

# People purpose passion



Q3 2024 investor conference call  
November 8, 2024

# Caution regarding forward-looking statements

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Today's discussion may contain forward-looking statements, including statements relating to our objectives and our strategies to achieve those objectives, our 2024 targets, our expectations regarding trends in the telecommunications industry (including demand for data and ongoing subscriber base growth), and our financing plans (including our multi-year dividend growth program). Forward-looking statements are typically identified by the words *assumption, goal, guidance, objective, outlook, strategy, target* and other similar expressions, or future or conditional verbs such as *aim, anticipate, believe, could, expect, intend, may, plan, predict, seek, should, strive* and *will*. Our 2024 targets and outlook are presented for the purpose of assisting our investors and others in understanding certain key elements of our expected 2024 financial results as well as our objectives, strategic priorities and business outlook. Such information may not be appropriate for other purposes.

Forward-looking statements are subject to inherent risks and uncertainties and are based on assumptions, including assumptions about future economic conditions and courses of action. These assumptions may ultimately prove to have been inaccurate and, as a result, our actual results or other events may differ materially from expectations expressed today.

The assumptions underlying our forward-looking statements are described in additional detail in *Section 9 General trends, outlook and assumptions, and regulatory developments and proceedings* and *Section 10 Risks and risk management* in our 2023 annual Management's discussion and analysis (MD&A), and updated in our third quarter 2024 MD&A, and in other TELUS public disclosure documents and filings with securities commissions in Canada (on SEDAR+ at [sedarplus.ca](https://www.sedarplus.ca)) and in the United States (on EDGAR at [sec.gov](https://www.sec.gov)).

We disclaim any intention or obligation to update or revise any forward-looking statements except as required by law.

# Delivering on our track record of execution excellence

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- Executing against our differentiated global growth strategy
- Achieving industry-leading customer additions and strong profitability
- Delivering exceptional customer experiences over our world-leading networks
- Progressing our transformational efficiency programs
- Driving product differentiation to create new revenue opportunities
- Returning capital to shareholders through our leading dividend growth program
- Supporting our customers and communities when they need us most



# Mobility operating results

## Q3 2024

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Mobile phone ARPU	\$58.85	(3.4%) y/y
Mobile phone churn	1.09%	+6 bps y/y
Mobile phone net adds	130,000	(30,000) y/y
Connected device net adds	159,000	(20,000) y/y

Delivering high-quality and profitable customer growth leveraging our strong digital capabilities, customer service excellence and world-leading network

# Fixed operating results

## Q3 2024

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Internet net adds	34,000	(3,000) y/y
TV net adds	21,000	+1,000 y/y
Security net adds	12,000	(6,000) y/y
Residential voice net adds	(9,000)	(1,000) y/y
Total fixed net adds	58,000	(9,000) y/y

Superior product portfolio and leading PureFibre network driving leading customer growth and higher product intensity

# Connecting people through our globally unmatched networks

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- Fibre network connecting more than 3.3 million premises and 5G connecting approximately 87% of Canadians
- Bridging digital and socio-economic divides by delivering world-leading connectivity to rural and Indigenous communities
- Reclaiming legacy copper cables driving efficiencies and aligned with our real estate development opportunities



Significant broadband network investments enabling our financial and operational performance, and the long-term sustainability of our industry-leading dividend growth program

# TELUS Health

## Revolutionizing health and wellbeing

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Health services revenue	\$439 million	+4.0% y/y
Lives covered	76.0 million	+6.4 million y/y
Virtual care members	6.5 million	+1.0 million y/y
Digital health transactions	161.5 million	+10.9 million y/y

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Higher revenue alongside EBITDA contribution growth of 50% reflecting strong operating momentum from investments in our products, sales and distribution channels



# TELUS Agriculture & Consumer Goods

## Driving efficiency through passion and technology

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Agriculture and consumer goods services revenue

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\$100 million

Team members globally

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1,700+

Customers

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5,400+



Accelerating our product development to drive further differentiation and accelerate our journey to transform into a high-growth global software and data business



# Returning capital to shareholders

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- Targeting 7 to 10% annual dividend growth from 2023 through 2025
- Quarterly dividend declared of \$0.4023 payable January 2, 2025, up 7.0% y/y
- 27 dividend increases since dividend growth program initiated in May 2011
- Returning more than \$26 billion to shareholders since 2004, including over \$21 billion in dividends and over \$5 billion in share repurchases



Delivering on our dividend growth program underpinned by our confidence in executing our growth strategy and generating meaningful free cash flow on a sustained basis

# Leading the world in social capitalism

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- Marking the first anniversary of the TELUS Student Bursary, TELUS Friendly Future Foundation (Foundation) has awarded \$2.2 million in bursaries, this academic year, to more than 500 post-secondary students in need of financial aid who are committed to making a difference in their communities. This investment empowers the next generation of changemakers in their educational journey.
- Since inception last year, the Foundation has provided over \$4 million in bursaries to nearly 1,000 students across Canada.
- Together, the Foundation and our 19 TELUS Community Boards have supported 33.6 million youth in-need in Canada and around the world through \$131 million in cash donations and bursary grants, to 10,500 initiatives since 2005.



# Financial Results

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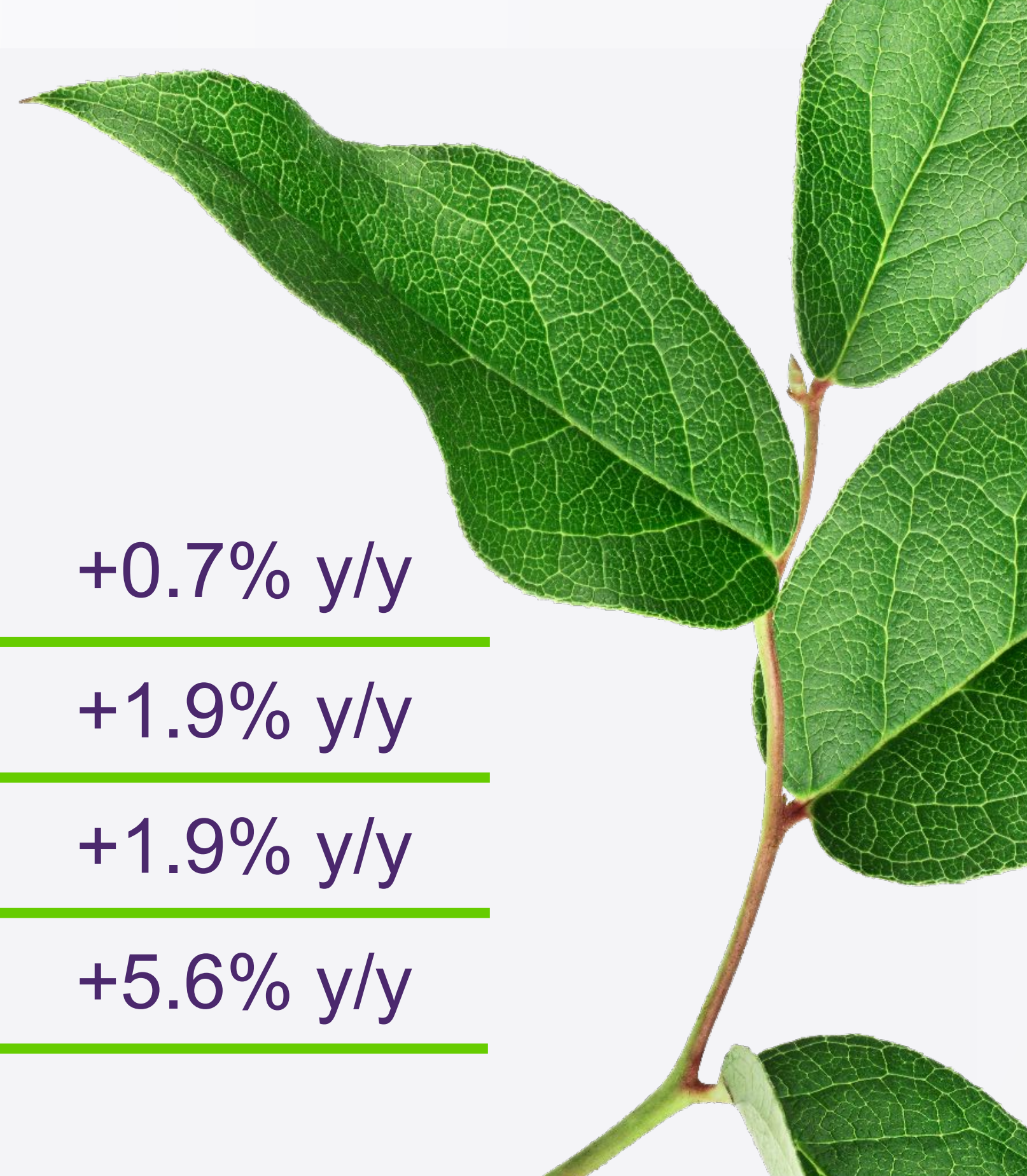


# TELUS technology solutions (TTech) Q3 2024

Mobile network revenue	\$1.8 billion	+0.7% y/y
Fixed data services revenue <sup>1</sup>	\$1.2 billion	+1.9% y/y
Operating revenues	\$4.4 billion	+1.9% y/y
Adjusted EBITDA	\$1.7 billion	+5.6% y/y

<sup>1</sup> Excludes health services and agriculture and consumer goods services.

Delivering solid financial results supported by our longstanding commitment to drive profitable customer growth and our ongoing focus on cost efficiency and effectiveness



# TELUS digital experience Q3 2024

External revenues	\$678 million	(4.0%) y/y
Adjusted EBITDA	\$131 million	(30.3%) y/y
Adjusted EBITDA margin <sup>1</sup>	14.5%	(6.5) pts y/y

<sup>1</sup> This is a non-GAAP ratio that does not have any standardized meaning prescribed by IFRS-IASB and might not be comparable to similar measures presented by other issuers. See the Appendix in this presentation.

TELUS Digital confident in a gradual return to growth, with a solid margin profile and as shaped by the increasing adoption of GenAI



# Consolidated

## Q3 2024

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Operating revenues	\$5.1 billion	+1.8% y/y
Net income	\$257 million	+88% y/y
Adjusted Net income <sup>1</sup>	\$413 million	+11% y/y
Free cash flow <sup>2</sup>	\$561 million	+58% y/y

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<sup>1</sup> Adjusted Net income is a non-GAAP measure that does not have any standardized meaning prescribed by IFRS-IASB and is therefore unlikely to be comparable to similar measures presented by other issuers. See the Appendix in this presentation.

<sup>2</sup> This is a specified financial measure. For a quantitative reconciliation, see Section 11.1 of the Q3 2024 MD&A available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

Resilient financial results reflecting operational execution excellence, continued focus on profitable and margin-accretive customer growth and focus on executing our extensive efficiency program

# 2024 financial targets

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TTech Operating revenues<sup>(1)</sup>

Growth of 2 to 4%  
(slightly below the lower end of range)

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TTech Adjusted EBITDA

Growth of 5.5 to 7.5%  
(lower end of range)

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Consolidated Free cash flow

Approximately \$2.1 billion

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Consolidated Capital expenditures<sup>(2)</sup>

Approximately \$2.6 billion

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<sup>1</sup> For 2024, we are guiding on TTech Operating revenues, which excludes other income. TTech Operating revenues for 2023 were \$17,106 million.

<sup>2</sup> Excludes approximately \$100 million targeted towards real estate development initiatives.

Updating our target for TTech operating revenue growth, which is now anticipated to be slightly below the lower end of our original target range; targets for TTech Adjusted EBITDA, along with our consolidated targets for capital expenditures and free cash flow, remain unchanged as previously communicated with our Q2 release in August

# Strong balance sheet and liquidity position

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- Weighted average cost of long-term debt of 4.40%
- Average long-term debt term to maturity of 10.6 years
- Available liquidity<sup>1</sup> of approximately \$3.2 billion
- \$2.75 billion syndicated credit facility expiring July 2028

<sup>1</sup> This is a non-GAAP financial measure that does not have any standardized meaning prescribed by IFRS-IASB and might not be comparable to similar measures presented by other issuers. See the Appendix in this presentation.





# Questions?

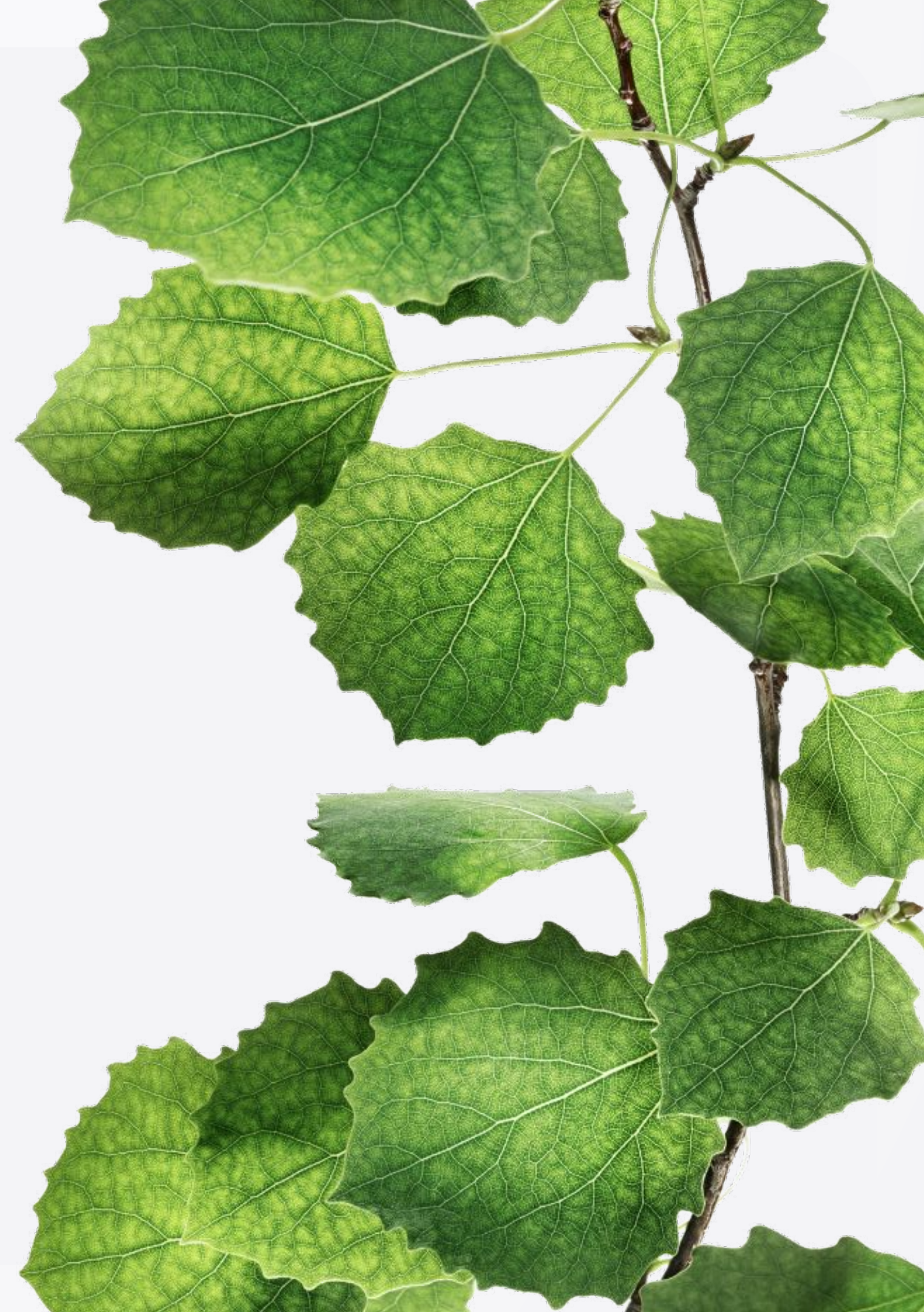
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# Appendix

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## Key definitions

Our presentation and answers include the following non-GAAP and other specified financial measures, which may not be comparable to similar measures presented by other issuers:

- TELUS Digital Adjusted EBITDA margin is a non-GAAP ratio. Adjusted Net income and Available liquidity are non-GAAP financial measures. Free cash flow is an other specified financial measure. For further definitions and explanations of these measures, see *Section 11.1* of our third quarter 2024 MD&A available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) and '*Non-GAAP and other specified financial measures*' in our third quarter 2024 news release dated November 8, 2024.

Let's make the  
future friendly,  
together.

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