

TELUS® corporate social responsibility report 2000

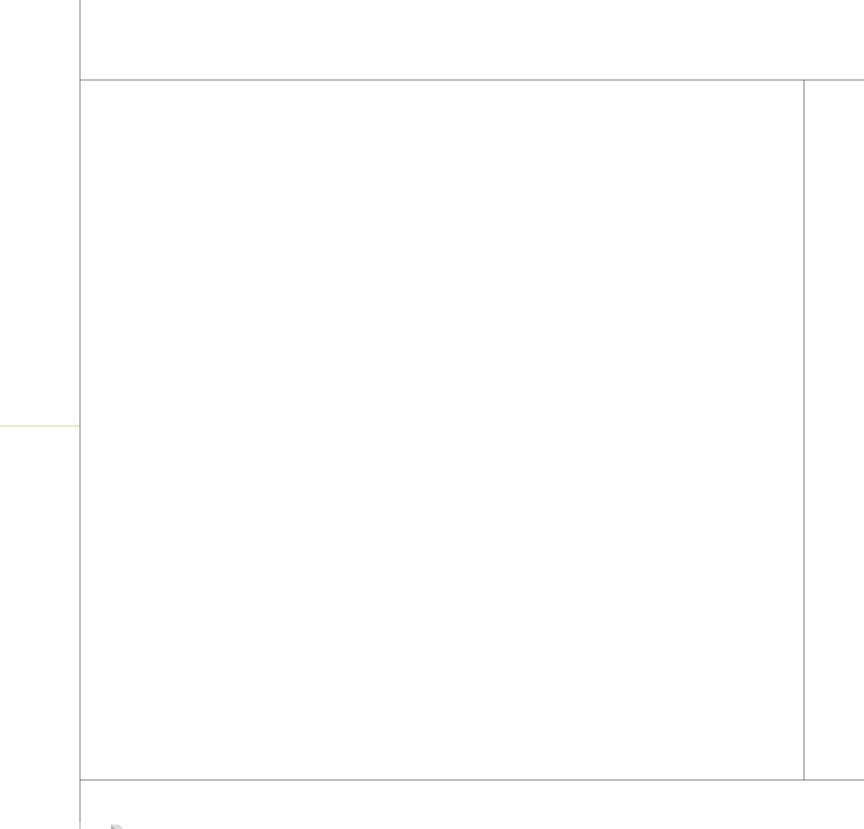


environment | community | workplace



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TELUS Corporation is a leading Canadian telecommunications company. We provide a full range of data, IP, voice and wireless products and services that connect Canadians to the world.



Letter from Darren Entwistle

TELUS has emerged as an undisputed leader in the Canadian telecommunications industry.

From our solid base in Alberta and British Columbia, we have taken the national stage by storm during the past year. We're unleashing the power of the Internet to deliver the best solutions for Canadians—at home, at work and on the move.

We're moving fast because we understand the Canadian landscape, we know what customers want, and we know that speed really does count in today's intensely competitive —and constantly changing—global marketplace.

That being said, some things haven't changed for us.

We remain strongly committed to corporate social responsibility. We recognize that we have both the ability and responsibility to influence the quality of life in the communities where our customers and employees live and work.

We invest in our communities. We conduct our business in an environmentally and socially responsible manner. We also provide a supportive workplace that emphasizes shared values and personal development. A workplace that provides both the challenges and rewards that come from working at the highest level of performance.

Our commitment to corporate social responsibility helps define who we are, and it shapes the way we approach our business. We also know that being a good corporate citizen can add value to a company. Which is one reason why our community investment decisions are in synch with our business strategies.

We are a company with a strong focus and a solid business strategy. We're also a company with an unwavering commitment to our communities, our environment and to our employees.

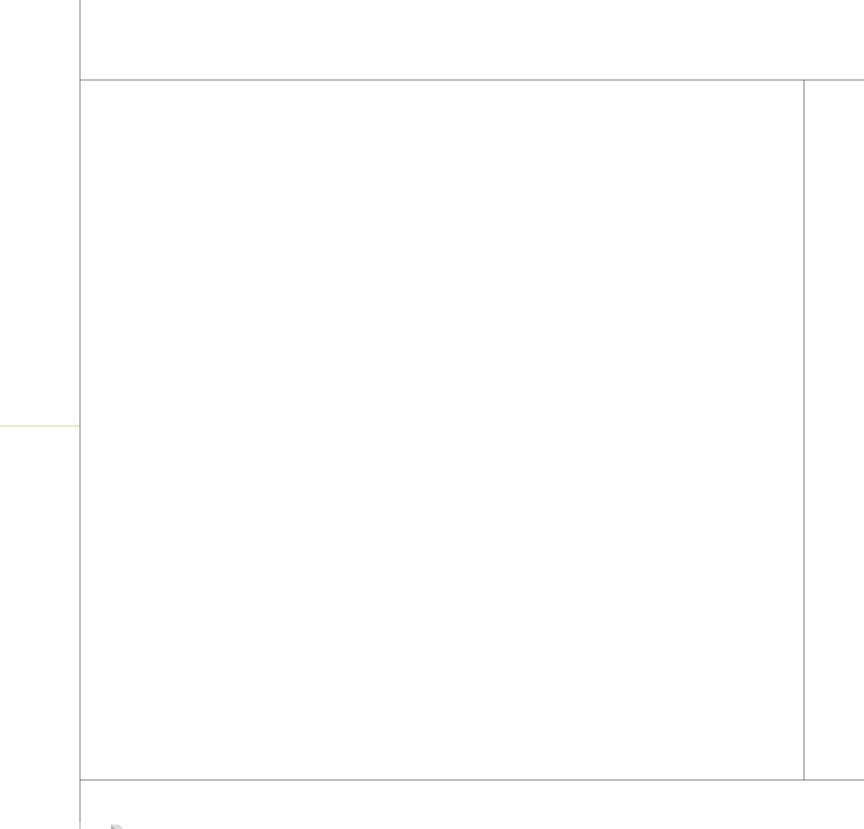
Darren Entwistle

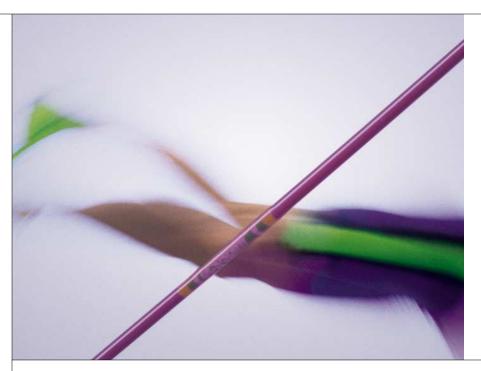
President and Chief Executive Officer

Estain

April 30, 2001







_environment

Respect for the environment influences the way we do business. We wouldn't have it any other way.

We're avid users of our own environmentally-friendly technologies. We reduce, reuse and recycle. And we believe that what gets measured gets done. We've set environmental objectives and targets, we've adopted rigorous measurements and processes, and we report our results to our board of directors, our shareholders and our customers.

At the heart of our commitment to the environment is our Environmental Management System, which reflects international ISO 14000 standards and ensures our accountability and responsiveness to all legal requirements and industry guidelines.

We provide our employees with both training and information on environmental risks and the associated policies and procedures that have been developed to minimize these risks.

TELUS also sees the big picture. We're an active participant in the Communications Environmental Excellence Initiative, a voluntary organization that promotes sustainable environmental improvement in North America's telecommunications industry. In 2001, the organization will publish a report that benchmarks the industry's environmental performance. We also helped draft—and were one of seven major North American telecommunications companies to endorse—the Environmental Excellence Charter for the North American Telecommunications Industry.

The future is friendly. It should also be green.

Managing our environmental risk

Monitoring, auditing and documenting activities that impact the environment are integral aspects of our environmental management system. We manage environmental risk through our Environmental Management System and by continuously improving our performance and standards.

Target: By 2004, no fines or penalties from regulators. **In 2000:** No fines or penalties.

Environmental information system

Our environmental information system—a database accessible via the intranet—provides TELUS employees with site-specific information, including environment risks, assessment results, chemical inventories and material safety data sheets. At year-end, the database included information on 1,100 company sites. Last year, the intranet site recorded more than 12,000 hits.

Environmental site assessments

In 2000,174 environmental site assessments were conducted by our environment staff. Another 107 assessments were completed by field operations, demonstrating how environmental considerations are part of day-to-day operations. The assessments monitor our progress in minimizing environmental impacts and measure the success of our policy implementation—including chemical and fuel management, and waste reduction.

We also conducted 25 environmental assessments at construction sites to monitor soil handling, water crossings, vegetation management, and construction site reclamation during the planning and installation of our cable network.

Environmental site assessments



Spills & releases

We recorded 60 accidental spills or releases last year. Of these incidents, 12 met the legal definition of a spill or discharge that must be reported to federal and/or provincial regulators. The type of substance, the quantity released and whether the substance entered water determines whether a spill or release must be reported to the appropriate regulators.

Any accidental spill or release involving a hazardous substance is reported immediately to our 24-hour network operations centre.

All spills or releases are investigated to determine whether our systems or processes need to be revised to prevent a recurrence. A spill review committee meets quarterly to analyze this information and ensure that all incidents are accurately identified and reported.

Number of accidental spills & releases



Reclamation of contaminated sites

We're committed to cleaning up contamination identified during our ongoing site assessments or resulting from new incidents, including contamination that can occur during the removal or replacement of fuel storage tanks and the decommissioning of sites.

We initiated reclamation at 14 sites last year; reclamation is in progress at 37 sites; and 11 sites were completed. Reclamation is often a multi-year process, particularly when using bio- and phytoremediation, which degrades contaminants with minimal disruption to the environment.

We're also committed to cleaning up right-of-ways and maintenance holes contaminated by third parties. These usually involve gasoline, diesel, oil, methane and cleaning solvents. TELUS assessed 67 potentially contaminated right-of-ways in 2000. Of those, eight sites require remediation. We've succeeded in recovering some of our remediation costs through settlements or legal action.

Fuel tanks & delivery systems

We're taking steps to reduce the environmental risk posed by fuel storage tanks and their fuel delivery systems. These storage tanks and fuel delivery systems provide fuel for generators that are used as primary power sources in remote locations, and as back-up sources to existing commercial power. We continue to decrease the number of storage tanks required to ensure service to our customers. Since 1990, we've reduced the number of storage tanks from 1.135 to fewer than 450.

At some of our more remote sites, we've employed alternate sources of power. To date, we've installed solar power generators at 36 remote locations.

Number of fuel tanks in use



Target: By 2004, install alarms, monitoring, automatic fuel shut-off devices, secondary containment for tanks, generators and piping at all sensitive and remote sites. **In 2000:** 80% of work completed at 31 prime power sites.

Real estate transactions

TELUS sold a number of properties in 2000, ranging from vacant lots to office towers in Burnaby, Calgary and Edmonton. Environmental site assessments are conducted prior to the purchase, sale or decommissioning of a property. We also ensure that reclamation takes place on any contaminated site prior to its sale, or that warranties and representations are included in the agreement of sale.

Ozone-depleting substances

We continue to reduce our inventory of halon, an ozonedepleting substance used as a fire suppressant in our network switch and transmission centres.

Halon inventory



Target: By 2004, reduce halon inventory by 85%. **Since 1995:** Reduced halon inventory by 63% (from 135,000 kg to 49,743 kg).

Resource conservation & pollution prevention

A key to our commitment to the environment entails adopting measures that limit our impact on the environment.

Energy efficiency

Our main office building in downtown Vancouver—which recently underwent an extensive renovation—has won an Energy Efficiency Award from Natural Resources Canada. The building also represented Canada at the international Green Building Challenge 2000.

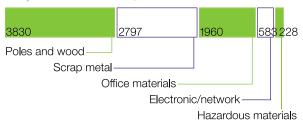
The renovated building is the first in Canada to incorporate a triple-skinned, energy-efficient exterior. Low E double-glazed and fritted panels are suspended one metre from the building's original exterior to envelop and thermally insulate the building. As well, heat dissipated from equipment in an adjoining TELUS building is captured through heat exchangers to supply 85% of the building's heating needs. The building is expected to achieve energy consumption levels that are approximately 35% more energy efficient than levels stipulated by Vancouver's energy bylaws.

Reduce, reuse and recycle

We actively practice the 3 Rs of waste minimization—reduce, reuse and recycle. Our company-wide recycling efforts helped reduce the amount of material sent to landfills. We were able to divert 18,833 metric tonnes of waste—both hazardous and non-hazardous—last year. That's up from 15,100 metric tonnes in 1998. It also represents a cost saving, or cost avoidance, of \$1.3 million, based on disposal costs of \$70 per metric tonne.

Last year, our investment recovery efforts generated more than \$4 million in revenue from the sale of used and surplus equipment and recycling initiatives. This is an average benefit-to-cost ratio of 12:1. According to data from the Investment Recovery Association, 90% of every sales dollar generated by investment recovery is directly recorded as profit to the bottom line.

Recycled work materials, in metric tonnes



Target: By 2004, divert 65% of solid waste from landfills. **In 2000:** 11.8% (18,833 mt) improvement; waste diverted from landfills through recycling.

Directories

More TELUS telephone directories are now being recycled, thanks to increased consumer awareness and community recycling programs. Increasingly, consumers are using convenient local drop-off boxes and municipal recycling programs, and schools and not-for-profit organizations

are collecting directories as a fundraising activity. In 2000, TELUS contributed more than \$200,000 to support local directory recycling activities in Alberta and BC.

Our phone directories are 100% recyclable, using 25–35% post-consumer recycled content, vegetable oil-based inks and repulpable hot melt glue for binding.

Directory recovery rate



Target: By 2004, recycle 60% of our directories. **In 2000:** 55% recycled (9610 metric tonnes).

Batteries & telephones

Within TELUS, we recycle lead acid and dry-cell batteries. In addition, all customer-leased telephones and equipment are reused, repaired or recycled. We also encourage customers to recycle and recharge their cellular and cordless phones. More than 325 TELUS Mobility dealers and TELUS Phone Stores in 100 Alberta and BC communities participate in the Rechargeable Battery Recycling Corporation's Charge Up to Recycle program. The program accepts nickel-cadmium, nickel-metal hydride, lithium ion and small-sealed lead acid batteries for recycling.

Chemical management

TELUS is governed by both federal and provincial legislation and regulations, including the Canada Labour Code, the Workplace Hazardous Material Information System and the Transportation of Dangerous Goods Act. Legislation encourages chemical reduction and chemical substitution of less hazardous and non-hazardous materials. Regulations require that Material Safety Data Sheets (MSDS) on specific hazardous chemicals and products be readily available all at work sites where these chemicals and products are present.

In 2000, we had 1,950 active MSDS listed in our online environment information system. This number is higher than the previous year as a result of the merger of two corporate MSDS filing systems, an increase in the number of sites reporting chemical inventories and having multiple suppliers for similar chemical products. The number of MSDS is expected to increase again in 2001, when the company introduces revised maintenance practices that will include a required annual inventory of chemical products. In subsequent years, we expect to reduce the number of chemicals as a result of removal and product standardization.

Target: By 2004, reduce number of chemicals by 50%. **In 2000:** 6% increase in number of chemicals used.

Technological innovation

TELUS prides itself on being a leader and an innovator. We utilize new technologies and services—not only to enhance our service to customers but also to reduce our impact on the environment.

We believe telecommunications is a model for how to substitute the movement of information and ideas for the movement of goods and people. Such a shift would have a significant—and positive—impact on our environment.

Unleashing the power of the Internet

We have introduced a number of initiatives that encourage employees to use electronic tools for their jobs:

 Teleworking — Approximately 8,000 TELUS employees, nearly one-third of our workforce, now have the capability to telework. Teleworking entails employees using portable computers and/or accessing our network from non-workplace locations.

- Wireless Employee Dispatching—We're a leader in deploying wireless devices to our field technicians. Wireless solutions increase efficiency and customer satisfaction, while reducing travel and paper consumption.
- Employee Online Services—Employees can manage personal information and make arrangements for various services online. In many cases, users are provided with a unique reference number, enabling them to instantly check the status of requests.
- Business Process Optimization Work is underway
 to provide web-based technologies to allow online
 collaborative forecasting, inventory and warehouse management, procurement, purchasing and order fulfilment.

Paperless communication

TELUS encourages employees to opt for paperless communication. Employee directories, newsletters, job postings and many training manuals are now only available online. These initiatives are expected to reduce paper consumption by approximately 56 metric tonnes per year.

E-bill

We conduct business with customers and with other businesses electronically. Our electronic bill (e-bill), launched in 2000, gives customers an option to 'go paperless'. We've seen year-over-year growth of over 480% in the number of customers receiving bills online, of which 32% have opted to turn their paper bills off. E-bill reduces paper consumption—plus CO₂ emissions associated with paper production. Customers can also order products and services online.

To acknowledge employees who have gone paperless, TELUS has partnered with Tree Canada to assist schools in BC, Alberta, Ontario and Quebec with the greening of their school grounds.

Video conferencing

Our video conferencing services are used by employees, customers, educational institutions and health care organizations. Last year, more than 5,700 video conferencing calls were held—resulting in significant reductions in travel and, therefore, harmful vehicle emissions. Using very conservative assumptions—six people travelling an average of 300 km by car to attend each meeting—the following chart demonstrates the greenhouse gas emissions avoidance.

Pollutants avoided by video conferencing

Pollutants	CO ₂	HC	NOx	CO
Avoidance (kg*)	321,431	13,401	13,195	96,282

*Calculations based on formulas from Environment Canada, Environment Protection Agency, Pollution Probe and Tree Canada.

TELUS Environment Policy

TELUS is committed to being an environmental leader. We embrace our responsibility, integrating environmental considerations into our business and offering innovative communications solutions that protect the environment. Striving for continuous improvement will guide our approach.

TELUS' values are reflected in our commitment to:

- Meet our regulatory requirements and, where possible, go beyond to achieve corporate targets.
- Demonstrate sustainable development by integrating environmental, economic and social considerations into each step of our operations.
- Offer telecommunications services that reflect quality, innovation and environmental benefits.
- Promote environmental advancement by working together with employees, suppliers, regulators, industry and the public.
- Conserve natural resources and minimize the environmental impact of waste generation and energy consumption by encouraging our employees, suppliers and customers to Reduce, Reuse and Recycle.
- Provide employees with the knowledge and training to make environmentally sound decisions in a workplace of choice.
- Communicate the results of our environmental performance internally and externally on a regular basis.

This policy and the associated Environmental Management System will be reviewed regularly to ensure continuing suitability and effectiveness.



community

Our community investment program reflects a core belief—that we have the ability, and the responsibility, to make a difference in our communities.

TELUS has a long and proud tradition of improving the quality of life in the communities in which we live, work and conduct business. This commitment is demonstrated by our direct financial contributions and sponsorships with non-profit organizations, and by the volunteer and charitable-giving activities of our employees.

Our community investment initiatives are focused on helping individuals and communities succeed in today's knowledge-based economy. We do this by giving preference and priority to projects and programs in education, health care and the arts that use technology in innovative ways.

TELUS is proud to be an Imagine Caring Company, a designation of the Canadian Centre for Philanthropy for companies that donate at least one per cent of pre-tax profits to charitable organizations.

In 2000, TELUS contributed more than \$13 million of financial and in-kind assistance to educational, health, arts and charitable organizations across Canada.

Every dollar is an investment in the future of our communities.

Investing in education and health

Supporting education and health initiatives that use communications technology in innovative ways is the primary focus of our community investment program.

One of these initiatives is TELUS Learning Connection, which provides Internet training and online teaching resources and tools designed for and by Alberta teachers. The website—www.2learn.ca—records more than 2.3 million hits a month and receives rave recommendations from educators all over the world.

TELUS Québec has partnered with three school boards to build a fibre optic network that will connect more than 100,000 students and 7,000 teachers to Internet-based educational resources.

We also provide funding to SchoolNet, a federal government program to provide high-speed Internet service to schools and libraries in rural and remote locations across Canada.

In Vancouver, we've provided financial support for computer and Internet training at SPIRIT WAY, a housing project for Aboriginal women and their children who are rebuilding their lives. And in Toronto, we've contributed to Dixon Hall, which runs inner-city train-the-trainer computer programs designed to increase the community's ability to develop itself.

TELUS is a primary sponsor of Engaging Science—a program that uses Internet applications to help teach science in BC schools. We're also helping students visit Mars without leaving the comfort of the HR MacMillan Space Centre in Vancouver. This non-profit community resource is dedicated to exposing the wonders of space to Earthlings.

Our involvement with TELUS Cybertales allows us to showcase the educational potential of our technology. Cybertales is an online creative writing program that allows students to collaborate on the writing of a short story. The Cybertale is then performed live at the Northern Alberta International Children's Festival by a professional storyteller. Last year, more than 1,200 students from 50 Alberta schools collaborated on two Cybertales. Teachers say the online program improves their students' creative writing and vocabulary skills.

The TELUS Centre at the University of Alberta in Edmonton is an example of our commitment to lifelong learning and distance education. Opened in mid-2000, the TELUS Centre provides specialized distance-learning programs for executives and professionals.

Every year, our employees and retirees volunteer with others to refurbish donated computers to schools throughout BC and Alberta, as part of the federal government's Computers for Schools program. Since the program's inception in 1994, TELUS has helped deliver more than 57,000 refurbished computers to schools and libraries.

We also support the Canadian Youth Business Foundation, a national organization serving the needs of young entrepreneurs between the ages of 18 and 29. TELUS supports the foundation's online resource centre, which has more than 3,500 members, and is located on the youthbusiness.com website.

TELUS is a recognized leader in delivering telehealth solutions, which connect health care professionals and patients in rural or remote clinics with large urban hospitals. Over the past decade, we have worked with hospitals, health authorities and municipalities on pilot projects and telehealth trials in BC and Alberta. More than 50 telehealth sites are now being used in BC and Alberta to expedite the delivery of dermatology, ophthalmology, cardiology, radiology, rehabilitation medicine and mental health services.

With our ongoing support, the Canadian Cancer Society's Cancer Information Service provides information on cancer prevention, diagnosis and treatment to more than 11,000 Canadians every year. New computers and Internet access have been added, giving the Cancer Information Service a valuable link between information specialists, cancer experts and the general public.

Another health care project we support is the Shock Trauma Air Rescue Service (STARS) in Alberta. STARS is an air ambulance service that flies the critically ill and injured to medical facilities and hospitals. TELUS provides cellular communications that link flight crews to ground dispatch and emergency medical services, resulting in improved patient care. In 2000, STARS flew more than 910 missions to communities in Alberta and southeastern BC.

TELUS is also supporting the Capital Health Authority's Health Links initiative, an Edmonton call centre that provides timely health information and advice to Northern Albertans.

TELUS and the arts

We have long been avid supporters of our communities' artistic and cultural activities. Reflecting our emphasis on learning, much of our support for the arts features an educational component.

TELUS received a *National Post* Business and the Arts Award in 2000 for our sponsorship of innovative arts programming for young people. The Vancouver East Cultural Centre's Youth Pass program provides young people with discounted tickets to VECC performing arts events. We were also recognized for our long-term support of the Inner City School Tour of the Vancouver Opera touring ensemble. This program takes opera to many elementary schools every year.

We're also a corporate sponsor of the Arts Umbrella Multimedia program, which includes a multimedia studio that gives students an opportunity to use digital technology in movie making, animation and photography projects. Arts Umbrella is Canada's leading visual and performing arts institute for young people. More than 25,000 students a year participate in the organization's visual and performing arts training programs.

Other sponsorships include Quest Theatre in Calgary, Edmonton Symphony, Calgary Opera and Theatre Calgary. Last year, we also sponsored a new production of *A Rake's Progress*, a joint production by Vancouver Opera and Edmonton Opera.

The TELUS BC New Media and Broadcast Fund—established in 1998 to provide financial support for broadcast and new media projects—helped fund Canada's first online encyclopedia and *Missing*, an interactive game designed to educate children about the dangers of the Internet.

In addition, we're a founding member of the BC New Media Innovation Centre, which supports the development of the new media industry in Western Canada.

TELUS Community Innovation Fund

In 2000, we established the TELUS Community Innovation Fund, which provides funding for innovative, community-based projects that use information and communications technologies to serve a broad community need.

In its first year, seven organizations in BC and Alberta received \$25,000 each to help finance the delivery of community services. The seven were selected from more than 130 applications.

TELUS Community Innovation Fund recipients and a description of their projects:

Central Alberta Economic Partnership (CAEP): To establish an online tool to facilitate collaboration on economic-development initiatives among geographically dispersed business, government and education stakeholders in the region.

Community Futures Development Corporation of the Powell River Region: To expand and enhance zoombuy.net —an online market that features the merchandise of Powell River, BC merchants and artists. This project has the potential to serve as a model for other small, isolated communities seeking new ways to strengthen their economic bases.

Grande Prairie Regional Emergency Medical Service:

To establish a computerized locator and tracking system to enhance the speed and accuracy of dispatching emergency service vehicles and to improve on-site patient care. The system uses a geographical information system to help dispatchers and emergency vehicle drivers track vehicle location and determine the best route to a site.

Greater Vancouver Economic Partnership: To develop an electronic warehouse to provide information to businesses and site locators who are relocating or expanding within the Greater Vancouver Regional District. The warehouse will include information about the telecommunications infrastructure, the proximity to roads, gas lines, rail lines, plus details on existing buildings, industrial lands and taxes.

Greater Victoria Economic Development Commission:

To establish an online public hearing portal that provides information on all public hearings throughout the Greater Victoria region and enables citizens to give input on community projects, either from home or from public access terminals. This has the potential to be a model for other communities seeking greater public participation and consultation.

Parkland Ambulance Authority: To deploy an electronic mapping and vehicle-tracking system that reduces the response times of ambulance crews to emergency medical situations within a largely rural area.

St. Albert Community Access Program: To establish a community portal that delivers online registration services for local sports associations, continuing education courses, community facilities and community garage sales.

Some of the organizations supported by the TELUS Community Investment Program in 2000

Arts Club - Vancouver

Arts in Action Society

Arts Umbrella

Ballet BC

Banff Centre

Banff Television Festival

Bard on the Beach

BC Cancer Foundation

BC Festival of the Arts

BC Institute of Technology

BC Peace Foundation

Calgary Board of Education

Calgary Opera

Calgary Philharmonic

Calgary Zoo

Canadian Cancer Society

Canadian Youth Business Foundation

Careers Next Generation

Central Vancouver Island Health Region

City of Edmonton — Louise McKinney Park Project

Council of Foundations — Edmonton

Downtown Eastside Residents Association

Edmonton Opera

Edmonton Symphony

Endeavour Society

Engaging Science

Excellence in Teaching Awards Foundation

Fort Edmonton Historical Foundation

Gateway Theatre

Gett Camps & Workshop

Glenbow Museum

Grande Prairie Festival of Trees

Hang Up on Fraud

HR MacMillan Space Centre

Junior Achievement

Kelowna Parks Alive

Lester Pearson College

Maple Ridge Art Gallery

Medicine Hat Festival of Lights

Nanaimo Art Gallery

Nelson Music Festival

Northern Alberta International Children's Festival

Pacific Opera

Prince George Art Gallery

Prince George Symphony

Quest Theatre

Red Deer Symphony

Science World

Surrey YMCA

TELUS Learning Connection

Theatre Calgary

Theatre Network

University College of the Cariboo

Vancouver Art Gallery

Vancouver Crisis Centre

Vancouver East Cultural Centre

Vancouver International Writers Festival

Vancouver Opera

Vancouver Symphony

Volunteer Calgary

Volunteer Vancouver

TELUS Community Connections

Our employees and retirees play an integral role in our community investment activities. Their contribution of time and money reflects a long and proud history of community involvement—and often complements our corporate support.

For example, while TELUS contributes to a computer skills program at SPIRIT WAY, employees make and fill Christmas stockings, and provide personal care items and arts and craft supplies for the women and children at the centre. Complementing our corporate support of the Canadian Cancer Society, volunteers create personalized turbans or hats for cancer patients.

The TELUS Community Connections program actively supports the volunteer and charitable giving activities of our employees and retirees. The program has two key components:

The first is our Volunteer Involvement Fund, which promotes, encourages and recognizes volunteerism in a range of community organizations. Employees and retirees who volunteer a minimum of 60 hours a year with community organizations are eligible to have TELUS make a donation of \$200 on their behalf to the charitable organization of their choice.

In 2000, the company donated \$130,000 on behalf of 650 employees and retirees, whose individual volunteer activities included coaching amateur sports teams, coordinating community Block Watch programs and sharing their expertise on non-profit boards. In addition, employees and retirees volunteer in teams on community wellness projects that include:

- Making specialized wooden chairs or adapting toys for children with physical disabilities
- Providing school supplies to children at inner city schools

- · Supporting nutrition programs for teenage mothers
- Producing a video, a colouring book and an online quiz to teach children, youth and seniors how and when to call for emergency assistance
- Participating in Relay 2000, one of Canada's millennium projects in support of the TransCanada trail
- · Cleaning up parks and riverbeds
- Collecting and distributing clothing, blankets and meals for those in need

The second component is our matching grants program, which provides important funding for thousands of registered Canadian charities and community projects.

Through an annual fall campaign, employees can donate to Canadian charities of their choice, or to special projects selected by employees to address specific community needs. In all cases, TELUS matches the employees' contributions dollar for dollar.

In the 2000 campaign, nearly 5,500 employees and retirees pledged more than \$1.5 million to approximately 1,100 Canadian charities. TELUS matched this amount, resulting in more than \$3 million being donated to worthwhile community causes. As TELUS covers the administrative costs of the campaign, all money raised goes directly to the recipient organizations.



_workplace

Our values say a lot about who we are as a company, and the kind of workplace we offer.

Our values inspire how we act and make decisions with each other as employees, with our customers, suppliers and competitors, and in our communities.

At TELUS, we firmly believe our future success lies in recruiting, training and retaining the brightest, most energetic people in the industry. We recognize that each of our employees will make a unique and valuable contribution to the business success of our company. An important priority is to invest in our employees, and to provide both the challenges and rewards that come from working at the highest level of performance.

Our success as a high performance organization comes from our commitment to our shared values. Straightforward values that go a long way to defining who we are:

- · We embrace change and initiate opportunity
- · We have a passion for growth
- We believe in spirited teamwork
- · We have the courage to innovate

We embrace change and initiate opportunity

Change is a constant in our workplace. While it can be a positive and exciting process, change can also pose unsettling challenges by requiring that we let go of the familiar and face the unknown.

Supporting employees through change is a priority at TELUS and is ingrained in our workplace philosophy and practices.

We believe that knowledge and ongoing support are keys to success in a world of change. Every TELUS employee has access to a broad range of resources and services to help them understand the impact of change and to realize the opportunities that change can offer.

We provide comprehensive resources to help employees achieve a healthy view of change and a healthy life balance. Our workshops and workbooks on stress and change management help employees learn how to manage change in both their work and personal lives. Employees have easy access to community health resources and current information on such health topics as fitness, nutrition, ergonomics, mental health, back care, heart care, cancer prevention, diabetes, headaches and repetitive strain injuries. Our fitness centres and programs emphasize the importance of a healthy body.

Our Employee Assistance Program provides personal counseling and referral services when employees need assistance in managing family/marital concerns, childcare and eldercare issues, substance abuse concerns, financial and legal issues, bereavement and emotional issues.

The TELUS Career Transition Centre is a friendly, motivational facility that assists individuals through organizational change and provides support to successfully manage career transitions. At several TELUS centres across Canada, workshops, resources, tools and personal counseling are available to employees to help them plan for and adapt to changes in their professional roles.

Through our mergers and acquisitions, we're initiating opportunities to combine the ideas and talents of our newest TELUS employees with the strength of our existing organization.

We have a passion for growth

Expanding our knowledge and skills is critical if we are to identify and deliver innovative solutions to our customers.

We are committed to continual learning in the workplace. Every employee has a personal development plan that identifies individual goals and learning paths to grow their skills and careers at TELUS.

Employees can take advantage of the hundreds of learning programs offered at our own learning centres, or through our educational partnerships with Canadian universities, community colleges and technical institutes. We use own technologies—including video conferencing, virtual classrooms and e-Learning—to link employees to external learning opportunities.

We've also gained a reputation for the quality of our employee learning programs. Last year, we partnered with more than 100 organizations to offer our learning programs and create extended learning communities.

We know that learning requires a commitment of time and effort on the part of our employees. Our Learning Assistance program provides 100 per cent reimbursement for work-related courses and programs taken outside of regular work hours.

We believe in spirited teamwork

Respect, dependability and communication are the foundation of all our relationships. And we emphasize authentic, open and appreciative dialogue.

We take feedback seriously. We conduct regular surveys, asking employees for their confidential feedback on how we are working as a team and how our management supports and encourages each team member. We use this feedback to learn what is working well and where we have opportunities to improve.

We recognize each other's achievements. Through our national recognition program—Team Machine—employees are encouraged to nominate co-workers for a variety of recognition awards.

We consciously apply the highest standards of courtesy, professionalism and integrity in our interactions—with each other, and with customers, suppliers, competitors and business partners.

We treat people fairly and we respect human rights. We value the strength of diversity in our workplace and we value the contribution all our employees bring to our business.

We value the collective bargaining process. TELUS and its unions have a long-standing history of internal dispute resolution through our grievance procedures. We have bargained —and will continue to bargain for—successive collective agreements without a work stoppage.

We have a long-standing commitment to protecting the privacy of personal information in all our business dealings, with both employees and customers. Our commitment to safeguarding privacy is reflected in the TELUS Privacy Code, which governs how we treat the personal information of employees and customers.

We're also committed to minimizing the risk of work-related injuries and illness. We provide safety education, alerts and a supportive return-to-work program. Our annual first-aid

competition brings our volunteer first-aid teams together for a day-long competition. Our teams have won national and international first-aid competitions, and they often provide emergency first-aid services in their communities.

We have the courage to innovate

Innovation entails trying new ways of thinking and working together. This approach reflects our belief that creativity, imagination and ingenuity are essential ingredients to a successful company.

We're harnessing the convergence of education and the Internet to create new learning opportunities for our employees. Our e-Learning solutions include our own customized learning products and programs from leaders in post-secondary education.

Innovation takes focus and high energy. Our recent companywide Igniter sessions provided an interactive opportunity for employees to learn about our strategic plan, discuss our culture and values, and focus on how we can collectively create success.

With our new and innovative stock options plan, TELUS is one of the few companies in Canada that offers stock options to all of its employees. This plan ensures we all have an opportunity to share in the success we create together.

