



TELUS Corporation

Second Quarter, 2022

Supplemental Investor Information

(UNAUDITED)

Financial information presented according to
International Financial Reporting Standards (IFRS)
as issued by the International Accounting Standards Board (IASB)

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TELUS Corporation
Selected Consolidated Data

<i>\$ in millions except shares, per share amounts, and ratios</i>	Quarterly						June YTD 2022	Annual 2021
	Q2/22	Q1/22	Q4/21	Q3/21	Q2/21	Q1/21		
Net Income	498	404	663	358	344	333	902	1,698
Adjusted Net Income ¹	422	414	331	392	348	359	836	1,430
Basic earnings per share (\$)	0.34	0.28	0.47	0.25	0.25	0.25	0.62	1.23
Adjusted Basic earnings per share (\$) ¹	0.32	0.30	0.23	0.29	0.26	0.27	0.61	1.07
Dividends declared per common share (\$)	0.3386	0.3274	0.3274	0.3162	0.3162	0.3112	0.6660	1.2710
Return on common equity ²	12.1%	11.4%	11.6%	9.3%	9.4%	9.3%	12.1%	11.6%
Earnings coverage	4.2	4.0	3.9	3.3	3.2	3.1	4.2	3.9
EBITDA interest coverage ratio ³	8.9	8.6	8.4	7.6	7.4	7.3	8.9	8.4
Cash provided by operating activities	1,250	1,135	896	1,309	1,244	939	2,385	4,388
Free cash flow ⁴	205	415	43	203	210	321	620	777
Long-term debt	21,628	21,319	20,852	20,533	19,932	19,772	21,628	20,852
Net debt ⁵	21,693	20,960	20,535	19,009	18,169	18,230	21,693	20,535
Net debt : EBITDA - excluding restructuring and other costs (times) ⁶	3.23	3.18	3.17	3.19	3.11	3.15	3.23	3.17
Outstanding shares at end of period (M)	1,381	1,376	1,370	1,361	1,355	1,349	1,381	1,370
Basic weighted average shares outstanding (M)	1,381	1,376	1,368	1,361	1,355	1,298	1,378	1,346

TELUS Corporation
Segmented Data

<i>\$ in millions</i>	Quarter 2				June YTD			
	2022	2021	Change	% Change	2022	2021	Change	% Change
Operating revenues and other income								
TELUS technology solutions	3,733	3,566	167	4.7%	7,375	7,060	315	4.5%
Digitally-led customer experiences - TELUS International	797	658	139	21.1%	1,556	1,297	259	20.0%
Less: Intersegment revenue	(129)	(113)	(16)	(14.2%)	(248)	(222)	(26)	(11.7%)
Operating revenues and other income	4,401	4,111	290	7.1%	8,683	8,135	548	6.7%
EBITDA⁷								
TELUS technology solutions	1,417	1,323	94	7.1%	2,817	2,659	158	5.9%
Digitally-led customer experiences - TELUS International	176	128	48	37.1%	345	253	92	36.1%
Consolidated	1,593	1,451	142	9.8%	3,162	2,912	250	8.6%
EBITDA margin								
TELUS technology solutions	37.9%	37.1%	0.8 pts.		38.2%	37.7%	0.5 pts.	
Digitally-led customer experiences - TELUS International	22.2%	19.6%	2.6 pts.		22.2%	19.6%	2.6 pts.	
Consolidated	36.2%	35.3%	0.9 pts.		36.4%	35.8%	0.6 pts.	
Capital expenditures								
TELUS technology solutions	1,016	882	134	15.2%	1,818	1,544	274	17.7%
Digitally-led customer experiences - TELUS International	38	31	7	22.6%	69	54	15	27.8%
Consolidated	1,054	913	141	15.4%	1,887	1,598	289	18.1%
Capital expenditure intensity⁸								
TELUS technology solutions	27%	25%	2 pts.		25%	22%	3 pts.	
Digitally-led customer experiences - TELUS International	5%	5%	-	pts.	4%	4%	-	pts.
Consolidated	24%	22%	2 pts.		22%	20%	2 pts.	
EBITDA less capex								
TELUS technology solutions	401	441	(40)	(9.1%)	999	1,115	(116)	(10.4%)
Digitally-led customer experiences - TELUS International	138	97	41	42.3%	276	199	77	38.7%
Consolidated	539	538	1	0.2%	1,275	1,314	(39)	(3.0%)
Adjusted EBITDA⁹								
TELUS technology solutions	1,436	1,353	83	6.1%	2,871	2,718	153	5.6%
Digitally-led customer experiences - TELUS International	186	137	49	35.6%	359	275	84	30.5%
Consolidated	1,622	1,490	132	8.9%	3,230	2,993	237	7.9%
Adjusted EBITDA margin²¹								
TELUS technology solutions	38.4%	37.9%	0.5 pts.		38.9%	38.5%	0.4 pts.	
Digitally-led customer experiences - TELUS International	23.4%	20.9%	2.5 pts.		23.1%	21.2%	1.9 pts.	
Consolidated	36.9%	36.2%	0.7 pts.		37.2%	36.8%	0.4 pts.	

TELUS Corporation
Segmented Data - Historical Trend

<i>\$ in millions</i>	Quarterly						June YTD 2022	Annual 2021
	Q2/22	Q1/22	Q4/21	Q3/21	Q2/21	Q1/21		
Operating revenues and other income								
TELUS technology solutions	3,733	3,642	4,237	3,669	3,566	3,494	7,375	14,966
Digitally-led customer experiences - TELUS International	797	759	757	700	658	639	1,556	2,754
Less: Intersegment revenue	(129)	(119)	(122)	(118)	(113)	(109)	(248)	(462)
Operating revenues and other income	4,401	4,282	4,872	4,251	4,111	4,024	8,683	17,258
Revenues % change on prior year								
TELUS Technology Solutions	4.7%	4.2%	17.9%	4.1%	10.6%	6.1%	4.5%	9.8%
Digitally-led customer experiences - TELUS International	21.1%	18.8%	31.2%	23.2%	7.5%	28.1%	20.0%	22.1%
Operating revenues and other income	7.1%	6.4%	20.0%	6.8%	10.3%	8.9%	6.7%	11.6%
EBITDA⁷								
TELUS technology solutions	1,417	1,400	1,721	1,355	1,323	1,336	2,817	5,735
Digitally-led customer experiences - TELUS International	176	169	161	141	128	125	345	555
Consolidated	1,593	1,569	1,882	1,496	1,451	1,461	3,162	6,290
EBITDA % change on prior year								
TELUS Technology Solutions	7.1%	4.8%	40.9%	7.7%	10.5%	2.7%	5.9%	15.2%
Digitally-led customer experiences - TELUS International	37.1%	35.1%	39.9%	6.7%	(20.8%)	15.4%	36.1%	7.3%
Consolidated	9.8%	7.4%	40.8%	7.6%	6.8%	3.7%	8.6%	14.5%
EBITDA margin								
TELUS technology solutions	37.9%	38.4%	40.6%	37.0%	37.1%	38.3%	38.2%	38.3%
Digitally-led customer experiences - TELUS International	22.2%	22.2%	21.4%	20.0%	19.6%	19.5%	22.2%	20.2%
Consolidated	36.2%	36.6%	38.6%	35.2%	35.3%	36.3%	36.4%	36.4%
Capital expenditures								
TELUS technology solutions	1,016	802	866	962	882	662	1,818	3,372
Digitally-led customer experiences - TELUS International	38	31	43	29	31	23	69	126
Consolidated	1,054	833	909	991	913	685	1,887	3,498
Capital expenditure intensity⁸								
TELUS technology solutions	27%	22%	20%	26%	25%	19%	25%	23%
Digitally-led customer experiences - TELUS International	5%	4%	6%	4%	5%	4%	4%	5%
Consolidated	24%	19%	19%	23%	22%	17%	22%	20%
EBITDA less capex								
TELUS technology solutions	401	598	855	393	441	674	999	2,363
Digitally-led customer experiences - TELUS International	138	138	118	112	97	102	276	429
Consolidated	539	736	973	505	538	776	1,275	2,792
Adjusted EBITDA⁹								
TELUS technology solutions	1,436	1,435	1,348	1,410	1,353	1,365	2,871	5,476
Digitally-led customer experiences - TELUS International	186	173	169	149	137	138	359	593
Consolidated	1,622	1,608	1,517	1,559	1,490	1,503	3,230	6,069
Adjusted EBITDA % change on prior year								
TELUS Technology Solutions	6.1%	5.1%	6.7%	7.4%	7.3%	1.8%	5.6%	5.7%
Digitally-led customer experiences - TELUS International	35.6%	25.3%	14.6%	4.7%	36.5%	3.0%	30.5%	13.2%
Consolidated	8.9%	7.0%	7.6%	7.1%	9.5%	1.9%	7.9%	6.4%
Adjusted EBITDA margin²¹								
TELUS technology solutions	38.4%	39.4%	35.2%	38.4%	37.9%	39.1%	38.9%	37.6%
Digitally-led customer experiences - TELUS International	23.4%	22.7%	22.5%	21.1%	20.9%	21.6%	23.1%	21.6%
Consolidated	36.9%	37.6%	34.0%	36.6%	36.2%	37.4%	37.2%	36.0%

**TELUS technology solutions
Operations^(A)**

<i>\$ in millions</i>	Quarter 2				June YTD			
	2022	2021	Change	% Change	2022	2021	Change	% Change
Operating revenues and other income								
Mobile network revenue	1,623	1,526	97	6.4%	3,200	3,029	171	5.6%
Mobile equipment and other service revenues	459	501	(42)	(8.4%)	899	974	(75)	(7.7%)
Fixed data services ^(B)	1,079	1,033	46	4.5%	2,136	2,038	98	4.8%
Fixed voice services	201	214	(13)	(6.1%)	401	428	(27)	(6.3%)
Fixed equipment and other service revenue	121	100	21	21.0%	234	207	27	13.0%
Health services	137	127	10	7.9%	277	250	27	10.8%
Agriculture and consumer goods services	81	58	23	39.7%	166	120	46	38.3%
Operating revenues (arising from contracts with customers)	3,701	3,559	142	4.0%	7,313	7,046	267	3.8%
Other income	28	2	26	n.m.	54	4	50	n.m.
Total external revenue	3,729	3,561	168	4.7%	7,367	7,050	317	4.5%
Intersegment revenue	4	5	(1)	(20.0%)	8	10	(2)	(20.0%)
Total operating revenues and other income	3,733	3,566	167	4.7%	7,375	7,060	315	4.5%
Goods and services purchased	1,609	1,591	18	1.1%	3,170	3,124	46	1.5%
Employee benefits expense	707	652	55	8.4%	1,388	1,277	111	8.7%
Total operating expense^(C)	2,316	2,243	73	3.3%	4,558	4,401	157	3.6%
EBITDA⁷	1,417	1,323	94	7.1%	2,817	2,659	158	5.9%
EBITDA margin	37.9%	37.1%	0.8 pts.		38.2%	37.7%	0.5 pts.	
Capital expenditures	1,016	882	134	15.2%	1,818	1,544	274	17.7%
Capital expenditure intensity⁸	27%	25%	2 pts.		25%	22%	3 pts.	
EBITDA less capex	401	441	(40)	(9.1%)	999	1,115	(116)	(10.4%)
Add: Restructuring and other costs included in total operating expense	19	29	(10)	n.m.	54	57	(3)	n.m.
Add: Other equity losses related to real estate joint ventures	-	1	(1)	n.m.	-	2	(2)	n.m.
Adjusted EBITDA⁹	1,436	1,353	83	6.1%	2,871	2,718	153	5.6%
Adjusted EBITDA margin²¹	38.4%	37.9%	0.5 pts.		38.9%	38.5%	0.4 pts.	

^(A)May not balance due to rounding alignment to YTD figures.

^(B)Excludes health services and agriculture and consumer goods services.

^(C)Includes restructuring and other costs.

TELUS technology solutions
Operations - Historical Trend^(A)

<i>\$ in millions</i>	Q2/22	Q1/22	Q4/21	Q3/21	Q2/21	Q1/21	June YTD 2022	Annual 2021
Operating revenues and other income								
Mobile network revenue	1,623	1,577	1,591	1,588	1,526	1,503	3,200	6,208
Mobile equipment and other service revenues	459	440	627	523	501	473	899	2,124
Fixed data services ^(B)	1,079	1,057	1,054	1,043	1,033	1,005	2,136	4,135
Fixed voice services	201	200	207	208	214	214	401	843
Fixed equipment and other service revenue	121	113	103	101	100	107	234	411
Health services	137	140	141	130	127	123	277	521
Agriculture and consumer goods services	81	85	100	66	58	62	166	286
Operating revenues (arising from contracts with customers)	3,701	3,612	3,823	3,659	3,559	3,487	7,313	14,528
Other income	28	26	411	5	2	2	54	420
Total external revenue	3,729	3,638	4,234	3,664	3,561	3,489	7,367	14,948
Intersegment revenue	4	4	3	5	5	5	8	18
Total operating revenues and other income	3,733	3,642	4,237	3,669	3,566	3,494	7,375	14,966
<i>Mobile network revenue % change on prior year</i>	6.4%	4.9%	5.0%	3.7%	3.7%	(0.5%)	5.6%	3.0%
<i>Fixed data services revenue % change on prior year</i>	4.5%	5.2%	8.5%	9.5%	9.4%	5.8%	4.8%	8.3%
<i>Total external revenue % change on prior year</i>	4.7%	4.3%	17.9%	4.1%	10.6%	6.0%	4.5%	9.7%
Goods and services purchased	1,609	1,561	1,834	1,635	1,591	1,533	3,170	6,593
Employee benefits expense	707	681	682	679	652	625	1,388	2,638
Total operating expense^(C)	2,316	2,242	2,516	2,314	2,243	2,158	4,558	9,231
EBITDA⁷	1,417	1,400	1,721	1,355	1,323	1,336	2,817	5,735
<i>EBITDA % change on prior year</i>	7.1%	4.8%	40.9%	7.7%	10.5%	2.7%	5.9%	15.2%
EBITDA margin	37.9%	38.4%	40.6%	37.0%	37.1%	38.3%	38.2%	38.3%
Capital expenditures	1,016	802	866	962	882	662	1,818	3,372
Capital expenditure intensity⁸	27%	22%	20%	26%	25%	19%	25%	23%
EBITDA less capex	401	598	855	393	441	674	999	2,363
Add: Restructuring and other costs included in total operating expense	19	35	36	55	29	28	54	148
Add: Other equity losses related to real estate joint ventures	-	-	1	-	1	1	-	3
Deduct: Gain on disposition of financial solutions business	-	-	(410)	-	-	-	-	(410)
Adjusted EBITDA⁹	1,436	1,435	1,348	1,410	1,353	1,365	2,871	5,476
<i>Adjusted EBITDA % change on prior year</i>	6.1%	5.1%	6.7%	7.4%	7.3%	1.8%	5.6%	5.7%
Adjusted EBITDA margin²¹	38.4%	39.4%	35.2%	38.4%	37.9%	39.1%	38.9%	37.6%

^(A)May not balance due to rounding alignment to YTD figures.

^(B)Excludes health services and agriculture and consumer goods services.

^(C)Includes restructuring and other costs.

TELUS technology solutions
Operating Statistics^(A)

	Quarter 2				June YTD			
	2022	2021	Change	% Change	2022	2021	Change	% Change
Mobile Phone ¹⁰								
Additions (thousands)								
Gross additions	320	305	15	4.9%	592	575	17	3.0%
Net additions	93	89	4	4.5%	139	120	19	15.8%
ARPU (\$) ¹¹	\$57.74	\$56.56	\$1.18	2.1%	\$57.10	\$56.33	\$0.77	1.4%
Churn, per month (%) ¹²	0.81%	0.81%	-	pts.	0.81%	0.85%	(0.04)	pts.
Connected Device (thousands) ¹³								
Net additions	92	84	8	9.5%	138	147	(9)	(6.1%)
Fixed (thousands)								
Internet net additions	34	30	4	13.3%	64	63	1	1.6%
TV net additions	15	11	4	36.4%	25	22	3	13.6%
Residential voice net losses	(7)	(10)	3	30.0%	(17)	(20)	3	15.0%
Security net additions	20	19	1	5.3%	46	36	10	27.8%
Total telecom net additions (thousands)	247	223	24	10.8%	395	368	27	7.3%
Digital health transactions (millions) ²⁰	145.4	137.1	8.3	6.1%	285.0	270.4	14.6	5.4%

	As at June 30			
	2022	2021	Change	% Change
Telecom subscribers (thousands)				
Mobile phone subscribers	9,429	9,043	386	4.3%
Connected device subscribers ^(B)	2,238	1,943	295	15.2%
Internet subscribers ¹⁴	2,335	2,185	150	6.9%
TV subscribers ¹⁵	1,290	1,237	53	4.3%
Residential voice subscribers ¹⁶	1,106	1,144	(38)	(3.3%)
Security subscribers ^{17(C)}	925	743	182	24.5%
Total telecom subscribers (thousands)	17,323	16,295	1,028	6.3%
Healthcare lives covered (millions) ¹⁸	22.4	18.1	4.3	23.8%
Virtual care members (millions) ¹⁹	3.6	2.2	1.4	63.6%

^(A)May not balance due to rounding alignment to YTD figures.

^(B)Effective January 1, 2022 on a prospective basis, following an in-depth review of our definition of a subscriber, we adjusted our connected devices subscriber base to remove 34,000 subscribers within a legacy reporting system.

^(C)During the second quarter of 2022, we adjusted our cumulative security subscriber connections to add approximately 75,000 subscribers as a result of a business acquisition.

TELUS technology solutions
Operating Statistics - Historical Trend^(A)

	Q2/22	Q1/22	Q4/21	Q3/21	Q2/21	Q1/21	June YTD 2022	Annual 2021
Mobile Phone¹⁰								
Additions (thousands)								
Gross additions	320	272	398	380	305	270	592	1,353
Net additions	93	46	112	135	89	31	139	367
ARPU (\$) ¹¹	\$57.74	\$56.45	\$57.45	\$58.13	\$56.56	\$56.10	\$57.10	\$57.07
ARPU % change on prior year ^(B)	2.1%	0.6%	1.0%	-	0.2%	(3.7%)	1.4%	(0.6%)
Churn, per month (%) ¹²	0.81%	0.81%	1.04%	0.90%	0.81%	0.89%	0.81%	0.91%
Connected Device (thousands) ¹³								
Net additions	92	46	81	110	84	63	138	338
Fixed (thousands)								
Internet net additions	34	30	40	46	30	33	64	149
TV net additions	15	10	18	10	11	11	25	50
Residential voice net losses	(7)	(10)	(10)	(11)	(10)	(10)	(17)	(41)
Security net additions	20	26	31	30	19	17	46	97
Total telecom net additions (thousands)	247	148	272	320	223	145	395	960
Digital health transactions (millions) ²⁰	145.4	139.6	142.8	137.9	137.1	133.3	285.0	551.1
Telecom subscribers (thousands)								
	As at						As at	
	Q2/22	Q1/22	Q4/21	Q3/21	Q2/21	Q1/21	June 30, 2022	Dec 31, 2021
Mobile phone subscribers	9,429	9,336	9,290	9,178	9,043	8,954	9,429	9,290
Connected device subscribers ^(B)	2,238	2,146	2,134	2,053	1,943	1,859	2,238	2,134
Internet subscribers ¹⁴	2,335	2,301	2,271	2,231	2,185	2,155	2,335	2,271
TV subscribers ¹⁵	1,290	1,275	1,265	1,247	1,237	1,226	1,290	1,265
Residential voice subscribers ¹⁶	1,106	1,113	1,123	1,133	1,144	1,154	1,106	1,123
Security subscribers ^{17(C)}	925	830	804	773	743	724	925	804
Total telecom subscribers (thousands)	17,323	17,001	16,887	16,615	16,295	16,072	17,323	16,887
Healthcare lives covered (millions) ¹⁸	22.4	21.9	20.6	19.3	18.1	17.5	22.4	20.6
Virtual care members (millions) ¹⁹	3.6	3.3	2.8	2.3	2.2	2.0	3.6	2.8

^(A)May not balance due to rounding alignment to YTD figures.

^(B)Effective January 1, 2022 on a prospective basis, following an in-depth review of our definition of a subscriber, we adjusted our connected devices subscriber base to remove 34,000 subscribers within a legacy reporting system.

^(C)During the second quarter of 2022, we adjusted our cumulative security subscriber connections to add approximately 75,000 subscribers as a result of a business acquisition.

Digitally-led customer experiences - TELUS International (DLCX)
Operations^(A)

\$ in millions	Quarter 2				June YTD			
	2022	2021	Change	% Change	2022	2021	Change	% Change
Operating revenues and other income								
Operating revenues (arising from contracts with customers)	672	550	122	22.2%	1,316	1,085	231	21.3%
Other income	-	-	-	n.m.	-	-	-	n.m.
Total external revenue	672	550	122	22.2%	1,316	1,085	231	21.3%
Intersegment revenue	125	108	17	15.7%	240	212	28	13.2%
Total operating revenues and other income	797	658	139	21.1%	1,556	1,297	259	20.0%
Goods and services purchased	157	131	26	19.8%	309	255	54	21.2%
Employee benefits expense	464	399	65	16.3%	902	789	113	14.3%
Total operating expense^(B)	621	530	91	17.2%	1,211	1,044	167	16.0%
EBITDA⁷	176	128	48	37.1%	345	253	92	36.1%
EBITDA margin	22.2%	19.6%	2.6 pts.		22.2%	19.6%	2.6 pts.	
Capital expenditures	38	31	7	22.6%	69	54	15	27.8%
Capital expenditure intensity⁸	5%	5%	- pts.		4%	4%	- pts.	
EBITDA less capex	138	97	41	42.3%	276	199	77	38.7%
Add: Restructuring and other costs included in total operating expense	10	9	1	n.m.	14	22	(8)	n.m.
Adjusted EBITDA⁹	186	137	49	35.6%	359	275	84	30.5%
Adjusted EBITDA margin²¹	23.4%	20.9%	2.5 pts.		23.1%	21.2%	1.9 pts.	
Average CAD:USD FX rate^(C)	0.78	0.81	(0.03)	(3.7%)	0.79	0.80	(0.01)	(1.3%)

^(A)May not balance due to rounding alignment to YTD figures.

^(B)Includes restructuring and other costs.

^(C)Represents a simple average of monthly average FX rates within the time period, per Bank of Canada posted rates.

Digitally-led customer experiences - TELUS International (DLCX)
Operations - Historical Trend^(A)

<i>\$ in millions</i>	Quarterly						June YTD 2022	Annual 2021
	Q2/22	Q1/22	Q4/21	Q3/21	Q2/21	Q1/21		
Operating revenues and other income								
Operating revenues (arising from contracts with customers)	672	644	638	587	550	535	1,316	2,310
Other income	-	-	-	-	-	-	-	-
Total external revenue	672	644	638	587	550	535	1,316	2,310
Intersegment revenue	125	115	119	113	108	104	240	444
Total operating revenues and other income	797	759	757	700	658	639	1,556	2,754
<i>Operating revenues % change on prior year</i>	22.2%	20.4%	36.0%	27.3%	25.9%	44.6%	21.3%	33.0%
<i>Total external revenue % change on prior year</i>	22.2%	20.4%	36.0%	27.3%	8.3%	33.1%	21.3%	25.5%
Goods and services purchased	157	152	170	143	131	124	309	568
Employee benefits expense	464	438	426	416	399	390	902	1,631
Total operating expense^(B)	621	590	596	559	530	514	1,211	2,199
EBITDA⁷	176	169	161	141	128	125	345	555
<i>EBITDA % change on prior year</i>	37.1%	35.1%	39.9%	6.7%	(20.8%)	15.4%	36.1%	7.3%
EBITDA margin	22.2%	22.2%	21.4%	20.0%	19.6%	19.5%	22.2%	20.2%
Capital expenditures	38	31	43	29	31	23	69	126
Capital expenditure intensity⁸	5%	4%	6%	4%	5%	4%	4%	5%
EBITDA less capex	138	138	118	112	97	102	276	429
Add: Restructuring and other costs included in total operating expense	10	4	8	8	9	13	14	38
Adjusted EBITDA⁹	186	173	169	149	137	138	359	593
<i>Adjusted EBITDA % change on prior year</i>	35.6%	25.3%	14.6%	4.7%	36.5%	3.0%	30.5%	13.2%
Adjusted EBITDA margin²¹	23.4%	22.7%	22.5%	21.1%	20.9%	21.6%	23.1%	21.6%
Average CAD:USD FX rate^(C)	0.78	0.79	0.79	0.79	0.81	0.79	0.79	0.80

^(A)May not balance due to rounding alignment to YTD figures.

^(B)Includes restructuring and other costs.

^(C)Represents a simple average of monthly average FX rates within the time period, per Bank of Canada posted rates.

Non-GAAP and Other Specified Financial Measures and definitions of key operating indicators

¹ **Adjusted Net income and adjusted basic earnings per share** These are Non-GAAP measures that do not have any standardized meaning prescribed by IFRS-IASB are therefore unlikely to be comparable to similar measures presented by other issuers. Adjusted Net income excludes the effects of restructuring and other costs, income tax-related adjustments, other equity losses related to real estate joint ventures, long-term debt prepayment premium, virtual power purchase agreements unrealized change in forward element, and the gain on disposition of our financial solutions business. Adjusted basic earnings per share is calculated as adjusted net income divided by basic weighted-average common shares outstanding. These measures should not be considered alternatives to Net income and basic earnings per share in measuring TELUS' performance.

Please refer to the Q2 2022 Management's Discussion & Analysis Section 11.1 for an explanation of how these measures provide useful information to investors and for which purposes management uses these measures, and quantitative reconciliation of Adjusted Net Income to Net Income. MD&A is made available on SEDAR (www.sedar.com).

² **Return on common equity** is Net income attributed to equity shares for a 12-month trailing period, divided by the average Common equity for the 12-month period.

³ **EBITDA interest coverage ratio** is defined as EBITDA (excluding restructuring and other costs), divided by net interest cost. Net interest cost is defined as financing costs, net of capitalized long-term debt interest, excluding employee defined benefit plans net interest, virtual power purchase agreements unrealized change in forward element, as well as recoveries on redemption and repayment of debt, calculated on a 12-month trailing basis. Any losses recorded on the redemption of debt are included in net interest. This measure is similar to the coverage ratio covenant in TELUS' credit facilities.

⁴ **Free cash flow** is a supplementary indicator of our operating performance, and there is no generally accepted industry definition of free cash flow. It should not be considered an alternative to the measures in the Consolidated statements of cash flows. Free cash flow excludes certain working capital changes (such as trade receivables and trade payables), proceeds from divested assets and other sources and uses of cash, as found in the Consolidated statements of cash flows. It provides an indication of how much cash generated by operations is available after capital expenditures (excluding purchases of spectrum licences) that may be used to, among other things, pay dividends, repay debt, purchase shares or make other investments. We exclude impacts of accounting standards that do not impact cash, such as IFRS 15 and IFRS 16. Free cash flow may be supplemented from time to time by proceeds from divested assets or financing activities.

Please refer to the Q2 2022 Management's Discussion & Analysis Section 11.1 for the quantitative reconciliation of free cash flow to cash provided by operating activities. MD&A is made available on SEDAR (www.sedar.com).

⁵ **Net debt** is defined as Long-term Debt (including current maturities of long-term debt) plus debt issue costs netted against long-term debt, Short-term borrowings and Accumulated other comprehensive income amounts arising from financial instruments used to manage interest rate and currency risks associated with U.S. dollar-denominated long-term debt (excluding tax effects), less Cash and temporary investments and net derivative assets. Net debt is a useful measure because it represents the amount of Short-term borrowings and long-term debt obligations that are not covered by available Cash and temporary investments. The nearest IFRS measure to net debt is Long-term debt, including Current maturities of Long-term debt.

⁶ **Net debt : EBITDA excluding restructuring and other costs** is defined as Net debt as at the end of the period divided by the 12-month trailing EBITDA excluding restructuring and other costs. Historically, Net debt : EBITDA excluding restructuring and other costs is similar to the Leverage Ratio covenant in TELUS' credit facilities.

⁷ **EBITDA (earnings before interest, income taxes, depreciation and amortization)** is an indicator we have issued guidance on and report EBITDA because it is a key measure used to evaluate performance at a consolidated level. EBITDA is commonly reported and widely used by investors and lending institutions as an indicator of a company's operating performance and ability to incur and service debt, and as a valuation metric. EBITDA should not be considered an alternative to Net income in measuring TELUS' performance, nor should it be used as a measure of cash flow. EBITDA as calculated by TELUS is equivalent to Operating revenues and other income less the total of Goods and services purchased expense and Employee benefits expense.

Please refer to the Q2 2022 Management's Discussion & Analysis Section 11.1 for the quantitative reconciliation of Net Income to EBITDA. MD&A is made available on SEDAR (www.sedar.com).

⁸ **Capital expenditure intensity** is calculated as capital expenditures (excluding spectrum licences) divided by total Operating revenues and other income.

⁹ **Adjusted EBITDA** is calculated to exclude items of an unusual nature that do not reflect our ongoing operations and should not, in our opinion, be considered in a long-term valuation metric or should not be included in an assessment of our ability to service or incur debt.

Please refer to the Q2 2022 Management's Discussion & Analysis Section 11.1 for the quantitative reconciliation of Net Income to Adjusted EBITDA. MD&A is made available on SEDAR (www.sedar.com).

Non-GAAP and Other Specified Financial Measures and definitions of key operating indicators, continued

¹⁰ **Mobile phone** means a TELUS subscriber on an active service plan with a recurring revenue-generating portable unit (e.g. feature phones and smartphones) that is connected to the TELUS network and provides voice, text and/or data connectivity.

¹¹ **Mobile phone Average revenue per subscriber per month (ARPU)** is calculated as network revenue derived from monthly service plan, roaming and usage charges; divided by the average number of mobile phone subscribers on the network during the period, and is expressed as a rate per month.

¹² **Mobile phone churn** is calculated as the number of subscribers deactivated during a given period divided by the average number of subscribers on the network during the period, and is expressed as a rate per month. Mobile phone churn refers to the aggregate average of both prepaid and postpaid mobile phone churn. A TELUS, Koodo or Public Mobile brand prepaid mobile phone subscriber is deactivated when the subscriber has no usage for 90 days following expiry of the prepaid credits.

¹³ **Connected device** means a TELUS subscriber on an active service plan with a recurring revenue-generating portable unit (e.g. tablets, internet keys, Internet of Things, wearables and connected cars) that is connected to the TELUS network and is intended for limited or no cellular voice capability.

¹⁴ **Internet subscriber** means a TELUS subscriber on an active internet plan with a recurring revenue-generating fixed unit that is connected to the TELUS network and provides internet connectivity.

¹⁵ **TV subscriber** means a TELUS subscriber on an active TV plan with a recurring revenue-generating fixed unit subscription for video services from a TELUS TV platform (e.g. Optik TV and Pik TV).

¹⁶ **Residential voice subscriber** means a TELUS subscriber on an active phone plan with a recurring revenue-generating fixed unit that is connected to the TELUS network and provides voice service.

¹⁷ **Security subscriber** means a TELUS subscriber on an active security plan with a recurring revenue-generating fixed unit that is connected to the TELUS security and automation platform.

¹⁸ **Healthcare lives covered** means the number of users (primary members and their dependents) enrolled in various health programs supported by TELUS Health services (e.g. virtual care, health benefits management, preventative care and personal health security).

¹⁹ **Virtual care member** means primary enrolment to receive services on an active TELUS Health virtual care plan.

²⁰ **Digital health transactions** mean the total number of health claims, dental claims, consultations or other paid transactions facilitated by TELUS Health services.

²¹ **Adjusted EBITDA margin** is a non-GAAP ratio that does not have any standardized meaning prescribed by IFRS-IASB and therefore is unlikely to be comparable to similar measures presented by other issuers. We report EBITDA margin and Adjusted EBITDA margin for our TTEch and DLCX segments as these are key measures used to evaluate performance at the operating segment level.

Please refer to the Q2 2022 Management's Discussion & Analysis Section 11.1 for the composition of this measure and explanation of how these measures provide useful information to investors and for which purposes management uses these measures. MD&A is made available on SEDAR (www.sedar.com).