

TELUS Communications Company

Annual Report to the Director

2014 Calendar Year

Reporting period January 1 – December 31, 2014

Submitted to: BC Ministry of Environment
Kris Ord - Director, Waste Management
PO Box 9341, STN PROV GOVT
Victoria, BC V8W 9M1
By email Kris.Ord@gov.bc.ca

Prepared by: Paul Lown, Director – Reverse Logistics
TELUS Communications Company
200 Consilium Place, Floor 5
Scarborough, Ontario M1H 3J3



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1. Executive Summary

The table below should concisely summarize program performance for the section 8 annual reporting requirements such that ministry staff and the public can easily understand whether reporting requirements and stewardship plan targets have been met.

Products within plan	<p><i>Telecommunication equipment:</i></p> <ul style="list-style-type: none"> ○ <i>Cordless phones and corded desktop, VOIP phones and analog terminal adapters;</i> ○ <i>Public Access Equipment;</i> ○ <i>Obsolete network infrastructure equipment (switches, servers), External customer networks, Servers</i> ○ <i>Optical network termination equipment, Internet equipment (routers, modems), Network cards;</i> ○ <i>Video and teleconferencing equipment;</i> ○ <i>TV equipment (PVRs, receivers, remote controls), Satellite TV equipment;</i> ○ <i>Global Positioning Systems (GPS);</i> ○ <i>Batteries; and</i> ○ <i>Cables/accessories.</i>
Program website	<p>http://about.telus.com/community/english/about_us/for_our_customers/regulations_%26_policies/environmental_policy/ewaste_stewardship</p>

Recycling Regulation Reference	Topic	Summary (5-bullet maximum)
Part 2, section 8(2)(a)	Public Education Materials and Strategies	<p>a description of educational materials and educational strategies the producer uses for the purposes of this Part</p> <ul style="list-style-type: none"> - <i>Public information posted on telus.com website providing instructions on how to return equipment to TELUS at no charge.</i> - <i>TELUS client care agents are made aware of return process by way of online system, internal communication, bulletins.</i> - <i>TELUS Technicians are made aware of return process by way of inter-company communication, bulletins.</i> - <i>TELUS Return and Recycle program information provided in Yellow Pages™ directories being developed.</i> - <i>Mail Back kit including instructions, carton, prepaid waybill.</i>
Part 2, section 8(2)(b)	Collection System and Facilities	<p>the location of its collection facilities, and any changes in the number and location of collection facilities from the previous report;</p> <p><i>Ten collection facility locations:</i></p> <ul style="list-style-type: none"> - <i>Communication Test Design Inc. (CTDI), Delta BC</i> - <i>Telmar Network Technology (Telmar), Calgary AB</i> - <i>GEEP, Edmonton AB</i> - <i>Ccon Metals Inc., Abbotsford BC</i> - <i>Great Western Metals, Abbotsford BC</i> - <i>Metalex Products Ltd, Richmond BC</i> - <i>Edmonds Recycling, Langley BC</i> - <i>Sumas Environmental Services, Burnaby BC</i> - <i>UTI Contract Logistics and Distribution, Brampton ON</i> - <i>Victoria Battery Direct, Victoria BC</i>

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Recycling Regulation Reference	Topic	Summary (5-bullet maximum)
Part 2, section 8(2)(c)	Product Environmental Impact Reduction, Reusability and Recyclability	<p>efforts taken by or on behalf of the producer to reduce environmental impacts throughout the product life cycle and to increase reusability or recyclability at the end of the life cycle;</p> <p><i>In 2014 TELUS began a multi-pack process with our Supplier to pack multiple refurbished TELUS TV modems and set top boxes into one carton thus reducing the amount of packaging equipment. These multi-pack cartons are made of 50% post-consumer paper.</i></p> <p><i>Although TELUS is not a manufacturer of equipment (TELUS branded or not) that we sell or rent, we endeavor to work with our manufacturers to encourage them when designing for the environment to use minimal packaging materials; FSC certified, high recycled content, and or recyclable or biodegradable materials. Where appropriate and applicable, TELUS will also endeavor to include corporate social responsibility (CSR) requirements in RFPs when selecting vendors.</i></p>
Part 2, section 8(2)(d)	Pollution Prevention Hierarchy and Product / Component Management	<p>a description of how the recovered product was managed in accordance with the pollution prevention hierarchy</p> <p><i>TELUS' triage of recovered equipment enables TELUS to follow the pollution prevention hierarchy, such as the regulation requires, to ensure pollution prevention is not undertaken at one level unless or until all feasible opportunities for pollution prevention at a higher level have been taken.</i></p>
Part 2, section 8(2)(e)	Product Sold and Collected and Recovery Rate	<p>Provide a summary of the total amount of product sold, collection volumes and, if applicable, recovery rates achieved by the program based on the approach included in the approved program plan. Also provide a summary of total product recovered by regional district.</p> <p><i>Total Program Product Collection Volumes in 2014 is 640 mt</i> <i>Total Program Product Distributed into BC in 2014 is 1,439 mt</i> <i>Total Program Product Recovery Rate in 2014 is 43%</i></p> <p><i>See section 7 for details</i></p>
Part 2, section 8(2)(e.1)		<p>[See Section 7 for breakdown per regional district] <i>Not available</i></p>
Part 2, section 8(2)(f)	Summary of Deposits, Refunds, Revenues and Expenses	<p><i>[Provide report reference to the independently audited financial statements]</i> <i>Not applicable as TELUS fully funds program.</i></p>

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Comparison of Key Performance Targets		
Part 2 section 8(2)(g); See full list of targets in Plan Performance		
Priority Stewardship Plan Targets (as agreed with ministry file lead)	Performance	Strategies for Improvement
1. <i>Target of 65% recovery</i>	<i>43% overall recovery however of our customer premise equipment the recovery rate is 64.79%</i>	<i>Customer Premise Equipment (Rental) Return Improvement Implementation Plan Development & Project Launched.</i>

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Program Outline

Provide a brief (1 page) overview of the stewardship agency/company and their members [website link], program inclusions, collection approach and any other high level information relative to the annual report e.g. studies completed, new targets set, consultations or surveys conducted.

Overview

TELUS Communications Company (TELUS) has developed its own BC Electronic Equipment Stewardship Plan to adhere to the requirements set in the BC Recycling Regulation – Electronic and Electrical Product Category.

TELUS has been collecting, refurbishing for reuse, reselling, and recycling electronics using our reverse logistics processes that are established, controlled and monitored on a national basis. TELUS' Plan addresses rental and retail TELUS customer premise equipment as well as our internal use equipment. Mobile devices are addressed under the Canadian Wireless Telecommunication Association's (CWTA) Stewardship Plan – Recycle My Cell.

Products Collected

The following is a general list of categories of equipment with regards to the requirements outlined by the BC Recycling Regulation – Electronic and Electrical Product Category. This list is an overview and does not list accessories or additional paraphernalia that might be associated with each equipment category. TELUS is committed to be responsible for all new products TELUS introduces into the marketplace.

- *TELUS TV Equipment (Set-top boxes, PVRs, Receivers, Remote Controls)*
- *TELUS Internet Equipment (Routers, Modems, Gateways)*
- *Network Printed Circuit Cards*
- *Public Access Equipment*
- *Cordless and Corded Phones (wireline)*
- *VOIP phones*
- *VOIP Analog Terminal Adapter*
- *Satellite TV equipment*
- *Global Positioning System (GPS) equipment*
- *Video and telephone conferencing equipment*
- *Batteries associated with these electronics*

Website:

http://about.telus.com/community/english/about_us/for_our_customers/regulations_%26_policies/environmental_policy/ewaste_stewardship

2. Public Education Materials and Strategies

Provide a brief overview of the key materials and strategies used to promote awareness of the program. Identify the various types of outreach (i.e. face to face, social media, traditional media, etc.) utilized.

Reference: Recycling Regulation – Part 2, section 8(2)

(a) a description of educational materials and educational strategies the producer uses for the purposes of this Part

1. *Call Centre Awareness – call centre representatives are informed about the program and are equipped with the online information necessary to advise customers of their equipment return options.*
2. *TELUS Call Centre representatives coordinate pickup and return of business customer equipment to TELUS.*

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3. *Return mailer kits including return instructions, carton, pre-paid waybill, provided to TELUS TV and TELUS Satellite TV customers. This program was expanded to include all TELUS TV and high speed internet access (HSIA) customers.*
4. *TELUS Website – our website contains information for customers on how to return items.
http://about.telus.com/community/english/about_us/for_our_customers/regulations_%26_policies/environmental_policy/return_%26_recycle_program.*
5. *Yellow Pages™ – information on TELUS' Return & Recycle Program, including our website address for more information, provided in all TELUS Yellow Pages™ Directories in BC is currently being developed.*
6. *TELUS is a member of the Recycling Council of BC and participates in the BC Recycling Hotline service.*
7. *TELUS Technician Awareness – our technicians are informed about the program and TELUS' commitments to our customers with respect to equipment being returned.*
8. *TELUS Team Members Awareness – team members are provided with current information regarding the return of electronic equipment in this plan thru a number of mechanisms. Mechanisms include online process information on our internal company website, inter-company bulletins, TELUS Green Teams, internal social media, and as required one on one email and phone conversations.*
9. *TELUS sales contracts offer a recovery service for end of life equipment. A clause to this effect can be included on a sales contract if customers wish to use this service.*

3. Collection System and Facilities

Provide a brief overview of the way in which the stewardship agency collects the products from the consumer (i.e. depots, return to retailer, collection events, etc.). If available, list the number of collection facilities in each regional district and identify changes in the number, location, and method of collection from the previous year to the present year. If the list is extensive, consider including a summary and attaching a separate document or URL.

Reference: Recycling Regulation – Part 2, section 8(2)

(b) the location of its collection facilities, and any changes in the number and location of collection facilities from the previous report;

Ten collection facilities owned by TELUS or TELUS Contractors/Vendors receive customer returns through recovery mechanisms. Both TELUS Technicians and TELUS Contractors recover equipment from customers and return to collection facilities. To ensure that all of our customers have access to a collection facility, TELUS provides a mail back program. TELUS residential customers have access to and Canada Post retail outlet in their area and TELUS business customer are provided with a courier pickup service.

Collection facility locations:

- *Communication Test Design Inc. (CTDI), Delta BC*
- *Telmar Network Technology (Telmar), Calgary AB*
- *GEEP, Edmonton AB*
- *Ccon Metals Inc., Abbotsford, BC*
- *Great Western Metals, Abbotsford BC*
- *Metalex Products Ltd, Richmond BC*
- *Edmonds Recycling, Langley BC*
- *Sumas Environmental Services, Burnaby BC*
- *UTI Contract Logistics & Distribution, Brampton ON*
- *Victoria Battery Direct, Victoria BC*

To provide easy access to TELUS' collection facilities in all Regional Districts, Canada Post, couriers (e.g. FedEx), and TELUS technicians are recovery mechanisms that increase public access to the Collection Facilities. For example, Canada Post has over 6,600 retail outlets across Canada. The Canada Post retail outlets and the location of each are available on the Canada Post website at <http://www.canadapost.ca/cpotools/apps/fpo/personal/findPostOffice>

4. Product Environmental Impact Reduction, Reusability and Recyclability

Identify ways in which producers or the agency contributes to the reduction of environmental impact. For example, utilization of certified processors, R&D performed to improve recyclability / reuse of the product or components, examples of design for environment mechanisms used by producer members of the agency, reduction of greenhouse gas emissions. The producer may also wish to report on the status of any studies being undertaken to assist with the measurement of environmental impacts. Identifying successes is encouraged.

Reference: Recycling Regulation – Part 2, section 8(2)

(c) efforts taken by or on behalf of the producer to reduce environmental impacts throughout the product life cycle and to increase reusability or recyclability at the end of the life cycle;

Sustainable Supply Chain Initiatives

Overview

When it comes to the communities where we live and work, our commitment extends beyond the services and technology we provide. We promise to protect the most important and vital part of these communities—the environment they are a part of. TELUS does this in many ways, and making sure our suppliers place the same level of importance on sustainability is an integral consideration for our Procurement and Supply Chain Management team.

Highlights for 2014:

- *Delivered a valued customer experience and positive brand impact*
- *Supported category strategies to deliver Total Value of Ownership and fund future growth*
- *Managed TELUS' first Supplier Diversity Mentorship Program, with plans to launch a second program in 2015*
- *Hosted a multitude of workshops and best-practice sharing sessions to engage and empower diverse suppliers as part of our commitment to innovation, collaboration and integrity.*

Environmental and Social Standards

TELUS adheres to strict internationally recognized environmental and social standards and we expect our suppliers to do the same. We identify and minimize environmental and social risks in our supply chain in two ways:

- *Supplier Risk assessment survey: we use this survey to seek our suppliers' commitment to identifying the social and environmental impacts of their process and business. In 2014, we updated our survey and engaged a third party with a goal to leverage their expertise in this field, increase rollout efficiency and improve the response rate. We launched this revised survey to our top critical suppliers later in the year than planned, resulting in a 48 per cent response rate, missing our goal of a 65 per cent response rate. The questions are objective with certain responses raising a 'risk' flag. We follow up with suppliers with the intent to reduce those risks identified within 30 to 90 days, depending on the severity of the risk. In 2014, none of our respondents were deemed high-risk.*
- *Supplier Code of Conduct: all of our suppliers have a contractual obligation to abide by the TELUS Supplier Code of Conduct. Our suppliers are expected to comply with all applicable environmental, labour and human rights laws and are encouraged to have a strategy, including policies and programs, in place to manage, monitor compliance with these laws and international standards. For example, suppliers are expected to manage, monitor and reduce the environmental impact of the following:*

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- *Consumption of resources (e.g., fuel, electricity, water, paper, etc.)*
- *Usage, handling and disposal of hazardous and non-hazardous wastes*
- *Release of contaminants into the air (e.g., GHG emissions, ozone depleting substances, volatile organic compounds)*
- *Release of contaminants into water and soil*
- *Product life cycle, including product content as well as the recovery and appropriate disposition of materials.*

Our suppliers are expected to be aware of [TELUS' Environmental Policy](#) and relevant aspects of our environmental management system, which aligns with the ISO 14001:2004 standard.

Commitment with suppliers to build a sustainable supply chain

TELUS takes an active role in managing its supply base through the entire procure-to-pay process. In doing so, we seek mutually beneficial relationships inclusive of special incentives for suppliers. Specific examples include:

- *Where the opportunities are available, we offer longer-term contract commitments allowing suppliers to plan and manage their production and supply management effectively.*
- *TELUS maintains a strong focus on forecasting interlock with key suppliers to be certain both parties maximize investments in their supply chains and return incremental value to shareholders and customers. Examples include weekly forecast meetings with handset vendors, and monthly discussions with vendors who supply equipment for infrastructure or that we provide to our business customers.*
- *We use proactive partnership models to evaluate and optimize our stranded network assets with a focus on profit sharing and environmental sustainability.*

Supply Chain Initiatives

TELUS' procurement and supply chain management team collaborate with internal and external partners to further integrate sustainability into our culture by developing action plans that have positive economic, environmental and social impacts. In early 2015, a supply chain sustainability steering committee was launched to develop new objectives, action plans and measures of success. In 2014, several initiatives were improved including our:

- *Managed Spare Network Parts Program: centralization of maintenance spare parts supporting wireless networks, wireline networks and business customer installations, resulting in improved availability, reduced system outage times, improved field spare parts level management, and increased revenue from unnecessary parts resale instead of being idle or recycling.*
- *Wireless device repair process enhancements: improving ease of repair and time to repair for consumer and business customers in the event that they have a real or perceived issue with the performance of their smartphone or standard wireless device. These enhancements focus on decreasing the need to repair as well as the volume of repairs, resulting in an improved customer experience and reduced resources.*
- *Wireless device certified pre-owned program: recovery of qualified wireless devices from customer returns and excess inventory, as well as the testing, refurbishment, and certification of previously owned devices to TELUS customers, resulting in improved customer satisfaction, asset management, and reduced recycle, asset shrinkage and waste.*

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Green Supply Chain

Green supply chain management within TELUS integrates environmental thinking into every aspect of our supply chain management. This includes product design, material sourcing and selection, manufacturing processes, delivery of the final product as well as end-of-life/re-use management of the product after its useful life.

TV equipment: by implementing a system that allows customers who cancel their TELUS subscription to easily return their TV equipment, we have increased the return rate of equipment as well as the number of refurbished units we can re-use, diverting them from landfill. Examples include:

- Future Friendly Home (FFH) Device and accessories recovery: recover set-top-box smartcard and remote controls from product returns, and refurbish and re-use the devices and parts, resulting in improved asset management and extended product lifetime, and reduced waste.*
- Project Boomerang: an end-to-end initiative that improves how we manage FFH customer rental equipment – from its origin in the warehouse to its return to TELUS. To date, the program has improved FFH equipment recovery from 60 per cent to 94 per cent, and will generate an estimated savings of \$15 million in capital each year.*
- Multi-pack initiative: reduced the use of packaging materials (cardboard and polystyrene) during the refurbishment process. In 2014, this initiative saved more than \$400,000 and reduced the number of cardboard boxes by 220,000.*
- Double stack trailer: we now vertically pack refurbished devices on pallets in a trailer to improve the long-haul shipment efficiency and reduce the CO2 emission by reducing the number of shipments and trailers. In 2014, we saved \$80,000 in direct freight costs by reducing the number of trailer shipments.*
- Network equipment decommissioning and asset recovery: as TELUS regenerates our network we decommission old network equipment and actively recover these assets through a central process. Equipment is assessed for re-use within TELUS, marketed and sold for re-use, or recycled.*
- Diversion from landfill: we actively manage asset reclamation and recycling for products and materials that cannot be re-used or re-sold to maximize the amount of material that is diverted from landfill and recycled as raw material. As recycling technology improves, we will add to the range of materials that are recycled.*

Supplier Governance

Apart from implementing Environmental, Social and Governance (ESG) initiatives in our own supply chain, we also do our utmost to ensure that TELUS suppliers follow similar standards. We do this through the use of our Supplier Code of Conduct, which is embedded in all contracts with critical suppliers as well as ongoing monitoring and risk mitigation methods such as the TELUS Supplier risk assessment and ComplyWorks tool.

To achieve best-in-class status, we forge relationships with suppliers who have similar ESG factors built into their strategies, making certain our supply base is not only efficient but also robust and capable of meeting customer demands in crisis situations.

Product Stewardship

Overview

At TELUS, we are focused on managing the environmental and social impacts and risks within our value chain, from product design through our customers' use of our products. We expect our suppliers to actively support efforts with respect to universal social and environmental concerns, and in turn, we actively support our customers when it comes to the recycling and disposal of these products. Our products and services are approved by all legal/governing bodies relevant to the product or service that we provide.

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Energy Efficient TV Equipment

TELUS deploys the most energy efficient devices to our customers. All TELUS TV set-top boxes currently being sent to customers are Energy Star V3.0 compliant and as we plan for the next generation of set-top boxes, we work closely with the original equipment manufacturer to certify the equipment to the latest Energy Star standard. In addition, we have implemented an automatic power down feature, reducing our overall set-top boxes network power consumption by nine per cent.

TV Equipment lifecycle management

TELUS maintains a sustainable lifecycle management policy for all of our TV equipment, which ensures the maximum lifetime of the product and an overall positive impact on the environment. Through the equipment recovery and refurbishment process, TELUS has managed to reuse over 500,000 pieces of TV equipment resulting in a reduction in the need to purchase newly manufactured equipment.

5. Pollution Prevention Hierarchy and Product / Component Management

Provide a brief overview of the way in which the collected product is managed and how those outcomes relate to the pollution prevention hierarchy. Provide breakdowns by weight or percentage of product managed at each level. Please also refer to third party assurance FAQs (original version dated November 22, 2012), distributed to stewardship programs by the Ministry.

Reference: Recycling Regulation – Part 2, section 8(2)

(d) a description of how the recovered product was managed in accordance with the pollution prevention hierarchy;

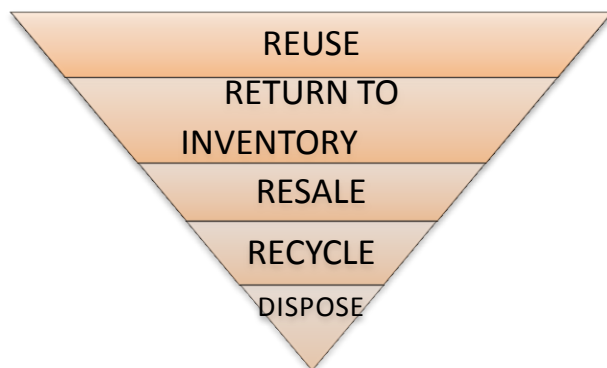
By virtue of the triage system TELUS utilizes for its electronics, pollution hierarchy is considered throughout the process. All recovered items are reused where possible and recycling is used as the last resort. TELUS defines what items are to be refurbished for reuse; what equipment can be sold for reuse; what is to be returned to our vendor under warranty; and what products must be recycled. Upon TELUS receiving the rental equipment it is tested. Working units are refurbished and restocked for reuse; defective units under warranty are returned to the manufacturer; defective units not under warranty that are beyond economical repair are recycled by TELUS' authorized electronics recycling contractor.

Program Products collected are reported by End of Fate by level on the Pollution Prevention hierarchy:

- *Reuse: These are FFH devices that are either reused by TELUS or sold for the purpose of reuse or refurbishment for reuse. Our 2014 FFH reuse rate was 89 percent.*
- *Recycle: These are products that are processed into an End of fate commodity (e.g. Ferrous Steel, Plastics, Aluminum, Copper, Glass, Lead, etc.). In 2014 over 412 metric tonnes of electronics and the associated batteries was recycled from our products collected in BC.*
- *Recover into energy: There currently are no processes for recovery into Energy although TELUS closely monitors developments in this industry.*
- *Waste: waste going to landfill or hazardous waste from all sources that is not reusable. For products and materials that cannot be reused or resold, TELUS pursues opportunities to recycle and divert these assets from landfills. We continue to enhance our recycling and diversion programs in our operations and are collaborating with our property managers and waste haulers with the goal of establishing waste diversion targets by 2015.*

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Disposition Hierarchy



Acceptable Product End of Fate

Product Type	Reuse	Recycle	Recovery	Residual
TELUS TV Equipment and accessories	Preferred	Optional	N/A	N/A
Telsets	Preferred	Optional	N/A	N/A
Network Equipment	Preferred	Optional	N/A	N/A
GPS Equipment	Preferred	Optional	N/A	N/A
Batteries <2 kg	N/A	Preferred	N/A	N/A
Batteries >2 kg	N/A	Preferred	N/A	N/A

Estimated Product End of Fate Data for the year ended December 31, 2014

Product Type	Reuse (%)	Recycle (%)	Recovery (%)	Residual (%)	Unknown (%)
TELUS TV Equipment	89	11	0	0	0
TELUS TV Accessories	6	94	0	0	0
Network Equipment	90	10	0	0	0
Telsets	66	34	0	0	0
GPS	29	71	0	0	0
Batteries <2 kg	0	100	0	0	0
Batteries >2 kg	0	100	0	0	0

Processing Pathways

Product Type	Transfer to direct processor in BC (%)	Transfer to direct processor or multi-step processor in North America (%)	End of Fate Description
TELUS TV Equipment and accessories		100%	Processed for material recovery (metals, precious metals, plastics)
Telsets		100%	Processed for material recovery (metals, precious metals, plastics)
GPS		100%	Processed for material recovery (metals, precious metals, plastics)
Network Equipment		100%	Processed for material recovery (metals, precious metals, plastics)
Batteries <2 kg		100%	Processed for material recovery (nickel, cobalt, cadmium, lead, iron, copper, stainless steel)
Batteries >2 kg	100%		Processed down to commodities for reuse or further processing (lead, acid, plastic, sulfur)

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TELUS' processor that recycles our end of life electronic products are third party accredited with ISO 14001 and ISO 9001 certification, RQP (Recycler Qualification Program), R2 certification – Responsible Recycling Practices, and other certifications. They provided TELUS with an end of fate flow chart that describes where our products are recycled (City and Province or Country) and the material recovered from them such as steel, copper, aluminum, precious metals, and plastics. This processing flow takes the material recovered to a point where the processor sells the material recovered to their buyers for further processing. Our electronics recycler even sends the dust from the bag-houses for processing.

The recycler of our lead acid batteries processes are regulated by the BC Ministry of the Environment, as well as industry associations.

6. Product Sold and Collected and Recovery Rate

Provide a summary of the total amount of product sold, collection volumes and, if applicable, recovery rates achieved by the program based on the approach included in the approved program plan. Also provide a summary of total product recovered by regional district.

Reference: Recycling Regulation – Part 2, section 8(2)

- (e) the total amount of the producer's product sold and collected and, if applicable, the producer's recovery rate;
- (e.1) effective for a report required on or before July 1, 2013 and for every report required under subsection (1) after that date, the total amount of the producer's product recovered in each regional district;

Program Product Collection Volumes (by weight):

- *Program product equipment 640 mt (up from 522 mt in 2013)*
 - *>2 kgs Batteries 87 mt*
 - *Consumer Batteries 8 mt*
- Total program product collection volumes during 2014 was 735 mt (up from 702 mt in 2013).*

Program Product Distributed into BC (by weight)

- *Total program product distributed into BC during 2014 was 1,439 mt*

Program Product Recovery Rate:

- *Overall program product recovery rate for 2014 was 42.72% (up from 21.23% in 2013). This is based on the number of units collected and the number of units distributed. It is important to note that TELUS primarily distributes rental equipment and products that last for a number of years supported by network equipment that lasts for decades. As a result the ratio on an annual basis of recovered products compared to what was distributed into the market may seem small. However once you consider that the average lifecycle of our products is greater than 5 years a relative recovery rate makes more sense. This should be further rationalized against an expanding install base.*
- *TELUS' Customer Premise Equipment (Rental) Return Improvement Implementation Plan Development & Project commenced where TELUS provided returns kits to our customers in an effort to increase the recovery of set top boxes, modems, receivers, and remotes. We are pleased to announce that our recovery on set top boxes was a 25% increase over previous year returns enabling us to meet our target of 65% recovery rate in these program products.*

Reuse Rate:

- *TELUS' FFH reuse rate in 2014 was 89% as a result of TELUS' robust disposition process. For example, TELUS will reuse most consumer products up to three times during its lifecycle. This demonstrates the results of our focus on the Pollution Prevention hierarchy.*

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7. Summary of Deposits, Refunds, Revenues and Expenditures

For those programs that charge deposits only:

Include a summary of deposits received and refunds paid in British Columbia by the producers (by plan if agency manages more than one plan). Attach a copy of the current year's independently audited financial statements as an appendix.

For those programs that charge a visible ecofee only:

Include a summary of fees / rates charged by the agency and provide a summary of total revenues and expenses in British Columbia (by plan if agency manages more than one plan). Attach a copy of the current year's independently audited financial statements as an appendix.

Reference: Recycling Regulation – Part 2, Section 8(2)

(f) independently audited financial statements detailing

- (i) all deposits received and refunds paid by the producers covered by the approved plan, and
- (ii) revenues and expenditures for any fees associated with the approved plan that are charged separately and identified on the consumer receipt of sale;

TELUS funds the TELUS BC Electronics Stewardship Plan. No customers are charged an environment handling fee.

8. Plan Performance

Using the table below, provide a brief overview of the performance of the plan for the current year compared to the stated performance requirements and targets specified in the approved plan. If no specific targets have been set (e.g. new plans in first year of operation), specify baseline results, significant achievements and identify when targets will be set.

Reference: Recycling Regulation – Part 2, section 8(2)

(g) a comparison of the approved plan's performance for the year with the performance requirements and targets in this regulation and the approved plan

Plan Target	2014 Results	Strategies for Improvement
1. Target of 65% recovery was committed for 2014	Overall recovery rate was 43% as high reuse rate of our products keeps them in the field longer. It is worthy to note that our customer premise equipment recovery rate was 64.79%.	Customer Premise Equipment (Rental) Return Improvement Implementation Plan Development & Project Launched.

Appendices / Additional Information and Third Party Assurance

- Third Party Assurance Statement for Non-Financial Information.

Reference: Recycling Regulation – Part 2, section 8(2)

Including section 8(2)(h), any other information specified by the director

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Sustainability Awards

TELUS once again earned external recognition for our accomplishments and commitment to sustainability. Our efforts have resulted in TELUS being recognized as a world leader in sustainability performance and being named:

- *One of the Global 100 Most Sustainable Companies in the World by Corporate Knights for the fifth time since 2009, including ranking 37th in 2015. TELUS is the only North American telecommunications company and one of 12 Canadian companies to earn this distinction*
- *A Carbon Disclosure Leader by the Carbon Disclosure Project (fourth time)*
- *To the Dow Jones Sustainability North America or World Index member for the past 14 years – a feat unequalled by any North American telecommunications or cable company*
- *One of Corporate Knights' Best 50 Corporate Citizens in Canada (eighth time)*
- *One of the Top 50 Socially Responsible Corporations for six consecutive years by Jantzi-Sustainalytics*
- *One of Canada's Greenest Employers by Mediacorp (fourth time)*
- *Award of Excellence for Corporate Governance Disclosure and for Corporate Reporting in the Communications and Media sector from the Chartered Professional Accountants of Canada*
- *Consistently on the FTSE4Good index.*