

TELUS Sustainable Paper and Packaging Policy



Vision

TELUS is committed to becoming the sustainability leader in our industry in Canada. Our partnerships with suppliers are key factors upon which we are building our leadership position.

We recognize that through the products we sell and consume as a company, we have a significant role to play in ensuring the sustainability of natural resources and reducing our environmental footprint.

At TELUS, we consider the full lifecycle of the products we offer including assessing whether or not the products we buy, use and sell have a positive social impact and the lowest possible impact on the environment. This means assessing impacts throughout the product's life; from sourcing, production, use, through recycling and refurbishment.

TELUS' goal is to encourage responsible practices among team members, suppliers and customers in their choice and use of products as well as in the operation of our company.

Scope

The Sustainable Paper & Packaging Policy applies to all suppliers that provide paper and paper-based products including our entire packaging system (primary, secondary and tertiary) for all our distribution channels. It encompasses all types of packaging materials throughout their life cycle.



Paper products and promotional material

Such as copy paper, envelopes, bills, direct mail and others used in a typical office environment.



Primary packaging

Is packaging intended for the customer or end user.



Secondary packaging

Is used to group several primary packages to facilitate distribution.



Tertiary packaging

Is used to protect and transport packaged products from the distributor or manufacturer to our warehouses and other TELUS locations.

The Policy defines areas in which we actively seek to encourage transformation, innovation, reduction and optimization. It applies to packaging under our private brands as well as packaging sourced through our suppliers.

Principles

Our <u>Supplier Code of Conduct (SCOC)</u> is aligned with TELUS' commitment to be a leading corporate citizen. The SCOC goes beyond legal compliance, drawing upon internationally recognized standards to advance social and environmental responsibility and business ethics.

TELUS expects suppliers to embrace life cycle considerations for their products and make sure that products are designed for durability, reusability and recyclability.

More specifically, our vision of sustainable paper and packaging products is about optimizing rather than simply reducing those products. For us optimization goes beyond reducing weight or volume of those materials and extends to their life cycle.

TELUS paper and packaging must not contain any wood material or other wild plant-based material that was illegally sourced from its country of origin. We also work to eliminate any products that come from tree plantations established after 1994 through the conversion or simplification of natural forests; or areas being logged in contravention of First Nations/tribal/indigenous peoples' and community rights or from other suppliers that TELUS deems to be in violation of TELUS standards. TELUS' intent is not to use products coming from ancient and endangered forests such as in the Coastal Temperate Rainforests on Vancouver Island and the Great Bear Rainforest, Canada's Boreal Forests or any other ancient and endangered forests worldwide. Therefore, TELUS expects that all of the paper and packaging sourced with virgin wood fiber content from forests comes from responsibly managed forests, certified to the Forest Stewardship Council (FSC) certification system.

TELUS recognizes the importance of forests as carbon storehouses and their role in maintaining climate stability. As part of our ongoing leadership on climate, we will support initiatives that advance forest conservation to reduce the loss of high carbon stock forests, by encouraging suppliers to avoid harvest in these areas, and by giving preference to those that use effective strategies to actively reduce their greenhouse gas footprint.

Paper manufacturing is a resource-intensive process that can lead to air and water emissions that impact overall environmental quality. Therefore TELUS will give purchasing preference to paper and packaging that is chlorine free and has been processed utilizing responsible bleaching technologies such as chlorine free bleaching.

TELUS also aims to reduce the extraction of finite natural resources, such as petroleum. This means to design products and packaging without plastics wherever possible. In cases where no alternatives exist today, we strive to increase the use of recycled plastic.



Objectives

The Sustainable Paper and Packaging Policy targets 4 key objectives. An action plan has been developed to enable TELUS to reach these objectives. TELUS' suppliers are expected to adhere to these objectives.

1. Responsible Procurement:

Actions:

- **A.** Select suppliers who adopt responsible packaging practices.
 - Select suppliers who adopt responsible packaging practices. All suppliers are expected to comply with the TELUS' Sustainable Paper and Packaging Policy as part of their engagement to adhere to the TELUS Supplier Code of Conduct. On request, suppliers are also expected to provide appropriate documentation verifying compliance with the restriction of materials listed below, ISPM-15 for non-manufactured wood packaging components and amount of recycled content.
 - We will also give preference in our North American operations to using printers ranked in the top of the Blueline Ranking.

- **B.** Maximize the use of recycled and renewable materials from well-managed sources, such as FSC certified products, to a minimum average of 50% within 3 years.
 - TELUS gives preference to paper/packaging with high-recycled content, specifically post-consumer waste content in all materials and identified as ancient forest friendly in the ranking below as well as alternative fibers such as wheat straw and other agricultural residues when possible.
 - For paper products, this means adopting the hierarchy below. A ranking of North American papers can be accessed <u>here</u>.
 - For paper-based packaging, recycled content (preconsumer and post-consumer) is expected to meet or exceed the minimum percentages listed below.
 If alternate fibers such as FSC certified bamboo, mushroom or wheat straw are used, they are exempt from this requirement.

| Category | Total recycled fiber content requirement |
|-----------------------|--|
| Paperboard | 80% |
| Corrugated paperboard | 25% |
| Solid Fiberboard | 40% |

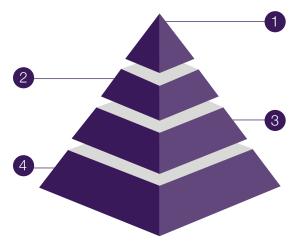
 For plastic-based packaging, recycled content plastic as well as plastic sourced from coastal areas is expected to meet or exceed 20% by 2025.

Environmentally improved

At least 50% of fiber has environmental attributes (30% post consumer, FSC certification if more than 50% virgin, virgin fiber cannot be from controversial). Must be EECF, TCF, PCF pulping and bleeching processes.

Environmentally inferior

No or minimal recycled content. Virgin tree fibers not FSC certified and may be from intact, endangered and or high conservation forests.



Environmentally superior

100% of fiber is environmentally superior (minimum 50% post consumer, virgin fiber connot have controlled wood content or controversial sources). Must be processed chlorine free or totally chlorine free.

Transitional paper

At least 10% of fiber has environmental attributes (10% post consumer or FSC or agricultural residue & virgin fibers cannot be from controversial sources). Must be processed elemental chlorine free.

- **C.** Suppliers are expected to restrict the use of certain materials.
 - Ozone depleting substances in or for the manufacturing of packaging materials (for example as a foam blowing agent).
 - Biocides or chemical treatments for wood packaging.
 - Lead, mercury, cadmium, or hexavalent chromium for packaging. The combined concentration of these four heavy should not be greater than 0.01% (100 ppm) by weight.
 - PVC in packaging where alternatives exist.
 - Elemental chlorine as a bleaching agent to bleach virgin or recovered content fiber.
 - The phthalates DEHP, BBP, DBP, and DIBP should not be used in concentrations greater than 0.1% (1000 ppm) by weight in any homogeneous material.
 - Cobalt dichloride or cobalt sulphate and dimethyl fumarate.



2. Responsible Use:

Actions:

- A. Eliminate over-packaging.
 - Secondary packaging is allowed in the form of boxes or cartons used to protect products in their primary package during transportation and distribution. It is allowed only with appropriate re-use measures in place (see objective 3 a).
 - No single item on an order, can be placed in a secondary package.
 - Items suitable for shipment in an envelope or padded envelope (preference for plastic free versions such as mailers with paper pulp padding), and which do not require a box for protection against shipping damage should not be packed in a box except where this may pose a risk of theft. The exemption must be SKU specific and must be documented and approved by TELUS.
- B. Optimize package-to-product ratio.
 - Packaging should be as small and light as possible without compromising product safety. The limiting factor to further decrease size or weight should be documented (protection, presentation & marketing, safety, packaging manufacturing process, legislation) and shared with TELUS if required.
- **C.** Use lighter materials and maximize shipping space to its fullest (design for transport).
 - Paper dunnage should be used to fill void space within shipping containers. Airbag, bubble-wrap and Expanded Polystyrene (EPS) peanut dunnage are not accepted.

3. Increase of Recovery and Recyclability:

Actions:

- A. Work with suppliers to improve recyclability of packaging.
 - Suppliers are expected to use materials that are recyclable, except where approved otherwise.
 Preference is given to materials for which recycling systems are readily available in Canada.
 - Materials must be easy to take apart. Permanent glue or adhesives should not be used to attach dissimilar materials such as foam cushions to corrugated fiberboard except where product protection is impaired without a viable alternative.
- **B.** Increase the recovery rate for secondary and tertiary packaging in stores and warehouses.
- C. Improve communication and education by providing packaging and recyclability guidance to suppliers and promoting the adoption of on-pack recycling labelling for consumers.
 - Suppliers are expected to mark and/or label packaging components, with the exception of open-celled foams, to encourage correct sorting and recycling. The label or mark should be durable, clear and legible, including when the packaging is opened. For resins, symbol and numbering should show the SPI resin-recycling symbol, and the ISO 1043 material identification acronym. For non-manufactured wood packaging, it shouldt be marked in accordance to ISPM-15.

4. Responsible Design:

Actions:

- **A.** Work with suppliers to source or design reusable/refillable shipping boxes.
- **B.** Utilize reusable packaging systems for intra business applications.
- **C.** Design and implement e-commerce, shipping, display and wrapping systems that minimize the use of paper and packaging products.
- D. Increase the use of digital communication, marketing and accounting systems where this allows to reduce our environmental impact. This includes amongst others our billing, in-store receipts and contracts. TELUS will opt for non-phenol and BPA/BPS free receipt paper.

Improvement and Communication

TELUS is committed to continuous improvement and encourages suppliers to proactively share suggestions in regards to process, materials and design elements for TELUS to consider. Suppliers are expected to proactively seek opportunities for continuous improvement throughout their own operations.

- Communications: TELUS looks to create a positive impact together with our suppliers, partners and customers. We will also seek opportunities to educate and inform the public on these issues and solutions through our marketing and communications.
- 2. Compliance: Compliance with the TELUS Paper and Packaging Policy is expected from all suppliers as part of their engagement to adhere to our Supplier Code of Conduct. Suppliers may also be asked to report on their performance through quarterly check ins. We expect that any of our suppliers that are discovered non compliant, will promptly remediate the non-compliance.
- 3. Measurement: TELUS commits to do an annual review of all of our paper and packaging use in order to identify areas where we can increase paper use efficiencies, reduce paper and packaging basis weights, and save money and resources.
- **4. Exceptions:** Any exceptions to this policy must be approved by TELUS via <u>sustainability@telus.com</u>.

Further Links & Information

- TELUS website: www.telus.com
- TELUS' Sustainability Report: https://telus.com/sustainability
- TELUS Procurement contact: procurement@telus.com
- Brand Guidelines (BrandHub)
- Industrial design & packaging design (available upon request)

We would like to thank all our external stakeholders who have worked with us to create and refine this Policy.

We would also like to highlight our partnership with Canopy to continue to drive initiatives that support the principles as outlined in this Policy.



Glossary

Ancient & endangered forests

Ancient and endangered forests are defined as intact forest landscape mosaics, naturally rare forest types, forest types that have been made rare due to human activity, and/or other forests that are ecologically critical for the protection of biological diversity. Ecological components of endangered forests are: Intact forest landscapes; Remnant forests and restoration cores; Landscape connectivity; Rare forest types; Forests of high species richness; Forests containing high concentrations of rare and endangered species; Forests of high endemism; Core habitat for focal species; Forests exhibiting rare ecological and evolutionary phenomena. (The Wye River Coalition's Endangered Forests: High Conservation Value Forests Protection – Guidance for Corporate Commitments. Key endangered forests globally are the Canadian and Russian Boreal Forests; Coastal Temperate Rainforests of British Columbia, Alaska and Chile; Tropical forests and peat lands of Indonesia, the Amazon and West Africa. For a global map, visit https://canopyplanet.org/tools/forestmapper/

Biocides for wood packaging

Biocides are defined as chemicals used to suppress organisms that are harmful to human or animal health, or that cause damage to natural or manufactured materials. For an overview, see https://www.epa.gov/ingredients-used-pesticide-products/overview-wood-preservative-chemicals

BPA/BPS

Bisphenol A or bisphenol S are chemical compounds mainly used in the production of reusable, polycarbonate plastics such as bottles, food containers and epoxy resins. They are estrogen-imitating chemicals.

Chlorine-free

Paper that is chlorine-free is an environmentally preferable alternative to paper bleached with chlorine. Chlorine-free paper is categorized either as "totally chlorine-free" (TCF) or "elemental chlorine-free" (ECF). TCF paper is produced with pulp that is unbleached or bleached without any type of chlorine. ECF papers are produced from pulp that has been bleached with a chlorine derivative but without elemental chlorine.

Cobalt dichloride, cobalt sulphate, dimethyl fumarate

Cobalt dichloride is often used as an indicator for water in desiccants (used to remove moisture and therefore used widely in packaging). Both cobalt salts are suspected human carcinogens and reproductive toxicants. Dimethyl fumarate (DMF) is a biocide used as an additive to some types of desiccant materials such as silica gel or by itself to prevent mold growth. Contact with DMF >1ppm may result in severe allergic skin reactions for some individuals.

Elemental chlorine

See chlorine-free.

FSC

Forest Stewardship Council® (FSC®) is an international certification and labeling system dedicated to promoting responsible forest management of the world's forests.



High carbon stock forest

The amount of carbon and biodiversity stored within an area of land varies according to the type of vegetative cover. High carbon stock forests include high density forests, medium density forests, low density forests and young regenerating forests. For a global map, visit https://canopyplanet.org/tools/forestmapper/ and select the carbon layer.

ISO 1043 material identification acronym

Referencing ISO 11469. Adherence ensures that polymeric components can be efficiently identified, separated and processed for recycling at end-of-life.

ISPM-15

ISPM-15: International Standards For Phytosanitary Measures No. 15 (ISPM 15) is an International Phytosanitary Measure developed by the International Plant Protection Convention (IPPC) that directly addresses the need to treat wood materials of a thickness greater than 6mm, used to ship products between countries.

Lead, mercury, cadmium, hexavalent chromium

Heavy metals with high toxicity.

Life cycle

We consider the cradle-to-grave environmental, social and economic factors related to a given packaged product.

Phenols

Primarily used to synthesize plastics and related materials. See bisphenol A and bisphenol S.

Ozone depleting substances

Man-made gases that destroy ozone once they reach the ozone layer, including for example chlorofluorocarbons (CFSCs) and hydrochlorofluorocarbons (HCFSCs). Sometimes found in the manufacturing of plastic foam packaging.

Plantation

Areas planted predominantly with non-native trees or other commercial plants.

Phthalates

Phthalates are a group of chemicals used to soften and increase the flexibility of plastics or as solvents. Used widely in polyvinyl chloride plastics.

Post-consumer waste

A waste type produced by the end consumer where the product or material has served its intended use and can now be recycled.

PVC

Polyvinyl chloride is among the most widely produced synthetic plastic polymers.

SPI resin-recycling symbol

Set of symbols that is placed on plastic items that identify the plastic resin which composes a certain product. Developed in 1988 by the Society of Plastics Industry (SPI). Includes numbers 1 to 7, see http://www.ic.gc.ca/eic/site/oca-bc.nsf/eng/ca02747.html

