



TELUS ETHICS POLICY

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TELUS Ethics Policy

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Fellow TELUS team members:

Central to TELUS' purpose is to make the future friendly for our stakeholders. One of the critical elements in realizing this ambition is to ensure our individual and collective reputation is above reproach. *How* we work is just as important as *what* we do. Our goal is to demonstrate the highest level of ethics and integrity in our business dealings with all stakeholders (customers, shareholders, suppliers, colleagues, community). This is a corporate priority and a shared responsibility for all TELUS team members as each one of our actions and decisions affect our company and its reputation.

This Ethics Policy outlines the responsibilities and guidelines that describe the *ethical standard expected of all team members*. In addition, it provides a decision making process supporting the resolution of ethical issues and identifies members of the TELUS team who are available for help and advice. Real life case studies are provided to illustrate how ethical responsibilities and guidelines apply in everyday situations.

Please read this document carefully and make it an integral part of the way you conduct business at TELUS. You play an important role in representing our organization. Guided by these ethical standards, we build trusted relationships with our customers, shareholders, suppliers, fellow team members and the community.

Darren Entwistle
President and Chief Executive Officer

Robert McFarlane
Executive Vice-President and Chief Financial Officer

Judy Shuttleworth
Executive Vice-President, Human Resources

Introduction

This Policy applies to all of TELUS, including members of the Board of Directors, officers and employees of TELUS Corporation and its subsidiaries (referred to as Team TELUS or team members).

It is not intended that there be any waivers to this Policy. In the unlikely event that a waiver is considered and granted it must receive prior approval by the Board of Directors or their delegate. The delegate must be a Board committee for any waivers granted to members of the Board of Directors or executive officers. In such circumstances, any waivers or amendments will be disclosed subject to the TELUS Policy on Corporate Disclosure and Confidentiality of Information.

In reviewing this Policy, team members are reminded that TELUS reserves the right to vary, revoke or amend any terms of the Policy as is required by the needs of the business. TELUS will notify team members of any amendments to the Ethics Policy prior to the changes becoming binding. Nevertheless, team members are encouraged periodically to review this Policy (at least annually) in order to remain familiar with its terms. To assist this review, team members are required to complete the e.ethics training module each year. The Ethics Policy constitutes a term of the employment contract.

This Policy is available on the Company's intranet and is publicly available on the Company's website, at www.telus.com, www.telusinternational.com, www.telusmobility.com and www.telusquebec.com.

Responsibilities

Team TELUS

All members of the TELUS team are expected to act honestly in all dealings, comply with the laws and regulations governing our businesses, and maintain an ethical work environment. *This standard requires that each member of our team understand and apply the guidelines in this policy to everyday actions and decisions.*

At TELUS, we not only do things right, but we should strive to *do the right things*. Each member of our team takes responsibility for their actions including:

- Observance of the guidelines outlined in this and other company policies wherever in the world we are working
- Compliance with applicable local laws and regulations

All business activities should be able to stand up to possible public scrutiny and further investigation if required.

The guidelines in this policy are based upon generally accepted standards of ethical business conduct and applicable civil and criminal laws. The absence of a guideline covering a particular situation does not relieve any of us from the responsibility for acting ethically.

Team TELUS members, or any person acting under the direction thereof, are prohibited from directly or indirectly taking any action to improperly influence, coerce, manipulate or mislead the Company's external or internal auditors or their representatives.

Compliance/Exceptions

In situations where the right ethical behaviour is unclear, or where there may be the appearance of a contravention of these guidelines, we support each other in seeking advice and clarification. If you are unsure as to the ethical course of action, you should first discuss the situation with your manager or the applicable department identified in this policy.

If you become aware of a possible violation of the Ethics Policy you are requested to report this to the Director- Ethics and Controls Compliance (for more details please refer to the TELUS EthicsLine section). Members of the TELUS Board of Directors may also advise the Chair of the Board of potential violations. The Chair will refer the matter to the Director – Ethics and Controls Compliance for investigation, resolution and reporting.

Failure to act in accordance with the guidelines outlined in this policy may have consequences for the individual, may create potential harm to TELUS' reputation and brand, and may put TELUS at risk for legal penalty. Individual consequences may include disciplinary action, up to and including dismissal. Corporate consequences may include civil and criminal penalties. Therefore, please regard the requirement to understand and to act in accordance with the TELUS Ethics Policy as a most serious matter.

Managers

In addition to the aforementioned responsibilities, TELUS managers have the additional responsibility to:

- Be familiar with the TELUS Ethics Policy and resolution procedures
- Promote and maintain a climate in which honest, ethical and legal business conduct is the norm
- Communicate TELUS' commitment to such conduct to all members of the TELUS team
- Encourage open discussion and resolution of all business concerns
- Accept and investigate reports of possible business misconduct
- Maintain, without compromise, our ethical standards in achieving goals and objectives, no matter how important the goal or objective may be
- Review the Ethics Policy with teams and colleagues on a regular basis (at least annually)

Senior Managers (Directors and above)

In addition to the aforementioned responsibilities, TELUS team members who have roles regarding internal controls and financial reporting and disclosure controls have, as outlined in the Policy on Corporate Disclosure and Confidentiality of Information, the responsibility to make full, fair, accurate, timely and understandable disclosure in reports and documents that TELUS files with, or submits to, securities commissions and in other public communications made by TELUS.

TELUS Board of Directors Members and Employees Who Represent TELUS as Directors on Other Organization Boards

In addition to the aforementioned responsibilities, but subject to the requirement that such individuals comply with their fiduciary obligations as a director of another organization, TELUS Board members have the responsibility to notify the Chair of the Board of TELUS or, in case of TELUS employees who represent TELUS on the Boards of other organizations, the TELUS Ethics Work Group of any potential perceived conflict of interest or other Ethics Policy issues which arise during the course of their Board service.

Ethics Office

The Ethics Office is established to provide Team TELUS with a resource regarding ethical matters. This Office conducts investigations, provides advice on ethical dilemmas, develops ethics training, establishes and updates appropriate policies, guidelines and processes for TELUS' expected standards of business conduct, and reports on EthicsLine complaints to the Audit Committee of the Board of Directors on a quarterly basis.

Ethics Work Group

An Ethics Work Group oversees the Ethics Policy and annual reporting to senior management and the Audit Committee of the TELUS Board of Directors. If an ethical issue is unresolved, as a body of last resort, the Ethics Work Group is available to discuss and guide issue resolution and provide input on any ethical situations brought forward. Members of the Ethics Work Group include representatives from Risk Management, Human Resources, Corporate Affairs, Corporate Security and the Chief Financial Officer.

Ethical Decision Making

This policy reflects our commitment to high standards of ethical behaviour in our professional and business dealings. The TELUS Ethics Policy is intended as a living document that supports open and frank discussion and the satisfactory resolution of ethical dilemmas.

Each of us is responsible for striving to ensure our behaviour is ethical and for taking steps to resolve ethical dilemmas. The guidelines in this policy are provided to assist with ethical decision-making. As business becomes increasingly complex, the policy cannot provide guidance about every possible situation. In these circumstances, discuss your situation with your manager or with colleagues in support of determining the appropriate, ethical course of action.

If you would like to discuss ethics further or have a dilemma with which you would like help, follow the process below, stopping at the point at which your situation has been resolved.

1. Questions to Ask Yourself

Gather information and then determine if the situation you face is an ethical dilemma. The questions below may help to clarify your situation and ethical action.

- What is my immediate feeling about this?
- Is this an expected part of my job?
- What is the cost - emotional, personal or financial - of this action?
- How would others perceive this action?
- What would my action be if my team members, peers, or supervisor were present?
- Would I or TELUS be embarrassed if this situation were discussed in the newspaper?
- Would I be putting TELUS or myself at unnecessary risk?
- What impact would this have on my or the company's reputation?
- Are there legal implications of my action?
- Would I do this if this were my company?
- Is this taking revenue or customers away from TELUS?
- Was this intended to, or does this, influence my decisions?
- What is the dollar value? Is it excessive?

2. Review Guidelines and Policies

Review the guidelines in this policy and the case studies. If you need further assistance, consider the following related policies as they may apply to your situation.

Signing Authority Policy
Corporate Security Policies and Corporate Security Manual
Respectful Workplace Policy
Alcohol and Drug Corporate Policy
TELUS Health and Safety Policy
Environmental Policy
TELUS Privacy Code
Corporate Credit Card Policy
Corporate Disclosure and Confidentiality of Information
Insider Trading Policy
Records Retention Policy (To be issued)
Employment of Family Members (To be issued)

3. Talk to Your Manager

Often your manager is in the best position to help you work through the dilemma. Your manager is responsible for supporting open discussion, working through the ethical questions you have, and guiding your access to further assistance as required. In situations where you are uncomfortable talking with your manager, or your manager is unable to help, you should refer to the next level of management or seek expert assistance as detailed in the next section.

4. Expert Assistance

If you have tried the above sources but still have questions, assistance is available through designated subject matter experts in Human Resources, Legal, Privacy, Corporate Security, Regulatory Affairs and Accounting Policies. Names and contact telephone numbers are listed on the company's internal website, under Ethics. TELUS Québec team members should seek advice from the TELUS Québec Director-Labour Relations and Ambergris Solutions team members should contact their Vice President for Human Resources.

5. TELUS EthicsLine

You may also contact the TELUS EthicsLine to request guidance or make a good-faith report about misconduct or a perceived violation of this Policy, another company policy or procedure or a government law or regulation, questionable business practices, potential fraud or accounting or auditing matters that may not be in compliance with this Policy. Reports may be made anonymously.

Phone toll free: 1-866-515-6333 (in North America)

Email: ethicsline@telus.com or ambergris.ethicsline@telus.com

Handling of the Report

For Inquiries:

The Ethics Office will assist team members in ethical decision-making by providing guidance concerning this Policy. The Ethics Office may also refer team members to or involve subject matter experts within TELUS for assistance. Inquiries regarding labour relations and employment matters or customer service complaints will be re-directed as indicated in the section below.

For Complaints:

a) Assessment of complaint

The Ethics Office will assess the nature of the complaint under the direction of Legal Services where appropriate. The following matters for which other remedies exist will not be investigated by the Ethics Office and will be redirected as follows:

- **Labour relations issues** – Immediate manager or other members of management
- **Employment matters** such as promotions, reprimands, suspensions, dismissals, harassment, discrimination - Human Resources
- **Customer service complaints** – Customer Care or Client Care

With the exception of issues relating to union collective agreements, the Ethics Office will track all complaints, including those that are redirected to other areas of expert assistance, until they are resolved.

b) Investigation

All reports are taken seriously. Each allegation will be promptly investigated by the Ethics Office in conjunction with subject matter experts within TELUS if necessary. The Ethics Office may request the assistance of TELUS Corporate Security or other departments for investigation of the allegation or other related issues. If substantiated, the allegation will be resolved through appropriate corrective action and/or discipline. If you choose to identify yourself, you will be provided with feedback when the Ethics Office has completed its review. Every effort will be made to maintain confidentiality for those who contact the Ethics Office or who are accused of a breach of this Policy (although disclosure may be necessary in some cases to effectively conduct an investigation or support legal proceedings). It is expected that all reports to the Ethics Office will be made in good faith. Deliberately making false claims will result in disciplinary action.

c) Protection for Reporting

Retaliation or retribution against a team member for contacting the Ethics Office or for assisting or participating in an investigation of a complaint violates our ethical principles and will not be tolerated. If you feel you have been retaliated against, you should contact Human Resources or the Director-Ethics & Controls Compliance immediately.

d) Opportunity to Respond

If it has been found that a team member has breached or may likely have breached the Policy, this team member will be informed of the allegations in due course and be provided the opportunity 1) to respond to them, and 2) where appropriate, to contribute to the correction of the breach.

e) Reporting of Breaches

Any breach of the Policy will be reported to senior management with recommendations for action. Ethical issues reported to the Ethics Office will be summarized quarterly and reported to the Audit Committee of the Board of Directors, together with results of investigations, recommendations and management action.

f) File Documentation

Records of the report and investigation, including contents of meetings, interviews, results of investigations and other relevant material, will be maintained by the Ethics Office in a separate file, and managed in accordance with the TELUS Privacy Code. Disclosure of information will be strictly limited on a need-to-know basis only.

6. Last Resort Resolution

If an ethical issue remains unresolved, the Ethics Work Group is available as the body of last resort to discuss the issue and guide the resolution of any conflict of interest or other ethical situation brought forward. Members of the Ethics Work Group are drawn from Risk Management, Corporate Affairs, Corporate Security, Chief Financial Officer and Human Resources. Their names and contact telephone numbers are listed on the company's internal website, under Ethics.

The Ethics Work Group has a reporting relationship with the Audit Committee of the Board of Directors to ensure compliance with this Policy, and a process for reporting potential breaches of the Policy through the Director – Ethics & Controls Compliance without fear of retribution.

Ethical Guidelines

Customer and Team TELUS Information

Privacy of Communications

We protect the privacy of customer communications, ensuring no tampering, intrusion or disclosure except as authorized by law. This includes ensuring the content, nature and existence of telephone calls and data transmissions are not released to third parties.

A team member may intercept a private communication only when such interception is necessary for the purpose of providing the service, for the purpose of quality control checks, to protect the company's facilities from fraudulent abuse, or when authorized by law.

Confidentiality of Information

We respect customer and team member related information and protect its security, confidentiality and integrity. The definition of 'customer' includes our direct customers, customers who are our competitors, third party customers (customers of our clients), and team members. All customer and team member personal information is confidential and may not be disclosed except as outlined in the TELUS Privacy Code and permitted by law or by applicable regulations.

Access to customer and team member personal information is strictly controlled on a "need to know" basis and is used for legitimate business purposes only.

The TELUS Privacy Code and related practices set out guidelines for managing customer and team member personal information. Various areas of the company may have additional supporting management practices in place. Refer to your manager for more information.

Case Studies

Problem

Joanne sells TELUS Business Solutions products and services. In meeting with a customer in a specific industry, she learns her customer has plans to aggressively expand their business to another city, but this information is not publicly known. The next day, Joanne meets with a competitor to her previous day's customer. The competitor indirectly asks several questions about the first customer's business strategy. Joanne knows if she subtly mentions the first customer's business plans, she can sell more TELUS products and services.

Action

Joanne's job is to sell TELUS products and services; however, she cannot disclose confidential information for any reason. Joanne must maintain the confidentiality of her customer's information.

Problem

We recently hired someone who held an executive position with one of our competitors. This person was deeply involved in planning the competitor's expansion strategy, and has information that would be very valuable to us. Can we ask him to disclose this information?

Action

Absolutely not. The new team member has an obligation to protect his former company's confidential or proprietary information, just as you would be obliged to protect the confidential or proprietary information of TELUS if you were to leave the company. You must respect the team member's personal integrity as well as his obligation to his former employer.

Problem

I am a customer service representative for the residential market. A competitor informed me that a customer authorized him to obtain information about the customer's service record from TELUS. Should I provide the information?

Action

As a general rule, TELUS does not disclose any customer information other than what is listed in published directories: name, address and telephone number. Since only the customer can authorize the release of further information, you should check that the customer did indeed authorize the competitor's representative to obtain the information. If you do not find written authorization, ask the competitor's representative to obtain the customer's consent in writing and send it to TELUS.

Problem

Kalev is a member of a large, dedicated team. He likes to personally recognize his co-workers for their continued efforts by remembering their birthdays with a card. Kalev asks a friend who has access to team member records, for a list of his co-workers birth dates. Should his friend provide Kalev with the information?

Action

While Kalev's intention is well meaning, his friend should not provide Kalev with a list of birth dates. Team member personal information is confidential and is to be used for legitimate business reasons only. Kalev should ask his co-workers directly for this information, so that they may decide whether or not to provide Kalev with their birth dates.

Problem

Shelley's friend calls her at work in the Call Centre to talk about the TV personality who has just moved to the city. She asks Shelley to look up his address and phone number since this information is not listed in the public directory. Should Shelley look this up and provide the information?

Action

Absolutely not. Unless Shelley has a business reason to look up the information, she should not even access this customer's account and should certainly not provide the requested information to her friend.

Integrity

Personal and Corporate Integrity

Individually and collectively, our personal integrity supports the honest use of time, funds and property in ethical dealings with co-workers and others. Business needs must take priority in the allocation of our time at work. Use of company time and property is for business purposes only unless otherwise authorized by management.

We consciously apply high standards of courtesy, professionalism, and honesty in our interactions with customers, shareholders, suppliers, co-workers and the community. We are fair in representing others' products and services and do not improperly seek corporate trade secrets or confidential information belonging to others. This does not preclude gathering information with the owner's consent or from the public domain.

We are committed to free competition based upon the merits of our products and services and do not support any agreements, actions or concerted actions that restrict or impede fair competition in contravention of applicable law. Under certain circumstances, we may, for strategic marketing reasons, develop and contract services exclusively with a given partner. Legal Services must be consulted before all such arrangements are established.

We establish and maintain an ethical work place. We treat people fairly and respect human rights. We recognize that there are differences among individuals that go beyond race and gender, and value the contribution our differences bring to the business. We provide team members with the training, tools, and coaching necessary for the job.

Proprietary Rights of Others

We honour the proprietary rights of others as expressed in patents, copyrights, trademarks and industrial designs. Examples of intellectual and real property that may be protected include, but are not limited to, written materials, logos, creative suggestions, pictures, audio and video products and computer software. We respect conditions of use. Copyright materials are not copied in whole or in part, or used in violation of any law or agreement with vendors, licensors or other similar parties. Software license conditions may be included in instruction manuals, in separate documents, or on the disk itself, and breaking the seal on a disk package may constitute acceptance of the stated agreement.

Compliance with Laws

We comply with all applicable laws and regulations wherever we conduct business. Team members should be familiar with the laws and regulations that relate to their work and to comply with them. It is the responsibility of managers to ensure that members of their team are aware of their responsibilities in this regard and to seek advice from Legal Services or Regulatory Affairs if they are unsure.

International Operations

Many countries have laws that regulate the import and export of goods, services, software and technology for a variety of reasons, including national security and foreign policy. We will comply with all the laws of Canada and those of other countries that may apply, concerning the import and export of goods, services, software and technology.

In countries outside of Canada, customs vary regarding exchanging business courtesies. We will ensure that any exchange of business courtesies when conducting business conforms to Canadian and local laws and TELUS standards. Particular care should be taken when dealing with government employees in this regard.

Public Safety

When working on customer premises and public thoroughfares, we safeguard the rights and safety of the customer, the public, the environment and ourselves. We are expected to report fit for work; such that our ability to work safely is not impaired by alcohol, drugs, medications or any other substance. Our actions in these instances not only reflect on us as individuals, but on TELUS as a whole. Team members are referred to the Alcohol and Drug Corporate Policy for further details.

Political Activities

As private citizens, we are free to make contributions to causes, candidates or political parties of our choice. Unless expressly approved by TELUS, we will not associate TELUS with our personal political activities. TELUS will comply with all relevant laws regulating its participation in political affairs, including political contributions.

Case Studies

Problem

Jerry, an installer is called to an out of town, visibly neglected acreage. The customer, an elderly woman, tells Jerry several times that she is never very comfortable when the phone does not work. It is important to her, being out in the country, to have reliable service. Jerry discovers her repair is very minor, consisting of a simple adjustment, and is hesitant to inform her of the service charge. He looks around her modest home and feels she cannot afford the service charge.

Action

Jerry's compassion is admirable. He should, however, inform his customer of the service charge. TELUS is legally required to apply tariff charges to every customer. Jerry is also presuming the elderly woman's financial status. In fact, she may be very able to pay the service charge. If she says she has a problem paying, Jerry can suggest some of TELUS' payment options or identify areas of the company where she can get more information.

Problem

My manager frequently makes racist comments about one of my co-workers. This personally offends me but, because my manager is involved, I don't feel I can speak up. What should I do?

Action

Racist comments are unacceptable. You have a right to express your disapproval of such comments – without fear of reprisal. If you are uncomfortable approaching your manager, you should speak to the Human Rights Coordinator or your manager's manager.

Problem

Anna is feeling the time crunch. It is only 15 days until Christmas and she has not started shopping for gifts. With all her commitments – work, volunteer activities, and family responsibilities – she is not sure when she can fit it all in. Then a co-worker mentions how easy it is to buy gifts on-line and that the gifts are delivered right to your door. Through the next two days, Anna completes her Christmas shopping at work by ordering on the Internet - and it only takes 4 hours instead of 4 days of trotting through the shopping mall! Anna's Christmas crunch is solved, but was her solution a good one?

Action

As members of the TELUS team each of us has a responsibility to do a fair day's work. If Anna's activities occurred on company time, her work responsibilities would have been adversely affected. Anna's actions may have tied up office equipment like the printer or impacted network response time affecting her colleagues' ability to get the job done. Company time and tools, such as the Internet and e-mail, are provided for business purposes only and should not be used for personal use unless authorized by management.

Problem

TELUS, in partnership with a supplier, is offering an on-line Team TELUS discount program on the purchase of books, CD's, and magazines. Cindy and Raj would like to place orders, but do not have a PC at home from which to access the web site. A co-worker suggests they use their work PC to place their personal orders. They are very busy at present dealing with a backlog of ADSL service requests. Is this an appropriate use of company equipment and time?

Action

Being a member of the TELUS team has privileges. From time to time, TELUS offers programs and incentives specifically for team members. Personal use of company property such as PC's is permitted, when approved by a team member's manager or corporately authorized, to enable team members to take advantage of these opportunities. Cindy and Raj may use company PC's to place their orders *since the discount program has been authorized by management*. Team members are reminded that authorized personal use should not interfere with business priorities and should be conducted on personal time.

Company Assets

Company assets are both physical (people, equipment, real estate, supplies, tools, non-public information, funds) and logical (communication networks, information systems, intellectual property, brand, goodwill, reputation).

Company Information

Technological change and an increasingly competitive environment make it essential for us to safeguard company information. Team members are referred to the Corporate Security Policies for further details on the classification and safeguarding of TELUS' information assets.

Unless specifically published for external use, and public dissemination has occurred, all company records, information, reports, data, plans, processes and methods are considered company information and are prohibited from disclosure without proper authorization. Access should be limited to those employees with a legitimate business reason to seek the information.

Team members, including past members, must not use or disclose corporate trade secrets, competitive information or other confidential, proprietary information to benefit themselves or others. In situations where we would be willing to share information, our Legal Services Department can draw up a confidentiality agreement or license agreement to protect TELUS.

No team member should knowingly invoke a software program or code that could damage TELUS' information assets. All team members are responsible for taking reasonable measures to ensure that software and data is clear of malicious code and safe for use in TELUS' electronic data processing environment. It is also important that you not share your computer access password.

Public Disclosure

TELUS is subject to strict securities rules regarding disclosure of financial and other material information to the public. Selective disclosure of confidential information by any team member can create liabilities for TELUS. All discussions about TELUS in a public environment should comply with the TELUS Policy on Corporate Disclosure and Confidentiality of Information, to which team members are referred for further details.

Examples of situations that may lead to inappropriate public disclosure include:

- Participating in an investment-related discussion forum, chat room or bulletin board on the Internet. The team member must not disclose any confidential or material information about TELUS.
- Contact with a member of the investment community or the media. All inquiries from these groups must be referred to those team members authorized to communicate on behalf of TELUS. For further information, contact Investor Relations or External Communications.
- Presentations to business, educational and community groups using non-public TELUS information. Team members invited to make such presentations should receive approval from the VP Investor Relations or External Communications prior to accepting the invitation. In addition, all such public speeches and presentations must be provided in advance to Investor Relations and External Communications for review where requested by them.

Business Records

Accurate, reliable records are essential for effective company management to enable us to meet our business, legal and financial obligations. We strive to ensure all reports (whether for external or internal use), records, and other data are factual, fair, complete, timely and understandable and are maintained according to company practices and legal requirements. Information of significant confidentiality should be properly identified, and respected as such. To protect the accuracy of our records, only legal and approved software is to be used on TELUS equipment.

Financial Transactions

It is expected all team members understand their role and responsibility for the company's financial transactions and records and follow approved procedures to protect, report, control, and accurately reflect these transactions.

It is a violation to falsify company records or documents (including, for example, contracts, orders, time sheets, adjustments and expense statements) and to misuse company-issued credit cards.

Team members whose duties involve authentication are responsible for the close scrutiny and timely verification of all documents upon which monies are paid out or received.

Property

We display pride of ownership on behalf of the TELUS team as we protect company facilities, equipment, tools, supplies, vehicles, property, communication networks and information systems against loss, theft, damage, vandalism, gross neglect, unauthorized use and unauthorized disposal.

Team members are expected to take reasonable measures to safeguard access controls such as codes, identification cards, keys, cards and hand-held user authentication devices. Team members are the first line of defense in protecting TELUS assets.

The misuse or misappropriation of TELUS network, property or funds is not permitted. Some examples of actions that are not allowed include:

- Unauthorized use, or possession of TELUS property. This includes any and all types of equipment and supplies
- Unauthorized use of the long distance network, fax machines, wireless devices, broadband, Internet, and email
- Tampering with the network to bypass toll billing
- Billing unauthorized charges
- Unauthorized crediting of customer accounts

Team members must not make adjustments to their own accounts or services, or to those of family members, friends, co-workers or acquaintances. Customer facing business units may exercise their discretion to establish procedures for the adjustment of team member accounts. Team members in Network Operations may only do so if specifically authorized by trouble ticket or customer order.

Team members are referred to the Corporate Security Policies for further details on the acceptable use of company equipment (including emails and internet use).

Case Studies

Problem

How do I tell if a document (paper or electronic) is proprietary if it is not marked as such?

Action

You should begin by asking the person who issued the document. If you cannot find the source of the information, consider the nature of the information itself. For example, does the information deal with highly sensitive company strategy, sales and marketing initiatives, or important human resources issues? If you are still uncertain, speak to your manager.

Problem

I am attending an important sales meeting next week and I have to prepare a presentation using slides and fairly complicated charts. My co-worker has the software I need to put the presentation together, and he has offered to lend it to me so I can install the program on my computer. Can I go ahead?

Action

No. The use of software on unlicensed computers is strictly prohibited by law. You must verify and respect the manufacturer's conditions of license or the agreement under which the software was acquired. By copying your colleague's software into your computer, you may be breaking the software company's agreement as well as copyright laws and placing the company at risk of prosecution for copyright infringement. You should speak to your group's computer administrator to discuss your software needs.

Problem

Chris is part of a team working on a piece of the quarterly financial results. In the course of her work, she regularly sees the draft package of all the results before they are approved for release. One evening, her neighbor asks her, "How is TELUS doing these days?" In this casual conversation, is it acceptable if she answers, "Well, I can tell you one thing; the results are really good this quarter."

Action

No, it is not. This information is not yet public and therefore it should be regarded as confidential proprietary company information. In addition, if this information is material (i.e. would reasonably be expected to have a significant effect on the value or price of TELUS shares), Chris may also have engaged in "tipping" in violation of securities law.

Problem

Trina, a TELUS employee, and her partner Timothy are traveling to San Francisco where Trina is attending a two-day conference on the convergence of data, IP, and broadcasting technologies. Trina and Timothy are saving up to buy a new home and carefully manage their personal expenses, so Trina is glad that the Company calling card and credit card will be used to cover all business related expenses. Timothy has brought only enough cash to pay for his meals and incidental expenses.

While Trina is attending the conference, Timothy goes browsing and spots the perfect gift for his parents' 40th wedding anniversary. It is a specialty item that cannot be purchased locally. Not only is it perfect, but it is on sale at a 40% discount off the regular price. That evening Timothy tells Trina about the gift and they talk about whether or not to buy it. They make several calls home to talk with Timothy's brother and sisters about the gift, using Trina's calling card. The next evening Trina and Timothy go to the store to purchase the gift, using the company credit card. While they know the card is for business use, they have left their personal credit cards at home and intend to repay the Company as soon as they get back home. They are both so excited about finding the perfect gift that neither realizes that Trina may be in serious trouble when she returns to the office.

Action

Company issued assets such as calling cards and credit cards are for business use only. Even when assets such as calling cards have been authorized for personal use, such use must be reasonable and appropriate. For instance, a brief call home to talk with the family would be fine while several calls home to friends and extended families should be at one's personal expense. Use of the corporate credit card is strictly for business use only, and should not be used for personal purchases of any kind. Intent to repay does not negate the fact that the credit card has been used inappropriately. Since Trina has misused both the company calling card and credit card she may face discipline as a result of her actions.

Conflict of Interest

As team members, our first business loyalty must be to TELUS. We must avoid situations or relationships that may be harmful or detrimental to the best interests of the Company and result in a conflict of interest. A conflict arises whenever we face a choice between what is in our personal interest (financial or otherwise) and the interests of TELUS. We must not only avoid any actual or potential conflict of interest, but also situations where there is an appearance of conflict of interest. In such circumstances, team members must take action to eliminate the conflict of interest or the perception of conflict of interest.

We must disclose actual or potential conflicts of interest to our manager. Each situation must be considered individually and the potential for conflict of interest determined based on the parties involved, level of access to business information, decision-making authority, job duties / responsibilities, position within the organization, and potential impact on others.

This section is intended as a guide in those areas in which conflicts of interest most often arise. It is not intended to be definitive or all-inclusive, as guidelines cannot cover every situation that could give rise to a conflict of interest.

This guideline does not prohibit team members from holding publicly traded shares of an entity with which TELUS has a business relationship or a competitor provided that the team member does not have a significant investment in the entity and does not acquire the shares based on material undisclosed confidential information obtained as a result of employment with TELUS or by being a member of the Board of Directors of a TELUS company.

Relationships

Conflict of interest may occur when a team or family member gains personal benefit from a business relationship with TELUS, or from an outside business with which TELUS has a relationship such as a customer, supplier, contractor, consultant, agent, vendor, customer, channel partner or dealer. This personal benefit may take the form of an ownership interest in or a role as a director, officer or employee of an entity that is engaged in a business relationship with TELUS.

Team members may not participate in a decision to hire, transfer or promote a family member, or be in a position of direct or indirect position of influence over a family member. Team members are referred to the Human Resources policy on Employment of Family Members for further details.

Team members must not be involved in any negotiations or transactions with customers, suppliers, contractors, consultants, agents, vendors, customers, or outside parties where the team member has a personal, commercial or financial interest in the outcome of the negotiations.

Board Members, Executives and Senior Finance Managers have a duty to disclose whether they have a relationship with the Company's External Auditor.

Competition

Conflict of interest may occur when a team member or family member gains personal benefit from an outside business in competition with TELUS.

Future Business

Over time, TELUS may expand into new businesses or change its product lines or services. Team members are responsible for re-examining their individual situations on a regular basis to avoid becoming involved in a conflict of interest situation where no such conflict previously existed.

Outside Demands

It is a conflict of interest to have an outside interest that demands so much time and energy that it interferes with the team member's ability to do TELUS work. This could include any charitable activities that require time and effort during normal working hours, except for those activities previously approved by the President and Chief Executive Officer or the Human Resources and Compensation Committee of the Board of Directors or situations where the individual is acting in a representative capacity at the request of TELUS with the explicit and written permission of his or her manager.

Information

Team members may not disclose or use for any personal reason, including personal gain, any confidential information (including competitive intelligence) obtained through employment with TELUS or by being a member of the Board of Directors of a TELUS company.

Insider Trading

As detailed in the TELUS Insider Trading Policy and summarized here, team members may not trade in shares or securities of TELUS or any other company while in possession of undisclosed material information relative to the shares being traded. Nor may team members inform any other person, including their immediate family, of any undisclosed material information, other than in the "necessary course of business". The "necessary course of business" exception is a limited one and exists so as not to unduly interfere with a company's ordinary business activities. Please see the TELUS Insider Trading Policy for more information.

Material information is information that could reasonably be expected to have a significant effect on the market price or value of such securities.

Gifts and Benefits

TELUS team members shall not accept, directly or indirectly, gifts, gratuities, rewards, favours or benefits from any organization or person having business dealings with TELUS other than in the normal course of business.

TELUS team members shall not offer or provide gifts, gratuities, rewards, favours or benefits to employees of any other company to secure or maintain business other than in the normal course of business.

It is not a conflict of interest to accept hospitality or entertainment, provided it is reasonable, and is within the limits of responsible and generally accepted business practices. However, team members should not accept gifts that are intended to influence, or appear to influence, a particular

business decision. Acceptable benefits in the normal course of business for TELUS employees typically are less than \$250 Canadian or the close equivalent in other currencies and include

- Transportation to or from the customer's or supplier's place of business
- Hospitality suites
- Attendance at sporting or cultural events
- Business lunches or dinners
- Small seasonal holiday gifts or prizes to be used in office draws and raffles

Team members with supplier selection, negotiation, purchasing or contract management roles within TELUS are subject to more stringent professional purchasing requirements regarding gifts and benefits and maintaining appropriate relationships with suppliers **and should therefore not accept any gifts or benefits from suppliers or potential suppliers without the explicit and written permission of his or her manager.**

Case Studies

Problem

Arnold, a long time team TELUS member, and his wife have been looking for a way to make some extra money. His neighbor introduces them to a multi-level marketing firm that distributes hundreds of products at wholesale prices to individuals. The individuals, in turn, sell the items to others at higher-than-wholesale prices. Arnold's wife is confident she can sell the products and they would benefit from the extra income. However, as Arnold flips through the company catalogue, he sees the company sells products from a TELUS competitor. His neighbor insists Arnold's wife can and should sell everything in the catalogue. When Arnold points out the products in competition with products offered by TELUS, his neighbor tells Arnold that since his wife is not a team TELUS member it is okay for her to give her customers what they want.

Action

Although Arnold's wife is selling a competitor's product, this does not automatically create a conflict of interest position. A conflict of interest will exist if Arnold's ability to act in the best interests of TELUS is compromised. Arnold and his wife need to carefully consider whether one or both of them have access to confidential or proprietary information such as, but not limited to, product specifications, marketing plans, or confidential team member, supplier, contractor, or customer information. Obtaining from, or disclosing to, one another such information will create a conflict of interest. Assuming no such situation exists, it is possible that Arnold would not be in a conflict of interest position. If he is in any doubt, Arnold should disclose and discuss the situation with his manager.

Problem

Jean Pierre, who works in a senior marketing position at TELUS, operates his own business after hours. Though Jean Pierre uses his marketing skills, the business in no way competes with TELUS business. Jean Pierre started small - out of his basement. But his business is gradually generating more and more revenue. He is considering hiring a part-time manager, as he is not ready to leave his full time employment. Once his own business can pay him as much as his salary does, Jean Pierre believes he will devote his full attention to it. Jean Pierre believes he has the best of both worlds - a salary and a blossoming business for future security. Is Jean Pierre in a conflict of interest?

Action

No. If, however, Jean Pierre's employer, TELUS, decides in the future to enter the same line of business Jean Pierre's company is in, Jean Pierre will be in a conflict of interest position, even though he was in that business first. Jean Pierre must then decide which of his two interests, his own company or his employer's, will receive his full attention. Since TELUS is not currently in the same line of business as Jean Pierre's company, Jean Pierre is operating ethically, as long as it remains an after-hours pursuit.

Problem

Courtney recently married a fellow who runs his own business: he owns a local franchise selling a competitor's cellular phone service. Courtney and her husband have agreed not to talk about their business days. Instead their private conversations are filled with hopes and dreams for their future, discussion of hobbies and mutual family events. One day, Courtney's manager advises Courtney that she could be in a conflict of interest position. What should Courtney do?

Action

Courtney is in a situation that may leave the impression of a conflict of interest. Even though she and her new husband have decided not to talk about their business lives, people outside the marriage—including her employer—may perceive she is in a conflict of interest position. Courtney should discuss her situation with her manager and identify the extent to which Courtney's access to TELUS' information could benefit her husband's company and develop alternatives to avoid any appearance of a conflict of interest.

Problem

I install telecommunications inside wiring for small-and medium-sized business customers. With the growth of the Internet and other communications services, demand for my expertise is booming. Can I take advantage of this opportunity and start up an installation business on my own time?

Action

No. You cannot engage in any outside activity that might take business away from TELUS or any of its subsidiaries. Furthermore, as a team member, you are expected to contribute your energy and ideas to your job at TELUS. To avoid a conflict of interest, or even the appearance of such a conflict, you should discuss your planned outside business activities with your manager.

Problem

My husband has just become an executive sales manager for a company that services the computers in my department. Do I need to tell anyone about this?

Action

Yes. One of your husband's competitors or a fellow TELUS team member could claim that your husband gets TELUS' business because you are a TELUS team member. You should notify your manager and make sure you are not involved in any decisions regarding your husband's company.

Problem

Tashie, a contract administrator with TELUS, loves the mountains. She has mentioned her fondness for mountain parks a few times in general conversations with a particular company supplier. While seeking bids for a major order, Tashie receives a phone call from that supplier. He offers her and her family free use of his luxury vacation condominium. He says he is not using it and says it would be a shame to have it sit empty when he knows how much Tashie enjoys the mountains.

Action

The supplier has made a generous offer. Too generous. Her family's use of the condominium appears offered in exchange for future special treatment from Tashie in her position with TELUS. Tashie should decline the offer.

Problem

While at lunch, I overheard a conversation between two other TELUS team members regarding company plans to make a minority investment in a business that develops communications software. Can I buy shares in the software company or suggest to my spouse that she do so?

Action

No. Although you found out about TELUS' planned investment by accident, you are prohibited from buying shares by virtue of the fact that you are a member of the TELUS team. Your spouse is also prohibited, because she obtained information about the proposed investment from you, a TELUS team member. However, you and your spouse will be able to buy shares when TELUS' investment in the software company becomes publicly disclosed.

Problem

Jack, a network engineer with TELUS, has significant influence over the selection of the company's suppliers. Jack and the owner of one of TELUS' suppliers, Don, have known each other since they were kids and have always maintained a close personal relationship. Jack has no personal, commercial or financial interest in the supplier. Is there still an appearance of conflict?

Action

Yes. Although Jack may not have a personal, commercial or financial interest in the outcome of the business relationship with Don, there may still be an appearance of bias or preferential treatment towards Don's company. Jack must take action to eliminate the perception of conflict of interest. Examples of such actions include removing his involvement from the selection of the company's preferred suppliers or having a second person (a superior or a peer) co-approve the supplier selection decision.

Dealing with Suppliers, Contractors, Consultants and Agents

We value our relationship with suppliers, contractors, consultants and agents and those acting on behalf of TELUS because they contribute to our overall success. We strive to ensure our business dealings with them are ethical and that they understand our expectations of them for compliance with applicable TELUS policies.

Selecting Suppliers, Contractors, Consultants and Agents

- We strive to award business to suppliers, contractors, consultants and agents who are in compliance with applicable laws and regulations in their business relationships, including those with their employees, their communities and TELUS.
- We strive to select our suppliers, contractors, consultants and agents based upon objective and fair criteria including but not necessarily limited to business need, price, service, quality, reputation for ethical conduct and health, safety and environmental business considerations.

Adherence to applicable TELUS policies

- We expect the suppliers, contractors, consultants and agents with whom we do business to demonstrate similar values and standards as the applicable TELUS policies.
- We strive to ensure that our suppliers, contractors, consultants and agents are made aware of applicable TELUS policies specific to the work for which they are being engaged.

Case Study

Problem

Our team was tasked to construct a specialized telephone network for a customer in a very restricted timeline. We chose a locally reputable contractor that was not on TELUS' preferred list of contractors because none of these contractors had the resources or skills to complete this project by the deadline. In our contractor selection we ensured it was not done at the expense of objective fair criteria such as quality service and price. What else should we do?

Action

We should also ensure our contractor is made aware of applicable TELUS policies specific to the work for which they are being engaged.