,

integrated enterprise risk assessment, quality and adequacy of risk-related information provided to the Board and allocation of risk oversight among the Board and each of the committees.

Through an annual internal risk and control assessment, each director identifies key enterprise risks and provides his or her perception of TELUS' risk appetite in key risk areas.

While the Board maintains overall responsibility for risk, the responsibility for certain aspects of the risk oversight program is delegated to certain committees as indicated below. Throughout the year, the Board and each of the committees dedicate a portion of their meetings to reviewing and discussing specific risk topics in greater detail. The Board receives quarterly updates on specific risks and risk mitigation activities from each of the committees.



For a detailed explanation of the material risks applicable to TELUS and its affiliates, see Sections 9 and 10 of Management's discussion and analysis in the TELUS 2018 annual report.

Succession planning

Another key mandate of the Board and the Human Resources and Compensation Committee (Compensation Committee) is in the area of succession planning. Executive succession planning is fully integrated with the Company's overall strategic planning process, which covers all management positions to ensure the development of strong talent. On an annual basis, the Compensation Committee meets with the CEO to review and update the succession plan for all executive officers, including the CEO position.

Succession planning is an important priority for the Board and is reviewed on an annual basis.

The Board has prioritized executive succession planning and invested significant time in conducting a comprehensive review of CEO succession planning, which is conducted on an annual basis and includes a review of the process itself, as well as a review of the leadership skills and experience being sought and developed in candidates for the role of CEO. In particular, the Board examines the progress made against prior high-potential development plans. The Board also discusses in great detail the strengths and development opportunities of the current candidates for the role of CEO, as well as the strengths and development opportunities of the next generation of Executive Leadership Team (ELT) and CEO candidates. Candidates for the CEO position are assessed relative to their leadership capabilities, sustained operational results and proven ability to drive strategy. The Board and CEO often recommend additional development opportunities, mentorship and enhanced responsibilities to accelerate candidates' growth.

Also, in addition to this annual review, the Compensation Committee and the Board discuss talent management and succession plans throughout the year in the context of performance reviews used to determine executive compensation. For more details on executive succession planning that occurred in 2018, please refer to the Compensation Committee report on page 57.

Committees

To help the Board fulfill its duties and responsibilities, the Board delegates certain powers, duties and responsibilities to committees to ensure a full review of certain matters. The committees of the Board include the Audit, Corporate Governance, Human Resources and Compensation, and Pension Committees.

The following table provides an overview of our current Board committees. Management directors do not serve on any committee and, as Board Chair, Dick Auchinleck is not a member of any committee but regularly attends committee meetings. All of the committees are composed solely of independent directors.

Committee	Number of meetings held in 2018	Members as of December 31, 2018	Independent
Audit	4	David Mowat (chair)	✓
		Bill MacKinnon ¹	✓
		Christine Magee	✓
		Sabi Marwah ¹	✓
		Claude Mongeau	✓
		Denise Pickett	✓
Corporate Governance	4	John Manley (chair)	✓
		Lisa de Wilde	✓
		Kathy Kinloch	✓
		Sabi Marwah ¹	✓
		Claude Mongeau	✓
Human Resources and Compensation	4	Mary Jo Haddad (chair)	✓
		Ray Chan	✓
		Stockwell Day	✓
		Kathy Kinloch	✓
		Marc Parent	✓
Pension	4	Stockwell Day (chair)	✓
		Ray Chan	✓
		Lisa de Wilde	✓
		John Manley	✓
		Marc Parent	✓

¹ Bill and Sabi will retire from the Board in May 2019.

Each committee has terms of reference that set out its mandate, duties and scope of authority, and each committee reports to the Board on its activities on a regular basis. The mandate of each committee is:

Audit Committee	Corporate Governance Committee	Human Resources and Compensation Committee	Pension Committee
<p>Mandate – To support the Board in fulfilling its oversight responsibilities regarding the integrity of the Company's accounting and financial reporting.</p>	<p>Mandate – To assist the Board in fulfilling its oversight responsibilities to ensure TELUS has an effective corporate governance regime.</p>	<p>Mandate – To assist the Board in developing the compensation philosophy and guidelines on executive compensation and to oversee policies related to employees.</p>	<p>Mandate – To oversee the administration, financial reporting and investment activities for six registered Company pension plans, any related supplemental retirement arrangements as mandated by the Board, and any related trust funds (collectively the Pension Plans).</p>
<p>Responsibilities</p> <ul style="list-style-type: none"> • Monitoring internal controls and disclosure controls • Monitoring legal, regulatory and ethical compliance and reporting and timeliness of filings with regulatory authorities • Reviewing and assessing the independence and performance of the Company's external and internal auditors • Overseeing the management of the Company's risks • Monitoring the Company's creditworthiness, treasury plans and financial policy • Overseeing the Company's whistleblower and complaint procedures. <p>For more details on the Audit Committee's 2018 activities, see page 53.</p> <p>For more information on the Audit Committee, including the text of its terms of reference, refer to the Audit Committee section in our annual information form for the year ended December 31, 2018.</p>	<p>Responsibilities</p> <ul style="list-style-type: none"> • Monitoring corporate governance developments, emerging best practices and the effectiveness of our corporate governance policies and practices • Identifying, recruiting and recommending nominees for election as directors • Providing ongoing education and development for directors • Overseeing Board and director evaluations • Recommending to the Board its determination of directors' independence, financial literacy, financial expertise, and accounting or related financial management expertise • Monitoring and reviewing insurance, claims and property risks, corporate social responsibility and environmental matters and policies. <p>For more details on the Corporate Governance Committee's 2018 activities, see page 55.</p>	<p>Responsibilities</p> <ul style="list-style-type: none"> • Determining CEO goals and objectives relative to compensation • Evaluating CEO performance • Reviewing and recommending to the Board for approval the compensation arrangements for the CEO (based on evaluation) • Reviewing and approving the compensation arrangements for our ELT (all Executive Vice-Presidents (EVPs) who are appointed officers of the Company) • Overseeing executive succession planning • Monitoring executive compensation policies, health and safety policies, procedures and compliance, and certain aspects of our approach to business ethics and corporate conduct. <p>For more details on the Compensation Committee's 2018 activities, see page 57.</p>	<p>Responsibilities</p> <ul style="list-style-type: none"> • Monitoring the actuarial soundness of the Pension Plans • Monitoring the administrative aspects of the Pension Plans • Monitoring the investment policy of the Pension Plans • Monitoring the performance of the investment portfolios and compliance with applicable legislation • Recommending to the Board for approval fundamental changes in the nature of the pension arrangement for any Pension Plan and fundamental changes in the governance structure for the Pension Plans. <p>For more details on the Pension Committee's 2018 activities, see page 56.</p>

Each committee also uses an annual work plan to guide its deliberations during the course of the year. The mandate of each committee and its annual work plan is approved by each committee on an annual basis. Finally, each committee has the authority to retain external advisors at TELUS' expense in connection with its responsibilities. The Compensation Committee retained Meridian Compensation Partners LLC (Meridian) in 2010 as its independent external executive compensation consultant. A description of Meridian's work for the Compensation Committee is on page 70. Since 2011, the Corporate Governance Committee has retained Meridian to assist in the annual market study of directors' compensation (see page 29).

We believe our directors should have exposure to different committees to ensure that they develop a broad Company perspective. Our committee succession planning principles include facilitating consistency and continuity, having a common director on the Compensation Committee and Pension Committee (to provide a direct linkage on related matters), having an ex-Audit Committee member on the Pension Committee, and having former committee chairs acting as emergency committee chairs, if required. In 2015, the Corporate Governance Committee approved the following additional planning principles:

- New directors will serve only on the Audit Committee for the first year, and thereafter will serve on two committees
- The Chairs of the Audit and Compensation Committees will only serve on their respective committees of the Board, in consideration of the extra responsibilities associated with those roles
- The principles of our diversity policy should apply to the committee composition succession process to ensure that diversity considerations are taken into account when determining the optimal composition and mix of skills for each committee.

Accordingly, the Corporate Governance Committee reviews the composition of the committees annually and considers the desirability of rotating directors among committees. For instance, since joining in 2003, Dick Auchinleck has served on each committee, with his longest tenure being on the Corporate Governance Committee (10 years), while Stockwell Day has served on three of the four committees, with his longest tenure being on the Compensation Committee and the Pension Committee (both five years). Ray Chan joined the Board in 2013 and was on the Audit Committee for four years, as well as the Compensation Committee. He stepped down from the Audit Committee in May 2017 and joined the Pension Committee to gain exposure to a different area of the Company and to lend his financial expertise to this committee.

We continued the implementation of our committee chair succession process during 2018, with David Mowat replacing Bill MacKinnon as Chair of the Audit Committee in May 2018. Bill remained a member of the committee, acting as a resource and helping the Board ensure a smooth transition with an emphasis on continuity and consistency. Our succession planning also resulted in some changes to committee membership to give directors the opportunity to serve on different committees. Marc Parent joined the Pension and Compensation Committees, Kathy Kinloch joined the Corporate Governance and Compensation Committees, and Claude Mongeau joined the Corporate Governance Committee. For 2019, the Corporate Governance Committee approved the following change to committee membership: John Manley, who has been a director since 2012, will step off the Pension Committee after the May 2019 annual meeting, having served on that committee for four years, to join the Compensation Committee, which is the only committee he has not served on yet.

For more information about our standing committees, see the committee reports starting on page 53. Each committee's mandate, which includes brief position descriptions for the chair of each Board committee, is also part of the *TELUS Board Policy Manual* available at [telus.com/governance](https://www.telus.com/governance).

Our committee succession planning principles aim to balance giving directors exposure to different committees with maintaining expertise and institutional knowledge on each committee.

Independence

The Board determines independence using a set of criteria that goes beyond applicable securities rules and has chosen to voluntarily comply with all elements of the independence test set out by the NYSE, including those that are not binding on TELUS. Accordingly, the independence tests applied by the Board comply with the applicable Canadian and U.S. governance rules and the NYSE governance rules. The Board's adoption of these criteria is reflected in the *TELUS Board Policy Manual*, which also requires a majority of the Board's members to be independent. Furthermore, all committee members must be independent. Members of both the Audit and the Compensation Committees must also satisfy the more stringent independence tests set out under the applicable Canadian and U.S. governance rules and the NYSE governance rules. With respect to the Board Chair, the *TELUS Board Policy Manual* provides that the Chair must be independent, but if that is not desirable in the circumstances, the Board must appoint an independent Lead Director.

The Board evaluates the independence of each director by applying these expanded independence criteria to the relationship between each director and the Company based on information updated annually through a comprehensive questionnaire.

As one of Canada's largest telecommunications companies and the incumbent local exchange carrier in certain provinces,

the Company provides services to its directors and their families and to many organizations with which the directors are associated. The Board has determined that the provision of services *per se* does not create a material relationship between a director and the Company. Rather, in determining if there is a material relationship, the Board examines a variety of factors, including the scope of the services provided, the monetary and strategic value of those services to each party, the degree of dependence on such relationship by either party and how easily a service may be replaced. The Board considers similar factors in assessing the materiality of any relationship between the Company and any customer, supplier or lender with whom a director is associated.

Applying the above tests and process, the Board is satisfied that, except for Darren Entwistle, there is no material relationship existing between any of the proposed directors, including the Chair, and the Company, either directly or as a partner, shareholder or officer of an organization, that has a material relationship with the Company.

As a regular feature at each Board and standing committee meeting, there is an in-camera session of the independent directors. The Chair or the committee chair, as the case may be, presides over these in-camera sessions. The following table indicates the number of regularly scheduled meetings, in-camera sessions and total meetings held by our Board and each committee in 2018.

Board/Committee	Regularly scheduled meetings	In-camera sessions	Total number of meetings
Board	6	6	6
Audit Committee	4	4	4
Corporate Governance Committee	4	4	4
Human Resources and Compensation Committee	4	4	4
Pension Committee	4	4	4

Position descriptions – Chair and CEO

The Board has developed a description of the roles and responsibilities of the Chair and the CEO, to delineate clearly the Board's expectations of the Chair and the CEO, which is included in the *TELUS Board Policy Manual* available at [telus.com/governance](https://www.telus.com/governance).

The Chair of the Board is an independent director.

The Chair's primary responsibility is to lead the Board in its supervision of the business and affairs of the Company and its oversight of management. The Chair's duties include facilitating the effective operation and management of the Board; providing leadership to the Board to ensure it can function independently of management as and when required; fostering the Board's understanding of the boundaries between Board and management responsibilities; chairing in-camera meetings of the independent directors at all Board meetings; assisting the Corporate Governance Committee with the recruitment of new directors and the evaluation of the Board, its committees and its members; and facilitating the Board's efforts to promote engagement with, and feedback from, shareholders.

The CEO reports to the Board and bears prime responsibility for managing the business and affairs of the Company. The CEO's duties include leading the execution of the Company's strategy; keeping the Board current on major developments; recommending the strategic direction to the Board; developing and monitoring annual business and operational plans and budgets; fostering a customer's first culture that promotes ethical practices and supports individual and collective integrity; facilitating interaction between the Board and other key members of management; creating, maintaining and reviewing leadership development and succession plans for EVPs; supporting the Corporate Governance Committee in respect of recruiting new directors to the Board; supporting the Compensation Committee in respect of CEO succession planning; and developing and leading the execution of strategies with respect to relations with investors, shareholders, governments, communities and other stakeholders. In addition, the CEO is responsible for delivering on the Company's corporate priorities, which are approved annually by the Board. The CEO's annual performance objectives relevant to compensation, which the Compensation Committee reviews and approves, supplement the CEO's mandate noted above.

The CEO is responsible for managing the business and affairs of TELUS and for leading the execution of the Company's strategy.

Expectations of our Board – Attendance, caps on outside service and interlocks

Our Board expects its members to devote the time, energy and effort necessary for them to be effective. They should develop and expand their knowledge and understanding of our products, services and industry, participate in educational and development programs, and become effective ambassadors of the Company.

In accordance with the *TELUS Board Policy Manual*, the Board expects each director to attend all Board and committee meetings. The Corporate Governance Committee takes a director's attendance into consideration during the nomination process if a director attends less than 75 per cent of Board and committee meetings held in a year (unless if due to exceptional circumstances).

The following table provides a breakdown of each independent director's attendance record.

Name	Board	Audit Committee	Human Resources and Compensation Committee	Corporate Governance Committee	Pension Committee	Total
Dick Auchinleck ¹	6/6					100%
Ray Chan	6/6		4/4		4/4	100%
Stockwell Day	6/6		4/4		4/4	100%
Lisa de Wilde	6/6			4/4	4/4	100%
Mary Jo Haddad	6/6		4/4			100%
Kathy Kinloch ²	4/6	2/2	0/2	0/2		50%
John Lacey ³	3/3		2/2 ³	2/2 ⁶		100%
Bill MacKinnon	5/6	4/4				90%
Christine Magee ⁴	3/3	2/2				100%
John Manley	6/6			4/4	4/4	100%
Sabi Marwah	6/6	4/4		4/4		100%
Claude Mongeau ⁵	6/6	4/4		2/2		100%
David Mowat ⁶	6/6	4/4	2/2			100%
Marc Parent ⁷	6/6	3/3	1/1		1/1	100%
Denise Pickett ⁸	2/2	1/1				100%

1 Dick is not a member of any committee but regularly attends committee meetings.

2 Kathy was a member of the Audit Committee until May 10, 2018, when she joined the Corporate Governance Committee and the Human Resources and Compensation Committee. Due to extenuating personal circumstances, Kathy was unable to attend the August and November Board and committee meetings in 2018. Her absence was approved by the Chair.

3 John became a member of the Corporate Governance Committee on May 11, 2017 after he stepped down as Chair of the Human Resources and Compensation Committee. He retired from the Board on May 10, 2018.

4 Christine joined the Board and Audit Committee on August 2, 2018.

5 Claude joined the Corporate Governance Committee on May 10, 2018.

6 David was a member of the Human Resources and Compensation Committee until May 10, 2018, when he became Chair of the Audit Committee and stepped down from all other committees.

7 Marc was a member of the Audit Committee until November 6, 2018, when he joined the Human Resources and Compensation Committee and the Pension Committee.

8 Denise joined the Board and the Audit Committee on November 1, 2018.

Directors who are employed as CEOs or in other senior executive positions on a full-time basis with a public company should not serve on the boards of more than two public companies in addition to the Company's Board. Directors who (i) have full-time employment with non-public companies, (ii) have full-time employment with public companies but not as CEO or in a senior executive position, or (iii) do not have full-time employment, should not serve on the boards of more than four public companies in addition to the Company's Board. TELUS' CEO should not serve on the boards of more than two other public companies and should not serve on the board of any other public company where the CEO of that other company serves on the TELUS Board.

The Board has also limited the number of directors who can serve on the same board or committee of a publicly traded company to two, unless otherwise agreed to by the Board. In 2016, the Board clarified what the Corporate Governance Committee should consider when making its recommendation to permit more than two directors to serve on the same board or committee. Specifically, it will take into account all relevant considerations, including, in particular, the total number of Board interlocks at that time and the strategic requirements of TELUS.

The following table shows which TELUS director nominees served together on other public company boards as at March 13, 2019.

Company	TELUS director	Committees
Toronto-Dominion Bank	Mary Jo Haddad	Human Resources Committee
	Claude Mongeau	Audit Committee
CAE Inc.	John Manley	Not applicable
	Marc Parent	Not applicable

Board succession planning – Size and composition of the Board, nomination of directors and term limits

The Corporate Governance Committee is responsible for Board and committee succession planning and for making annual recommendations to the Board regarding the size and composition of the Board and its committees. It also proposes new nominees for election as directors.

When considering the Board's size and composition, the Corporate Governance Committee and the Board have two primary objectives:

- To form an effectively functioning Board that presents a diversity of views and business experience
- To select a size that is sufficiently small for the Board to operate effectively, but large enough to ensure there is enough capacity to fully meet the demands of the Board and its four committees and to ensure transition when new members are elected or appointed.

The Board believes that a board of directors consisting of between 12 and 16 members promotes effectiveness and efficiency.

The Corporate Governance Committee regularly reviews the profile of the Board, including the average age and tenure of individual directors, diversity, geography and the representation of various areas of expertise. The objective is to have a sufficient range of skills, expertise and experience to ensure the Board can carry out its responsibilities effectively while facilitating transition following new appointments. The Board also strives to achieve a balance between the need to have a depth of institutional

experience and knowledge available from its members and the need for renewal and new perspectives. Succession planning for the Board, in line with those objectives, has been a key focus of the Corporate Governance Committee and the Board in recent years. Each year, between 2011 and 2018, a Board member has retired and at least one new member has joined. In 2018, one Board member retired and two new members joined the Board. In 2019, two Board members will retire and we intend to add one new director later in the year. Achieving balance between institutional experience and renewal through effective and smooth succession planning is particularly important in light of the significant and continuing changes that the business of the Company experiences, the average age and tenure of current Board members, and the recent changes in Board membership.

The Board does not have a mandatory age limit, but it does have a term limit policy that requires directors who join the Board after January 1, 2013 to tender their resignation to the Corporate Governance Committee after 15 years of service. The Corporate Governance Committee has the discretion to recommend that the Board extend a director's term for such period as the Corporate Governance Committee deems appropriate, if it is in the best interests of TELUS to do so. The term limit policy does not replace the rigorous annual performance assessment process that takes place under the leadership of the Corporate Governance Committee (see page 45 for further details). In conjunction with the Board evaluation and as part of the succession planning process, directors are also canvassed on their intention to retire from the Board in order to identify impending vacancies as far in advance as possible.

The Board succession planning process also involves maintaining a skills matrix, which helps the Corporate Governance Committee and the Board identify any gaps in the skills and competencies considered most relevant for the Company. Each director is asked to indicate the skills and

competencies that each director, including themselves, has demonstrated. The following table lists the top four competencies of our nominees, together with their gender, residence, tenure, age range and official languages spoken.

	Gender	Residence				Years on Board			Age			Language		Top four competencies ¹						
		British Columbia	Alberta	Ontario	Quebec	0 to 5	6 to 10	11 +	59 and under	60 to 69	70+	English	French	Senior executive / strategic leadership	Finance and accounting	Executive comp / human resources	Governance	Technology and/or industry knowledge	Retail / customer experience	Risk management
Dick Auchinleck	M	x					x		x		x		x		x	x			x	
Ray Chan	M		x			x			x		x		x	x	x				x	
Stockwell Day	M	x				x			x		x	x	x			x			x	x
Lisa de Wilde	F			x		x			x		x	x	x			x	x			x
Darren Entwistle	M	x					x	x			x	x	x			x	x	x		
Mary Jo Haddad	F			x		x			x		x		x		x	x			x	
Kathy Kinloch	F	x				x			x		x		x			x	x			x
Christine Magee	F			x		x		x			x		x	x		x		x		
John Manley	M			x		x			x		x	x	x			x			x	x
Claude Mongeau	M				x	x		x			x	x	x	x	x				x	
David Mowat	M		x			x			x		x		x	x				x	x	
Marc Parent	M				x	x		x			x	x	x		x		x		x	
Denise Pickett	F			x		x		x			x		x	x	x			x		

1 Definition of skills and competencies:

- Senior executive/strategic leadership – Experience as a senior executive of a public company or other major organization; experience driving strategic direction and leading growth
- Finance and accounting – Experience with, or understanding of, financial accounting and reporting, and corporate finance, as well as familiarity with internal financial/accounting controls and IFRS
- Executive compensation/HR – Experience with, or understanding of, executive compensation, talent management/retention and succession planning
- Governance – Experience with, or understanding of, leading governance/corporate responsibility practices with a public company or other major organization; experience leading a culture of accountability and transparency
- Technology and/or industry knowledge – Knowledge of relevant emerging technologies, including information and telecom technology, and knowledge of telecommunications or content and/or health information industries, including strategic context, market competitors and business issues facing those industries
- Retail/customer experience – Experience with, or understanding of, the mass consumer industry (whether directly or indirectly through retail channels)
- Risk management – Experience with, or understanding of, internal risk controls, risk assessments and reporting
- Government/regulatory affairs – Experience with, or understanding of, government and public policy, federally and/or provincially.

In 2018, the Corporate Governance Committee prioritized the following skills and attributes – gender diversity, retail/customer experience, geographic representation – in connection with its search for additional directors. This resulted in the recruitment of Christine Magee and Denise Pickett to fulfil these attributes. In 2019, given the retirement of Bill MacKinnon and Sabi Marwah, the Corporate Governance Committee has decided to prioritize a candidate with a finance and accounting background and then to consider another diversity candidate.

Recruiting new directors

The Corporate Governance Committee maintains an evergreen list of potential candidates, which is based on its prioritized list of skills and attributes, as well as diversity. The directors, the CEO and external professional search organizations regularly identify additional candidates for consideration by the Corporate Governance Committee. Since 2016, the committee has engaged an external recruitment specialist to assist with the recruitment process.

When recruiting new directors, the Corporate Governance Committee considers candidates on merit, taking into account the vision and business strategy of the Company; the skills and competencies of the current directors and the existence of any gaps; and the attributes, knowledge and experience new directors should have in order to best advance the Company's business plan and strategies. Consistent with the Board diversity policy, the Corporate Governance Committee also takes into account diversity considerations, such as gender, geography, age and ethnicity, with a view to ensuring that the Board benefits from the broader exchange of perspectives made possible by diversity of thought, background, skills and experience.

The committee reviews the list of candidates at each regularly scheduled meeting to identify top candidates and requests that the CEO conduct an initial meeting with such candidates. As the next step, candidates deemed to be most suited for the Board meet with the Chair of the Board, the chair of the Corporate Governance Committee and, if deemed appropriate, other members of the Board and the TELUS executive team.

Approval

The Corporate Governance Committee reports to the Board throughout the process. It then puts forward its recommendation for new directors to the Board for approval. The financial literacy and independence of the candidates are also assessed before Board approval.

Board evaluation

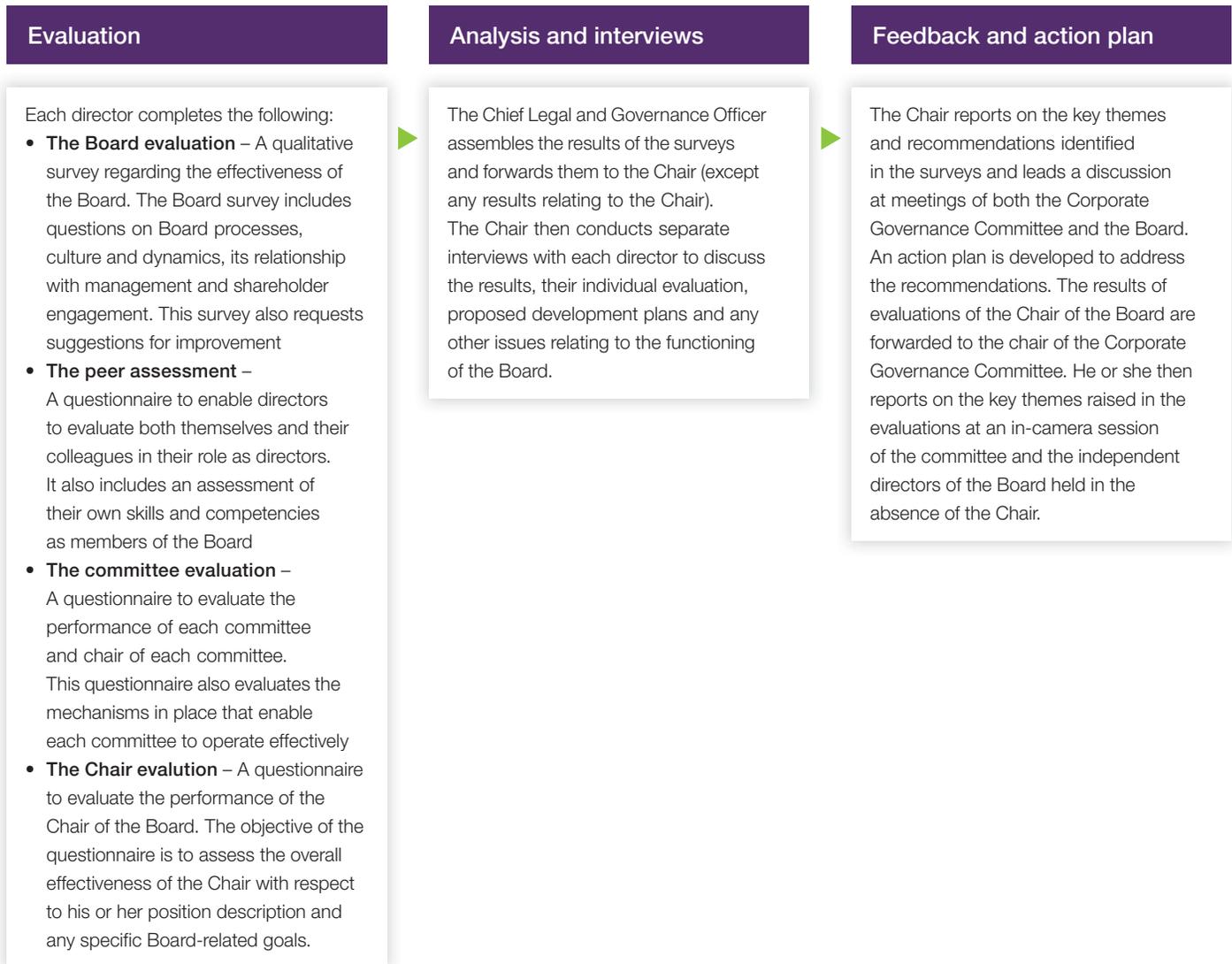
To support Board succession planning and Board renewal, the Corporate Governance Committee, together with the Chair, carries out an assessment of the Board and the directors as provided in the *TELUS Board Policy Manual*. In addition to succession planning, the evaluation process assists the Board in:

- Assessing its overall performance and measuring the contributions made by the Board as a whole, by each committee and each director
- Assessing the mechanisms in place for the Board and each committee to operate effectively and make decisions in the best interests of the Company
- Improving the overall performance of the Board by assisting individual directors to build on their strengths
- Identifying gaps in skills and educational opportunities for the Board and individual directors in the coming year.

The Corporate Governance Committee reviews the adequacy of the evaluation process annually, with input from the Chair, and recommends any changes to the Board for approval. In 2015, the Board approved a multi-year evaluation approach to Board, committee and Chair evaluations by alternating the focus of the questionnaires and interviews over a two-year period.

In 2018, the directors completed the questionnaires relating to committee evaluation, Chair evaluation and peer assessment. Members of senior management who frequently interact with directors also completed the management survey, which is designed to evaluate the overall effectiveness of the Board and its committees and chairs, the extent to which the Board and management support one another and how that support may be enhanced. In 2019, the Board will complete the Board evaluation and peer assessment and senior management will complete the management survey.

How we do it



In 2018, Dick Auchinleck, in his capacity as Chair, interviewed each director separately and focused on the results and feedback from the evaluation. These interviews provided an opportunity for candid and constructive discussion of any and all issues, with a view to enhancing committee and committee chair performance, as well as the personal contributions of each individual. Dick reported the aggregated results and findings to

the Board. The consensus was that TELUS has well-functioning committees that provide the Board with the information it needs, with an appetite to focus on certain priority items. The results of the evaluation guided the Board in developing an action plan to prioritize action items identified during the evaluation process.

For more information on our process, see Appendix L of the *TELUS Board Policy Manual* available at [telus.com/governance](https://www.telus.com/governance).

Diversity and inclusiveness

TELUS' commitment to diversity and inclusiveness is a defining feature of our culture. Our team members have made it clear that this commitment is part of what makes them proud to be a part of the TELUS family. Our vision is to be a global leader in diversity and inclusion with a pipeline of top talent reflecting the diversity of our customers and communities at every level of the organization. These different perspectives, experiences and ways of thinking enable us to elevate our team members, spark innovation and inspire our customers.

At TELUS, we recognize the value and advantages of diverse ideas, and are committed to increasing the presence of underrepresented groups within key areas of our organization. We are focused on raising awareness of gender diversity within the business and technology fields, and providing a platform to support the next generation of diverse leaders and champions.

Six years ago, the Board adopted a written diversity policy to improve the representation of diversity on the TELUS Board. The policy provides that, in identifying and recommending director nominees to the Board, the Corporate Governance Committee will consider director candidates on merit, based on a balance of skills, background, experience and knowledge. In identifying the highest quality directors, the Corporate Governance Committee will take into account diversity considerations such as gender, age, ethnicity and geographic background, with a view to ensuring that the Board benefits from a broader range of perspectives and relevant experience. The Corporate Governance Committee assesses the effectiveness of the diversity policy annually and recommends amendments to the Board for approval, as appropriate. Our Board diversity policy is included in our *TELUS Board Policy Manual*, which can be downloaded at telus.com/governance.

According to the policy, the Corporate Governance Committee must also set measurable objectives for achieving diversity and recommend them to the Board for adoption on an annual basis. In 2013, the Board adopted a target of having diverse members represent between 30 and 40 per cent of its independent directors, with a minimum representation of 25 per cent women, by May 2017. The Board also agreed to have TELUS sign the Catalyst Accord and thereby pledge to increase the overall representation of women on the TELUS Board to a minimum of 25 per cent by 2017. In February 2015, the

Board adopted an additional target of having women represent 30 per cent of its independent directors by the end of 2019. This was in line with Darren Entwistle being a founding member of the 30% Club Canada, which is also working toward having women represent 30 per cent of board members in Canada by the end of 2019. In 2016, the Board reframed its diversity objectives and expressed them in terms of a minimum percentage of both men and women, reflecting the principle that a board that consists entirely of women is no more diverse than a board that consists entirely of men. The Board also accelerated the target date for having a minimum of each gender representing 30 per cent of the independent directors to 2018 from 2019.

We met our accelerated gender and diversity targets in 2018. Given the importance of diversity to our Board, our objective is now to maintain and exceed these levels, with a minimum of 30 per cent diversity among the Board's independent directors, with a minimum of each gender representing at least 30 per cent of such directors.

Based on our current Board nominees, we have exceeded both of these objectives. Diverse members (six nominees out of 12) represent 50 per cent of the independent directors nominated for election, and female members (five nominees out of 12) represent 42 per cent of the independent directors nominated for election at the meeting.

We extended our commitment to gender diversity by signing the Catalyst Accord 2022, which further pledges to increase the average percentage of women on boards and in senior leadership positions in Canada to 30 per cent or greater by 2022.

This pledge underpins our strong support of increasing diversity at all levels, including the representation of women in senior leadership roles. Currently, women represent 20 per cent of senior leadership positions (vice-president or higher) and there are three women in an executive officer position at TELUS – Sandy McIntosh, Zainul Mawji and Andrea Wood – representing 25 per cent of our executive officers (12 individuals composed of the Chair, the CEO and all appointed officers of the Company).

We are committed to fostering a culture that removes barriers, focuses on inclusion, and ensures open and fair processes for the advancement of talent that will, in turn, promote diversity. Our key strategy is to focus on systemic changes to people practices and on leadership education and awareness.

We have implemented several initiatives in connection with this strategy to help evolve leaders and people practices.

Some of these are discussed below.

- Established in 2008, our Diversity and Inclusiveness Office leads the diversity and inclusiveness strategy across TELUS and works alongside the Diversity and Inclusiveness Council to develop and implement initiatives that promote diversity and inclusiveness. Among the Diversity and Inclusiveness Office's core mandates are:
 - Ensuring alignment between our diversity and inclusiveness strategy and our corporate priorities
 - Monitoring and measuring diversity and inclusiveness programs and best practices across TELUS
 - Providing thought leadership by sharing diversity knowledge and expertise with TELUS leaders.
- Ongoing since 2013, the Diversity and Inclusiveness Office and the Talent Acquisition and Development team continue to have a strong partnership based on the practices and processes involved in three pillars of recruitment – leader education, attraction, and succession and retention. We strive to attract, interview and hire candidates with different abilities, experiences and perspectives to ensure TELUS remains an employer of choice for all.
- Team member resource groups were established for women, Indigenous team members, team members with varying abilities, new immigrants, and lesbian, gay, bisexual, transgender and queer (LGBTQ) team members, to help bring awareness and thought leadership to our cultural evolution and our multicultural business initiatives.
- Since 2014, team members in the role of vice-president and above have received training on conscious and unconscious biases, which is enhancing their talent development approach and their appreciation of the value of diversity for the success of our shareholders, customers, team members and communities. In 2016, this training was included in our Hiring Great People course to provide all hiring managers with insights into unconscious bias and to prepare them for conducting an equitable interview and hiring process.

Rather than adhering to specific objectives at the executive level, we believe that these activities and efforts are more effective at contributing collectively to maintaining a pipeline of diverse candidates and ensuring that the representation of women, and of diversity in general, is considered when making leadership and executive officer appointments.

Orientation and continuing education

Orientation

The Corporate Governance Committee reviews, approves and reports to the Board on the directors' orientation program. New directors attend a full-day orientation session upon joining the Board, conducted by various members of senior management. The orientation session provides an overview of TELUS' strategy; business imperatives, plans and risks; financial condition and financing strategy; financial statement preparation process and internal controls; internal audit, ethics and enterprise risk assessment process; regulatory matters; telecommunications industry; treasury plans and pensions; taxation and legal entity structure; Board and committee governance, including mandates, roles and policies; corporate policies; and compliance and governance philosophy and practices. Orientation sessions also include more in-depth sessions on different business units, such as consumer and small business solutions, broadband networks, TELUS Health, TELUS International, technology strategy, and business transformation and operations.

In addition, the Board's practice is to appoint new directors to the Audit Committee for at least their first year on the Board. Given the scope of that committee's mandate relative to those of the other committees, Audit Committee members receive a particularly comprehensive view of the Company's operations in their entirety, which offers new directors the quickest means of understanding the Company's operations, risks and strategy.

Management also offers orientation and training to new members on Board committees in the form of a customized orientation session. The session typically includes an overview of the committee's mandate and work plan for the year, as well as current initiatives, key issues, regulatory trends and best practices relevant to the committee.

Christine Magee and Denise Pickett attended comprehensive orientation sessions covering the topics identified above for the Board and the Audit Committee. In addition, Kathy Kinloch and Marc Parent attended an orientation session for the Human Resources and Compensation Committee. Kathy also attended an orientation session for the Corporate Governance Committee and Marc attended an orientation session for the Pension Committee.

Continuing education

The Board believes that continuing education is important for the development of the Board as a whole and for each individual director. The Corporate Governance Committee reviews, approves and reports to the Board on plans for the ongoing development and education of existing Board members.

As part of this ongoing education, management gives regular presentations and provides topical literature from external experts to the Board and its committees. The Company has also set up an online portal through which directors can access research and educational materials on a wide variety of topics, including audit, pension, governance, human resources, technology, strategy, health, cybersecurity, and regulatory and government affairs. Directors are provided with management contacts for each educational topic so they may request additional information or arrange for further consultation regarding the materials. In addition, written materials that may be of interest to the Board, which are published in newspapers, journals, magazines and periodicals, or released by law firms and accounting firms, are routinely sent to directors between quarterly meetings, or as supplemental materials in preparation for Board and committee meetings. Directors identify topics for continuing education through discussions at Board and committee meetings, and annual evaluation questionnaires.

TELUS and our directors are all members of the Institute of Corporate Directors (ICD) and the Company pays for the cost of this membership. A number of our directors have attended

courses and programs offered by the ICD and this membership also provides them with access to its publications and events to enhance their knowledge of directors' responsibilities and current governance trends. Directors are also encouraged to attend external education programs at TELUS' expense by availing themselves of an annual tuition credit. In 2018, several directors used this credit to take courses from providers such as audit or human resources firms, the Lead Directors Network, the Rotman School of Management and the ICD. The range of subjects included executive compensation, cybersecurity, artificial intelligence, board oversight of major transactions, shareholder activism and engagement, accounting standards and auditing updates. Some of our directors attended conferences during the year, including the EY Directors Summit, Lead Directors Network, Governance Professionals of Canada Annual Conference and the Rotman School of Business – Risk Summit and Financial Literacy Program, and one of our directors attended an MBA entrepreneurship and innovation course at Robert Kennedy College and York St. John University.

In 2018, management conducted or organized the education sessions noted in the following table. Management also provided information to directors on available courses. A key focus for 2018 was to provide regular updates at each quarterly Board meeting on changes in the competitive landscape, customer requirements, technology, industry developments, government relations and regulatory matters.

Date	Subject	Attendees ¹	Presented by
February 6 May 9 August 1 November 6	Updates on corporate governance, including emerging best practices, significant case law, developments and proposed amendments to Canadian and U.S. securities rules and regulations, and developments related to say on pay, shareholder engagement, cybersecurity oversight and disclosure	Corporate Governance Committee	<ul style="list-style-type: none"> EVP, Chief Governance Officer (former) Senior Legal Counsel
February 6 May 9 July 31 November 6	Quarterly updates on audit committee governance such as trends in regulatory standards for auditor reporting, cyber-resilience and cybersecurity developments, IFRS 15, investor relations, GDPR, taxation changes, other accounting standards developments, and industry updates and challenges	Audit Committee	<ul style="list-style-type: none"> EVP and Chief Financial Officer (CFO) Vice-President (VP), Risk Management and Chief Internal Auditor
February 6 May 9 August 1 November 6	Updates on topical issues relating to current trends, developments or best practices in the areas of pension governance, pension fiduciary obligations, pension investment matters, pension fund management, pension administration issues, accounting and actuarial rules and practices, and an annual update on pension law, including developments in the areas of case law, legislation, regulatory activity and pension reform	Pension Committee	<ul style="list-style-type: none"> VP, Investment Management External consultant
February 6 to 7 May 9 August 1 to 2 November 6 to 7	Quarterly strategic context updates, including the competitive environment, regulatory updates, technological and industry developments, and peer performance	Entire Board	<ul style="list-style-type: none"> CEO
May 9 August 1 November 6	Updates on compensation trends, including emerging best practices for executive compensation disclosure and regulatory developments	Compensation Committee	<ul style="list-style-type: none"> External compensation consultant
November 6	Gender pay equity	Compensation Committee	<ul style="list-style-type: none"> EVP, People and Culture, and Chief Human Resources Officer
May 9 July 31 November 6	Cybersecurity update	Audit Committee	<ul style="list-style-type: none"> VP and Chief Security Officer
November 6	TELUS International update	Audit Committee	<ul style="list-style-type: none"> EVP, Group President and Chief Corporate Officer CFO, TELUS International
November 6	TELUS Health update	Audit Committee	<ul style="list-style-type: none"> EVP, Group President and Chief Corporate Officer
February 6 to 7	Cybersecurity update	Entire Board	<ul style="list-style-type: none"> VP and Chief Security Officer
July 31	Innovation Centre demonstration	Entire Board	<ul style="list-style-type: none"> Innovation Centre Manager – Technology Strategy
August 1	Cybersecurity breach simulation	Entire Board	<ul style="list-style-type: none"> EVP, Technology Strategy and Business Transformation VP and Chief Security Officer VP, Chief Data and Trust Officer VP, Corporate Citizenship and Communications Chief Legal and Governance Officer Senior Vice-President (SVP), Customer Experience Chief Digital Officer VP, Government Relations
November 7	Directors and officers liability insurance	Entire Board	<ul style="list-style-type: none"> External legal counsel Director, Risk Management
November 7	Spectrum 101 update	Entire Board	<ul style="list-style-type: none"> EVP, Technology Strategy and Business Transformation
November 6	Board risk assessment and internal audit overview	Entire Board	<ul style="list-style-type: none"> VP, Risk Management and Chief Internal Auditor
December 4	Developments in Canadian and U.S. securities class actions	Entire Board	<ul style="list-style-type: none"> External legal counsel EVP, Corporate Affairs, and Chief Legal and Governance Officer
December 4	Anti-bribery and corruption policy update	Entire Board	<ul style="list-style-type: none"> VP, Chief Data and Trust Officer

¹ Reference to attendance by the entire Board or by a specific committee means attendance by such members of the Board or committee who were in attendance as of the dates indicated above.

Ethical business conduct

TELUS has a code of ethics and conduct that applies to all TELUS team members (including directors, officers and employees), and which outlines the responsibilities, guidelines and ethical standards expected of all TELUS team members, including guidance and the disclosure requirements for actual or potential conflicts of interest. The code is available at telus.com/governance.

TELUS EthicsLine provides the public and our team members with a channel for submitting anonymous and confidential inquiries or complaints on ethical issues, internal controls or accounting issues. A summary of inquiries or complaints, as well as confirmed breaches, is reported on a quarterly basis to the Compensation Committee and the Audit Committee. Independence and accessibility of TELUS' EthicsLine is facilitated by our third-party intake provider, EthicsPoint, to run the hotline and forward calls or reports received to the Ethics Office, and to forward any complaints relating to accounting and internal accounting controls to the Chief Legal and Governance Officer. EthicsPoint also forwards respectful workplace issues to the Company's respectful workplace contact. TELUS team members and external callers from around the world can make an inquiry or complaint online or by phone 24 hours a day, seven days a week in a variety of languages. To measure our performance in this regard, we have established an integrity index, which uses results from our online learning course, internal team member surveys, external surveys of our customers and reported breaches of our policies. For more information on our integrity index, visit telus.com/sustainability.

Our Ethics Office offers team members assistance in ethical decision-making by providing guidance concerning our code of ethics and conduct. The Ethics Office also conducts investigations, establishes appropriate policies and guidelines on TELUS' expected standards of business conduct, and takes action on complaints or inquiries to our EthicsLine. The Ethics Office oversees ethics training, including TELUS Integrity, a mandatory course for all TELUS team members and TELUS International team members, as well as for contractors with access to our information systems. The course combines ethics, respectful workplace, corporate security, privacy and other compliance-related modules. The Ethics Office requires each Board member, as well as each TELUS team member, to acknowledge annually that he or she has reviewed the code of ethics and conduct and understands the code's expectations.

The VP, Risk Management and Chief Internal Auditor reports quarterly to the Compensation Committee and the Audit Committee on the results of any investigation of whistleblower, ethics and internal controls complaints received by the Ethics Office or by the Chief Legal and Governance Officer (as the case may be). The Compensation Committee and the Audit Committee are required to review the code of ethics and conduct jointly on an annual basis and recommend changes to the Board for approval, as appropriate. Waivers of the code of ethics and conduct are generally not granted. However, any waiver that is granted to an executive officer or director under the policy must be pre-approved by the Board or its delegate, which must be a Board committee, and, if appropriate, disclosed subject to restrictions under the TELUS policy on corporate disclosure and confidentiality of information. For all other employees, a waiver of the code of ethics and conduct must receive prior approval from the Chief Legal and Governance Officer, together with the VP, Risk Management and Chief Internal Auditor, and must be promptly reported to the Audit Committee. There have been no waivers to TELUS' code of ethics and conduct requested or granted since the inception of the Ethics Office and code.

Under the British Columbia *Business Corporations Act* and the Articles, any director or executive officer who holds any office or possesses any property, right or interest that could result in the creation of a duty or interest that materially conflicts with the individual's duty or interest as a director or executive officer of the Company, must promptly disclose the nature and extent of that conflict. A director who holds a disclosable interest in a transaction or contract into which the Company has entered or proposes to enter may not vote on any directors' resolution to approve that contract or transaction.

Anti-bribery and corruption

In Canada, many of our businesses are regulated, and we therefore engage in a number of proceedings and government relations efforts at the federal, provincial and municipal levels. We also have a large number of significant service relationships with Canadian public-sector entities, typically resulting from open procurement processes. We do not provide any significant services to foreign public entities, except for certain wholesale and network supply agreements with wholly or partially state-owned carriers and vendors. Most of the wholesale agreements follow an industry standard form and all our suppliers must comply with our controls related to selection and conduct.

We have service centre operations in North America, Central America, Europe and Asia, and our dealings with public officials in the jurisdictions in which they are located are limited to regulatory reporting or licensing and permitting processes that allow for limited public discretion. These operations do not involve the provision of services to foreign public entities. We are also subject to a number of complex domestic and foreign tax laws and regulations that require us to continuously monitor, clarify and contest with public officials the application of these laws and regulations.

Since 2012, we have addressed anti-bribery and corruption risks through a risk-based framework that includes:

- **Senior management involvement and support:** Senior leaders across TELUS were identified as responsible and accountable for making sure the anti-bribery and corruption compliance program is effectively implemented and consistently monitored. Senior executives set the tone to create a culture where bribery is unacceptable. TELUS also has a designated Chief Data and Trust Officer, whose role is to work across the enterprise to ensure that appropriate processes and controls are in place to facilitate legal compliance, and to report on compliance to the Audit Committee of the Board.
- **Corporate compliance policies and procedures:** A specific anti-bribery and corruption policy was rolled out to the TELUS team in 2014 after being approved by the Board in 2013. In 2018, the policy was updated to reflect best practices and approved by the Board and the TELUS International (Cda) Inc. board of directors. The policy applies to all team members, including the Board. It outlines the expectations for all team members and third parties in relation to anti-bribery and corruption matters in Canada and abroad, and applies to all areas of TELUS' business, including commercial activities in both the public and private sectors. Other relevant policies include a comprehensive code of ethics and conduct for our employees (as mentioned above), a supplier code of conduct, a business sales code of conduct, and expense and procurement policies.
- **Training and education:** Our annual TELUS Integrity training highlights our zero-tolerance approach to bribery and corruption. Further targeted training continues to be provided through our business sales code of conduct and anti-bribery and corruption programs. The courses cover the processes and controls intended to mitigate such risks and include topics and scenarios that promote a deeper understanding of the material covered.
- **Incentives and consistent disciplinary procedures:** Employees are notified that failure to act in accordance with the anti-bribery and corruption policy may subject them to disciplinary action, which may include dismissal. Annual performance objectives were created for employees responsible for implementing and monitoring the compliance program.

Shareholder engagement and say on pay

Our Board believes that regular communication is an important part of creating an open and constructive dialogue with our shareholders. To facilitate such engagement, in 2015, the Board amended its say-on-pay and shareholder engagement policy, restating it as two separate policies. The say-on-pay policy sets out the Board's objectives and policies with respect to say on pay and compensation disclosure pertaining to executive compensation. The shareholder engagement policy outlines how the Board may communicate with shareholders, how shareholders may communicate with the Board and which topics are appropriate for the Board to address. It also provides an overview of how management interacts with shareholders. A copy of our shareholder engagement policy is available at [telus.com/governance](https://www.telus.com/governance).

We communicate with our shareholders and other stakeholders through various channels, including our annual and quarterly reports, management proxy circular, annual information form, sustainability report, news releases, website and presentations at industry and investor conferences.

Some of our long-standing shareholder engagement practices are outlined in the following table:

Event	Who we engage with	Who engages	What we talk about
Annual general meeting (in person and webcast)	Shareholders (retail and institutional)	<ul style="list-style-type: none"> Chair of the Board and Board of Directors CEO Senior management as applicable 	Business of the meeting (financial statements, director elections, advisory vote on executive compensation and other proposals for shareholder vote)
Quarterly earnings call (webcast)	Financial analysts and institutional shareholders	<ul style="list-style-type: none"> CEO EVP and CFO Senior management 	Most recently released financial and operating results for the quarter. Our February earnings conference call is also a guidance release where we report on our financial outlook for the coming year and provide an overview of business operations and strategies. Additionally it includes an open question and answer session. These calls are also available to retail shareholders on a listen-only basis via phone or webcast. The webcast, slides (if used), transcripts (if available) and audio replays are posted at telus.com/investors
News releases	Shareholders (retail and institutional), financial analysts and media	Senior management	Quarterly results and any major corporate developments that occur throughout the year
Industry conferences and executive tours (in Canada, the U.S. and Europe)	Financial analysts and institutional shareholders	<ul style="list-style-type: none"> CEO EVP and CFO Senior management 	Information that is publicly available, including business, strategy and operations
Regular meetings, calls and discussions	Shareholders (retail and institutional), brokers, financial analysts and media	Investor Relations	Responding to any inquiries received through the 1-800 investor line, ir@telus.com and ceo@telus.com mailboxes consistent with TELUS' disclosure obligations
Ad hoc meetings	Shareholders (retail and institutional) and shareholder advocacy groups (e.g. the Canadian Coalition for Good Governance or CCGG)	<ul style="list-style-type: none"> Chair of the Board and/or Chair of Corporate Governance or Compensation Committee (as applicable) Senior management 	Governance, executive compensation and any other topics within the Board's mandate. In 2018, Dick Auchinleck, John Manley, Chair of the Corporate Governance Committee, along with our Chief Governance Officer met with representatives of the CCGG to discuss TELUS' governance practices.

Our Board email inbox (board@telus.com) provides shareholders and other stakeholders with a channel for communicating directly with the Board on appropriate topics between annual meetings. Alternatively, shareholders and other stakeholders can also communicate with the Board by mail, marking the envelope as confidential, to (c/o TELUS' Chief Legal and Governance Officer) 7th Floor, 510 West Georgia Street, Vancouver, British Columbia, V6B 0M3. The Board strives to respond to all appropriate correspondence in a timely manner. On a quarterly basis, the Corporate Governance Committee

considers all communications sent to the Board inbox and reviews and considers responses in relation to corporate governance matters.

Throughout the year, we also respond to any shareholder concerns and letters we receive.

We encourage shareholders to contact the Board, and specifically members of the Compensation or Corporate Governance Committees, to discuss any concerns about our approach to executive compensation and corporate governance practices.