



## TELUS Corporation

*Third Quarter, 2023*

### ***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 |        |        |        |        |        |        | Sept YTD<br>2023 | Annual<br>2022 |
|--|-----------|--------|--------|--------|--------|--------|--------|------------------|----------------|
|  | Q3/23     | Q2/23  | Q1/23  | Q4/22  | Q3/22  | Q2/22  | Q1/22  |                  |                |
| Net Income   | 137       | 196    | 224    | 265    | 551    | 498    | 404    | 557              | 1,718          |
| Adjusted Net Income <sup>1</sup>   | 373       | 273    | 386    | 339    | 471    | 422    | 415    | 1,032            | 1,647          |
| Basic earnings per share (\$)  | 0.09      | 0.14   | 0.15   | 0.17   | 0.37   | 0.34   | 0.28   | 0.38             | 1.16           |
| Adjusted Basic earnings per share (\$) <sup>1</sup>                              | 0.25      | 0.19   | 0.27   | 0.24   | 0.34   | 0.32   | 0.30   | 0.71             | 1.18           |
| Dividends declared per common share (\$)   | 0.3636    | 0.3636 | 0.3511 | 0.3511 | 0.3386 | 0.3386 | 0.3274 | 1.0783           | 1.3557         |
| Return on common equity <sup>2</sup>   | 4.8%      | 7.2%   | 8.9%   | 10.1%  | 12.9%  | 12.1%  | 11.4%  | 4.8%             | 10.1%          |
| Earnings coverage  | 1.9       | 2.5    | 3.1    | 3.6    | 4.4    | 4.2    | 4.0    | 1.9              | 3.6            |
| EBITDA interest coverage ratio <sup>3</sup>                                      | 5.7       | 6.4    | 7.1    | 7.8    | 9.1    | 8.9    | 8.6    | 5.7              | 7.8            |
| Cash provided by operating activities  | 1,307     | 1,117  | 761    | 1,126  | 1,300  | 1,250  | 1,135  | 3,185            | 4,811          |
| Free cash flow <sup>4</sup>  | 355       | 279    | 535    | 323    | 331    | 205    | 415    | 1,169            | 1,274          |
| Long-term debt   | 27,833    | 26,588 | 26,566 | 25,037 | 25,139 | 21,628 | 21,319 | 27,833           | 25,037         |
| Net debt <sup>5</sup>  | 26,719    | 26,485 | 26,250 | 24,152 | 23,689 | 21,693 | 20,960 | 26,719           | 24,152         |
| Net debt : EBITDA - excluding restructuring and other costs (times) <sup>6</sup> | 3.82      | 3.84   | 3.85   | 3.63   | 3.44   | 3.23   | 3.18   | 3.82             | 3.63           |
| Outstanding shares at end of period (M)  | 1,455     | 1,447  | 1,440  | 1,431  | 1,420  | 1,381  | 1,376  | 1,455            | 1,431          |
| Basic weighted average shares outstanding (M)                                    | 1,454     | 1,447  | 1,439  | 1,429  | 1,398  | 1,381  | 1,376  | 1,447            | 1,396          |

**TELUS Corporation**  
**Segmented Data**

| <i>\$ in millions</i>                                    | Quarter 3 |       |            |          | September YTD |        |            |          |
|--|-----------|-------|------------|----------|---------------|--------|------------|----------|
|  | 2023      | 2022  | Change     | % Change | 2023          | 2022   | Change     | % Change |
| <b>Operating revenues and other income</b>               |           |       |            |          |               |        |            |          |
| TELUS technology solutions                               | 4,306     | 4,009 | 297        | 7.4%     | 12,745        | 11,384 | 1,361      | 12.0%    |
| Digitally-led customer experiences - TELUS International | 889       | 803   | 86         | 10.7%    | 2,713         | 2,359  | 354        | 15.0%    |
| Less: Intersegment revenue                               | (187)     | (141) | (46)       | (32.6%)  | (540)         | (389)  | (151)      | (38.8%)  |
| Operating revenues and other income                      | 5,008     | 4,671 | 337        | 7.2%     | 14,918        | 13,354 | 1,564      | 11.7%    |
| <b>EBITDA<sup>7</sup></b>                                |           |       |            |          |               |        |            |          |
| TELUS technology solutions                               | 1,346     | 1,457 | (111)      | (7.7%)   | 4,256         | 4,274  | (18)       | (0.5%)   |
| Digitally-led customer experiences - TELUS International | 171       | 189   | (18)       | (9.4%)   | 470           | 534    | (64)       | (11.9%)  |
| Consolidated   | 1,517     | 1,646 | (129)      | (7.9%)   | 4,726         | 4,808  | (82)       | (1.7%)   |
| <b>EBITDA margin</b>                                     |           |       |            |          |               |        |            |          |
| TELUS technology solutions                               | 31.3%     | 36.3% | (5.0) pts. |          | 33.4%         | 37.5%  | (4.1) pts. |          |
| Digitally-led customer experiences - TELUS International | 19.2%     | 23.6% | (4.4) pts. |          | 17.3%         | 22.6%  | (5.3) pts. |          |
| Consolidated   | 30.3%     | 35.2% | (4.9) pts. |          | 31.7%         | 36.0%  | (4.3) pts. |          |
| <b>Adjusted EBITDA<sup>8</sup></b>                       |           |       |            |          |               |        |            |          |
| TELUS technology solutions                               | 1,633     | 1,524 | 109        | 7.0%     | 4,777         | 4,395  | 382        | 8.7%     |
| Digitally-led customer experiences - TELUS International | 187       | 200   | (13)       | (6.5%)   | 525           | 559    | (34)       | (6.1%)   |
| Consolidated   | 1,820     | 1,724 | 96         | 5.5%     | 5,302         | 4,954  | 348        | 7.0%     |
| <b>Adjusted EBITDA margin<sup>9</sup></b>                |           |       |            |          |               |        |            |          |
| TELUS technology solutions                               | 37.9%     | 38.0% | (0.1) pts. |          | 37.5%         | 38.6%  | (1.1) pts. |          |
| Digitally-led customer experiences - TELUS International | 21.0%     | 24.9% | (3.9) pts. |          | 19.3%         | 23.7%  | (4.4) pts. |          |
| Consolidated   | 36.3%     | 36.9% | (0.6) pts. |          | 35.5%         | 37.1%  | (1.6) pts. |          |
| <b>Capital expenditures</b>                              |           |       |            |          |               |        |            |          |
| TELUS technology solutions operations                    | 712       | 873   | (161)      | (18.4%)  | 2,161         | 2,678  | (517)      | (19.3%)  |
| TELUS technology solutions real estate development       | 22        | 19    | 3          | 15.8%    | 39            | 32     | 7          | 21.9%    |
| TELUS technology solutions                               | 734       | 892   | (158)      | (17.7%)  | 2,200         | 2,710  | (510)      | (18.8%)  |
| Digitally-led customer experiences - TELUS International | 35        | 33    | 2          | 6.1%     | 89            | 102    | (13)       | (12.7%)  |
| Consolidated   | 769       | 925   | (156)      | (16.9%)  | 2,289         | 2,812  | (523)      | (18.6%)  |
| <b>Capital expenditure intensity<sup>10</sup></b>        |           |       |            |          |               |        |            |          |
| TELUS technology solutions                               | 17%       | 22%   | (5) pts.   |          | 17%           | 24%    | (7) pts.   |          |
| Digitally-led customer experiences - TELUS International | 4%        | 4%    | -          | pts.     | 3%            | 4%     | (1) pt.    |          |
| Consolidated   | 15%       | 19%   | (4) pts.   |          | 15%           | 21%    | (6) pts.   |          |
| <b>Adjusted EBITDA less capital expenditures</b>         |           |       |            |          |               |        |            |          |
| TELUS technology solutions                               | 899       | 632   | 267        | 42.2%    | 2,577         | 1,685  | 892        | 52.9%    |
| Digitally-led customer experiences - TELUS International | 152       | 167   | (15)       | (9.0%)   | 436           | 457    | (21)       | (4.6%)   |
| Consolidated   | 1,051     | 799   | 252        | 31.5%    | 3,013         | 2,142  | 871        | 40.7%    |

**TELUS Corporation**  
**Segmented Data - Historical Trend**

| <i>\$ in millions</i>                                    | Quarterly |         |        |         |       |       |       | Sept YTD<br>2023 | Annual<br>2022 |
|--|-----------|---------|--------|---------|-------|-------|-------|------------------|----------------|
|  | Q3/23     | Q2/23   | Q1/23  | Q4/22   | Q3/22 | Q2/22 | Q1/22 |                  |                |
| <b>Operating revenues and other income</b>               |           |         |        |         |       |       |       |                  |                |
| TELUS technology solutions                               | 4,306     | 4,227   | 4,212  | 4,368   | 4,009 | 3,733 | 3,642 | 12,745           | 15,752         |
| Digitally-led customer experiences - TELUS International | 889       | 896     | 928    | 855     | 803   | 797   | 759   | 2,713            | 3,214          |
| Less: Intersegment revenue                               | (187)     | (177)   | (176)  | (165)   | (141) | (129) | (119) | (540)            | (554)          |
| Operating revenues and other income                      | 5,008     | 4,946   | 4,964  | 5,058   | 4,671 | 4,401 | 4,282 | 14,918           | 18,412         |
| <b>Revenues % change on prior year</b>                   |           |         |        |         |       |       |       |                  |                |
| TELUS Technology Solutions                               | 7.4%      | 13.2%   | 15.7%  | 3.1%    | 9.3%  | 4.7%  | 4.2%  | 12.0%            | 5.3%           |
| Digitally-led customer experiences - TELUS International | 10.7%     | 12.4%   | 22.3%  | 12.9%   | 14.7% | 21.1% | 18.8% | 15.0%            | 16.7%          |
| Operating revenues and other income                      | 7.2%      | 12.4%   | 15.9%  | 3.8%    | 9.9%  | 7.1%  | 6.4%  | 11.7%            | 6.7%           |
| <b>EBITDA<sup>7</sup></b>                                |           |         |        |         |       |       |       |                  |                |
| TELUS technology solutions                               | 1,346     | 1,457   | 1,453  | 1,423   | 1,457 | 1,417 | 1,400 | 4,256            | 5,697          |
| Digitally-led customer experiences - TELUS International | 171       | 131     | 168    | 175     | 189   | 176   | 169   | 470              | 709            |
| Consolidated   | 1,517     | 1,588   | 1,621  | 1,598   | 1,646 | 1,593 | 1,569 | 4,726            | 6,406          |
| <b>EBITDA % change on prior year</b>                     |           |         |        |         |       |       |       |                  |                |
| TELUS Technology Solutions                               | (7.7%)    | 2.9%    | 3.7%   | (17.2%) | 7.5%  | 7.1%  | 4.8%  | (0.5%)           | (0.6%)         |
| Digitally-led customer experiences - TELUS International | (9.4%)    | (25.9%) | (0.6%) | 8.0%    | 35.1% | 37.1% | 35.1% | (11.9%)          | 27.7%          |
| Consolidated   | (7.9%)    | (0.3%)  | 3.3%   | (15.1%) | 10.1% | 9.8%  | 7.4%  | (1.7%)           | 1.9%           |
| <b>EBITDA margin</b>                                     |           |         |        |         |       |       |       |                  |                |
| TELUS technology solutions                               | 31.3%     | 34.5%   | 34.5%  | 32.6%   | 36.3% | 37.9% | 38.4% | 33.4%            | 36.2%          |
| Digitally-led customer experiences - TELUS International | 19.2%     | 14.6%   | 18.1%  | 20.4%   | 23.6% | 22.2% | 22.2% | 17.3%            | 22.1%          |
| Consolidated   | 30.3%     | 32.1%   | 32.7%  | 31.6%   | 35.2% | 36.2% | 36.6% | 31.7%            | 34.8%          |
| <b>Adjusted EBITDA<sup>8</sup></b>                       |           |         |        |         |       |       |       |                  |                |
| TELUS technology solutions                               | 1,633     | 1,551   | 1,593  | 1,479   | 1,524 | 1,436 | 1,435 | 4,777            | 5,874          |
| Digitally-led customer experiences - TELUS International | 187       | 152     | 186    | 210     | 200   | 186   | 173   | 525              | 769            |
| Consolidated   | 1,820     | 1,703   | 1,779  | 1,689   | 1,724 | 1,622 | 1,608 | 5,302            | 6,643          |
| <b>Adjusted EBITDA % change on prior year</b>            |           |         |        |         |       |       |       |                  |                |
| TELUS Technology Solutions                               | 7.0%      | 8.1%    | 11.0%  | 9.9%    | 8.1%  | 6.1%  | 5.1%  | 8.7%             | 7.3%           |
| Digitally-led customer experiences - TELUS International | (6.5%)    | (18.6%) | 8.1%   | 22.9%   | 35.5% | 35.6% | 25.3% | (6.1%)           | 29.5%          |
| Consolidated   | 5.5%      | 5.0%    | 10.7%  | 11.3%   | 10.7% | 8.9%  | 7.0%  | 7.0%             | 9.5%           |
| <b>Adjusted EBITDA margin<sup>9</sup></b>                |           |         |        |         |       |       |       |                  |                |
| TELUS technology solutions                               | 37.9%     | 36.7%   | 37.8%  | 33.9%   | 38.0% | 38.4% | 39.4% | 37.5%            | 37.3%          |
| Digitally-led customer experiences - TELUS International | 21.0%     | 16.9%   | 20.1%  | 24.5%   | 24.9% | 23.4% | 22.7% | 19.3%            | 23.9%          |
| Consolidated   | 36.3%     | 34.4%   | 35.9%  | 33.4%   | 36.9% | 36.9% | 37.6% | 35.5%            | 36.1%          |
| <b>Capital expenditures</b>                              |           |         |        |         |       |       |       |                  |                |
| TELUS technology solutions operations                    | 712       | 761     | 688    | 591     | 873   | 1,012 | 793   | 2,161            | 3,269          |
| TELUS technology solutions real estate development       | 22        | 12      | 5      | 36      | 19    | 4     | 9     | 39               | 68             |
| TELUS technology solutions                               | 734       | 773     | 693    | 627     | 892   | 1,016 | 802   | 2,200            | 3,337          |
| Digitally-led customer experiences - TELUS International | 35        | 34      | 20     | 33      | 33    | 38    | 31    | 89               | 135            |
| Consolidated   | 769       | 807     | 713    | 660     | 925   | 1,054 | 833   | 2,289            | 3,472          |
| <b>Capital expenditure intensity<sup>10</sup></b>        |           |         |        |         |       |       |       |                  |                |
| TELUS technology solutions                               | 17%       | 18%     | 16%    | 14%     | 22%   | 27%   | 22%   | 17%              | 21%            |
| Digitally-led customer experiences - TELUS International | 4%        | 4%      | 2%     | 4%      | 4%    | 5%    | 4%    | 3%               | 4%             |
| Consolidated   | 15%       | 16%     | 14%    | 12%     | 19%   | 24%   | 19%   | 15%              | 18%            |
| <b>Adjusted EBITDA less capital expenditures</b>         |           |         |        |         |       |       |       |                  |                |
| TELUS technology solutions                               | 899       | 778     | 900    | 852     | 632   | 420   | 633   | 2,577            | 2,537          |
| Digitally-led customer experiences - TELUS International | 152       | 118     | 166    | 177     | 167   | 148   | 142   | 436              | 634            |
| Consolidated   | 1,051     | 896     | 1,066  | 1,029   | 799   | 568   | 775   | 3,013            | 3,171          |

**TELUS technology solutions  
Operations<sup>(A)</sup>**

| <i>\$ in millions</i>  | Quarter 3    |              |                   |                | September YTD |               |                   |                |
|--|--------------|--------------|-------------------|----------------|---------------|---------------|-------------------|----------------|
|  | 2023         | 2022         | Change            | % Change       | 2023          | 2022          | Change            | % Change       |
| <b>Operating revenues and other income</b>                                       |              |              |                   |                |               |               |                   |                |
| Mobile network revenue   | 1,753        | 1,696        | 57                | 3.4%           | 5,168         | 4,896         | 272               | 5.6%           |
| Mobile equipment and other service revenues                                      | 557          | 545          | 12                | 2.2%           | 1,593         | 1,444         | 149               | 10.3%          |
| Fixed data services  | 1,153        | 1,099        | 54                | 4.9%           | 3,427         | 3,235         | 192               | 5.9%           |
| Fixed voice services   | 191          | 198          | (7)               | (3.5%)         | 573           | 599           | (26)              | (4.3%)         |
| Fixed equipment and other service revenue  | 125          | 125          | -                 | — %            | 384           | 359           | 25                | 7.0%           |
| Health services  | 422          | 225          | 197               | 87.6%          | 1,273         | 502           | 771               | n.m.           |
| Agriculture and consumer goods services  | 83           | 85           | (2)               | (2.4%)         | 246           | 251           | (5)               | (2.0%)         |
| <b>Operating revenues (arising from contracts with customers)</b>                | <b>4,284</b> | <b>3,973</b> | <b>311</b>        | <b>7.8%</b>    | <b>12,664</b> | <b>11,286</b> | <b>1,378</b>      | <b>12.2%</b>   |
| Other income   | 18           | 31           | (13)              | (41.9%)        | 69            | 85            | (16)              | (18.8%)        |
| <b>Total external revenue</b>  | <b>4,302</b> | <b>4,004</b> | <b>298</b>        | <b>7.4%</b>    | <b>12,733</b> | <b>11,371</b> | <b>1,362</b>      | <b>12.0%</b>   |
| Intersegment revenue   | 4            | 5            | (1)               | (20.0%)        | 12            | 13            | (1)               | (7.7%)         |
| <b>Total operating revenues and other income</b>                                 | <b>4,306</b> | <b>4,009</b> | <b>297</b>        | <b>7.4%</b>    | <b>12,745</b> | <b>11,384</b> | <b>1,361</b>      | <b>12.0%</b>   |
| Goods and services purchased   | 1,886        | 1,785        | 101               | 5.7%           | 5,516         | 4,955         | 561               | 11.3%          |
| Employee benefits expense  | 1,074        | 767          | 307               | 40.0%          | 2,973         | 2,155         | 818               | 38.0%          |
| <b>Total operating expense<sup>(B)</sup></b>                                     | <b>2,960</b> | <b>2,552</b> | <b>408</b>        | <b>16.0%</b>   | <b>8,489</b>  | <b>7,110</b>  | <b>1,379</b>      | <b>19.4%</b>   |
| <b>EBITDA<sup>7</sup></b>  | <b>1,346</b> | <b>1,457</b> | <b>(111)</b>      | <b>(7.7%)</b>  | <b>4,256</b>  | <b>4,274</b>  | <b>(18)</b>       | <b>(0.5%)</b>  |
| <b>EBITDA margin</b>   | <b>31.3%</b> | <b>36.3%</b> | <b>(5.0) pts.</b> |                | <b>33.4%</b>  | <b>37.5%</b>  | <b>(4.1) pts.</b> |                |
| Add: Restructuring and other costs included in EBITDA                            | 287          | 67           | 220               | n.m.           | 522           | 121           | 401               | n.m.           |
| (Deduct) Add: Other equity (income) losses related to real estate joint ventures | -            | -            | -                 | n.m.           | (1)           | -             | (1)               | n.m.           |
| <b>Adjusted EBITDA<sup>8</sup></b>   | <b>1,633</b> | <b>1,524</b> | <b>109</b>        | <b>7.0%</b>    | <b>4,777</b>  | <b>4,395</b>  | <b>382</b>        | <b>8.7%</b>    |
| <b>Adjusted EBITDA margin<sup>9</sup></b>  | <b>37.9%</b> | <b>38.0%</b> | <b>(0.1) pts.</b> |                | <b>37.5%</b>  | <b>38.6%</b>  | <b>(1.1) pts.</b> |                |
| Operations capital expenditures  | 712          | 873          | (161)             | (18.4%)        | 2,161         | 2,678         | (517)             | (19.3%)        |
| Real estate development capital expenditures                                     | 22           | 19           | 3                 | 15.8%          | 39            | 32            | 7                 | 21.9%          |
| <b>Capital expenditures</b>  | <b>734</b>   | <b>892</b>   | <b>(158)</b>      | <b>(17.7%)</b> | <b>2,200</b>  | <b>2,710</b>  | <b>(510)</b>      | <b>(18.8%)</b> |
| <b>Capital expenditure intensity<sup>10</sup></b>                                | <b>17%</b>   | <b>22%</b>   | <b>(5) pts.</b>   |                | <b>17%</b>    | <b>24%</b>    | <b>(7) pts.</b>   |                |
| <b>Adjusted EBITDA less capital expenditures</b>                                 | <b>899</b>   | <b>632</b>   | <b>267</b>        | <b>42.2%</b>   | <b>2,577</b>  | <b>1,685</b>  | <b>892</b>        | <b>52.9%</b>   |

<sup>(A)</sup>May not balance due to rounding alignment to YTD figures.

<sup>(B)</sup>Includes restructuring and other costs.

TELUS technology solutions  
Operations - Historical Trend<sup>(A)</sup>

| \$ in millions   | Quarterly    |              |              |              |              |              |              | Sept YTD<br>2023 | Annual<br>2022 |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|------------------|----------------|
|  | Q3/23        | Q2/23        | Q1/23        | Q4/22        | Q3/22        | Q2/22        | Q1/22        |                  |                |
| <b>Operating revenues and other income</b>                                       |              |              |              |              |              |              |              |                  |                |
| Mobile network revenue   | 1,753        | 1,718        | 1,697        | 1,695        | 1,696        | 1,623        | 1,577        | 5,168            | 6,591          |
| Mobile equipment and other service revenues                                      | 557          | 519          | 517          | 688          | 545          | 459          | 440          | 1,593            | 2,132          |
| Fixed data services  | 1,153        | 1,146        | 1,128        | 1,116        | 1,099        | 1,079        | 1,057        | 3,427            | 4,351          |
| Fixed voice services   | 191          | 190          | 192          | 194          | 198          | 201          | 200          | 573              | 793            |
| Fixed equipment and other service revenue  | 125          | 131          | 128          | 122          | 125          | 121          | 113          | 384              | 481            |
| Health services  | 422          | 428          | 423          | 411          | 225          | 137          | 140          | 1,273            | 913            |
| Agriculture and consumer goods services  | 83           | 79           | 84           | 103          | 85           | 81           | 85           | 246              | 354            |
| <b>Operating revenues (arising from contracts with customers)</b>                | <b>4,284</b> | <b>4,211</b> | <b>4,169</b> | <b>4,329</b> | <b>3,973</b> | <b>3,701</b> | <b>3,612</b> | <b>12,664</b>    | <b>15,615</b>  |
| Other income   | 18           | 12           | 39           | 35           | 31           | 28           | 26           | 69               | 120            |
| <b>Total external revenue</b>  | <b>4,302</b> | <b>4,223</b> | <b>4,208</b> | <b>4,364</b> | <b>4,004</b> | <b>3,729</b> | <b>3,638</b> | <b>12,733</b>    | <b>15,735</b>  |
| Intersegment revenue   | 4            | 4            | 4            | 4            | 5            | 4            | 4            | 12               | 17             |
| <b>Total operating revenues and other income</b>                                 | <b>4,306</b> | <b>4,227</b> | <b>4,212</b> | <b>4,368</b> | <b>4,009</b> | <b>3,733</b> | <b>3,642</b> | <b>12,745</b>    | <b>15,752</b>  |
| <i>Mobile network revenue % change on prior year</i>                             | 3.4%         | 5.9%         | 7.6%         | 6.5%         | 6.8%         | 6.4%         | 4.9%         | 5.6%             | 6.2%           |
| <i>Fixed data services revenue % change on prior year</i>                        | 4.9%         | 6.2%         | 6.7%         | 5.9%         | 5.4%         | 4.5%         | 5.2%         | 5.9%             | 5.2%           |
| <i>Total external revenue % change on prior year</i>                             | 7.4%         | 13.2%        | 15.7%        | 3.1%         | 9.3%         | 4.7%         | 4.3%         | 12.0%            | 5.3%           |
| Goods and services purchased   | 1,886        | 1,820        | 1,810        | 2,061        | 1,785        | 1,609        | 1,561        | 5,516            | 7,016          |
| Employee benefits expense  | 1,074        | 950          | 949          | 884          | 767          | 707          | 681          | 2,973            | 3,039          |
| <b>Total operating expense<sup>(B)</sup></b>                                     | <b>2,960</b> | <b>2,770</b> | <b>2,759</b> | <b>2,945</b> | <b>2,552</b> | <b>2,316</b> | <b>2,242</b> | <b>8,489</b>     | <b>10,055</b>  |
| <b>EBITDA<sup>7</sup></b>  | <b>1,346</b> | <b>1,457</b> | <b>1,453</b> | <b>1,423</b> | <b>1,457</b> | <b>1,417</b> | <b>1,400</b> | <b>4,256</b>     | <b>5,697</b>   |
| <i>EBITDA % change on prior year</i>   | (7.7%)       | 2.9%         | 3.7%         | (17.2%)      | 7.5%         | 7.1%         | 4.8%         | (0.5%)           | (0.6%)         |
| <b>EBITDA margin</b>   | 31.3%        | 34.5%        | 34.5%        | 32.6%        | 36.3%        | 37.9%        | 38.4%        | 33.4%            | 36.2%          |
| Add: Restructuring and other costs included in EBITDA                            | 287          | 94           | 141          | 59           | 67           | 19           | 35           | 522              | 180            |
| (Deduct) Add: Other equity (income) losses related to real estate joint ventures | -            | -            | (1)          | (3)          | -            | -            | -            | (1)              | (3)            |
| <b>Adjusted EBITDA<sup>8</sup></b>   | <b>1,633</b> | <b>1,551</b> | <b>1,593</b> | <b>1,479</b> | <b>1,524</b> | <b>1,436</b> | <b>1,435</b> | <b>4,777</b>     | <b>5,874</b>   |
| <i>Adjusted EBITDA % change on prior year</i>                                    | 7.0%         | 8.1%         | 11.0%        | 9.9%         | 8.1%         | 6.1%         | 5.1%         | 8.7%             | 7.3%           |
| <b>Adjusted EBITDA margin<sup>9</sup></b>  | 37.9%        | 36.7%        | 37.8%        | 33.9%        | 38.0%        | 38.4%        | 39.4%        | 37.5%            | 37.3%          |
| Operations capital expenditures  | 712          | 761          | 688          | 591          | 873          | 1,012        | 793          | 2,161            | 3,269          |
| Real estate development capital expenditures                                     | 22           | 12           | 5            | 36           | 19           | 4            | 9            | 39               | 68             |
| <b>Capital expenditures</b>  | <b>734</b>   | <b>773</b>   | <b>693</b>   | <b>627</b>   | <b>892</b>   | <b>1,016</b> | <b>802</b>   | <b>2,200</b>     | <b>3,337</b>   |
| <b>Capital expenditure intensity<sup>10</sup></b>                                | 17%          | 18%          | 16%          | 14%          | 22%          | 27%          | 22%          | 17%              | 21%            |
| <b>Adjusted EBITDA less capital expenditures</b>                                 | <b>899</b>   | <b>778</b>   | <b>900</b>   | <b>852</b>   | <b>632</b>   | <b>420</b>   | <b>633</b>   | <b>2,577</b>     | <b>2,537</b>   |

<sup>(A)</sup>May not balance due to rounding alignment to YTD figures.

<sup>(B)</sup>Includes restructuring and other costs.

**TELUS technology solutions**  
**Operating Statistics<sup>(A)</sup>**

|  | Quarter 3     |               |              |              | September YTD |               |              |              |
|--|---------------|---------------|--------------|--------------|---------------|---------------|--------------|--------------|
|  | 2023          | 2022          | Change       | % Change     | 2023          | 2022          | Change       | % Change     |
| <b>Mobile Phone<sup>11</sup></b>                           |               |               |              |              |               |               |              |              |
| Additions (thousands)                                      |               |               |              |              |               |               |              |              |
| Gross additions  | 455           | 421           | 34           | 8.1%         | 1,131         | 1,013         | 118          | 11.6%        |
| Net additions  | 160           | 150           | 10           | 6.7%         | 317           | 289           | 28           | 9.7%         |
| ARPU (\$) <sup>12</sup>                                    | \$59.19       | \$59.48       | (\$0.29)     | (0.5%)       | \$58.85       | \$57.90       | \$0.95       | 1.6%         |
| Churn, per month (%) <sup>13</sup>                         | 1.00%         | 0.95%         | 0.05 pts.    |              | 0.93%         | 0.86%         | 0.07 pts.    |              |
| <b>Connected Device (thousands)<sup>14</sup></b>           |               |               |              |              |               |               |              |              |
| Net additions  | 179           | 124           | 55           | 44.4%        | 361           | 262           | 99           | 37.8%        |
| <b>Fixed (thousands)</b>                                   |               |               |              |              |               |               |              |              |
| Internet net additions                                     | 37            | 36            | 1            | 2.8%         | 107           | 100           | 7            | 7.0%         |
| TV net additions   | 20            | 18            | 2            | 11.1%        | 46            | 43            | 3            | 7.0%         |
| Residential voice net losses                               | (8)           | (6)           | (2)          | (33.3%)      | (24)          | (23)          | (1)          | (4.3%)       |
| Security net additions                                     | 18            | 25            | (7)          | (28.0%)      | 55            | 71            | (16)         | (22.5%)      |
| <b>Total telecom net additions (thousands)</b>             | <b>406</b>    | <b>347</b>    | <b>59</b>    | <b>17.0%</b> | <b>862</b>    | <b>742</b>    | <b>120</b>   | <b>16.2%</b> |
| <b>Digital health transactions (millions)<sup>15</sup></b> | <b>150.6</b>  | <b>143.2</b>  | <b>7.4</b>   | <b>5.2%</b>  | <b>452.4</b>  | <b>428.2</b>  | <b>24.2</b>  | <b>5.7%</b>  |
| <b>Telecom subscribers (thousands)</b>                     |               |               |              |              |               |               |              |              |
| Mobile phone subscribers <sup>11(B)</sup>                  | 9,958         | 9,579         | 379          | 4.0%         | 9,958         | 9,579         | 379          | 4.0%         |
| Connected device subscribers <sup>14(B)</sup>              | 2,911         | 2,362         | 549          | 23.2%        | 2,911         | 2,362         | 549          | 23.2%        |
| Internet subscribers <sup>16(C)</sup>                      | 2,590         | 2,371         | 219          | 9.2%         | 2,590         | 2,371         | 219          | 9.2%         |
| TV subscribers <sup>17</sup>                               | 1,371         | 1,308         | 63           | 4.8%         | 1,371         | 1,308         | 63           | 4.8%         |
| Residential voice subscribers <sup>18</sup>                | 1,072         | 1,100         | (28)         | (2.5%)       | 1,072         | 1,100         | (28)         | (2.5%)       |
| Security subscribers <sup>19</sup>                         | 1,033         | 950           | 83           | 8.7%         | 1,033         | 950           | 83           | 8.7%         |
| <b>Total telecom subscribers (thousands)</b>               | <b>18,935</b> | <b>17,670</b> | <b>1,265</b> | <b>7.2%</b>  | <b>18,935</b> | <b>17,670</b> | <b>1,265</b> | <b>7.2%</b>  |
| <b>Healthcare lives covered (millions)<sup>20</sup></b>    | <b>69.6</b>   | <b>60.4</b>   | <b>9.2</b>   | <b>15.2%</b> | <b>69.6</b>   | <b>60.4</b>   | <b>9.2</b>   | <b>15.2%</b> |
| <b>Virtual care members (millions)<sup>21</sup></b>        | <b>5.5</b>    | <b>4.0</b>    | <b>1.5</b>   | <b>37.5%</b> | <b>5.5</b>    | <b>4.0</b>    | <b>1.5</b>   | <b>37.5%</b> |

<sup>(A)</sup>May not balance due to rounding alignment to YTD figures.

<sup>(B)</sup>Effective January 1, 2023, on a prospective basis, we adjusted our mobile phone and connected device subscriber bases to remove 50,000 subscribers and add 82,000 subscribers, respectively, due to a review of our subscriber bases.

<sup>(C)</sup>Effective January 1, 2023, on a prospective basis, we adjusted our internet subscriber base to add 70,000 subscribers as a result of business acquisitions.

**TELUS technology solutions**  
**Operating Statistics - Historical Trend<sup>(A)</sup>**

|  | Quarterly     |               |               |               |               |               |               | Sept YTD<br>2023 | Annual<br>2022 |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|------------------|----------------|
|  | Q3/23         | Q2/23         | Q1/23         | Q4/22         | Q3/22         | Q2/22         | Q1/22         |                  |                |
| <b>Mobile Phone<sup>11</sup></b>                           |               |               |               |               |               |               |               |                  |                |
| Additions (thousands)                                      |               |               |               |               |               |               |               |                  |                |
| Gross additions  | 455           | 376           | 300           | 462           | 421           | 320           | 272           | 1,131            | 1,475          |
| Net additions  | 160           | 110           | 47            | 112           | 150           | 93            | 46            | 317              | 401            |
| ARPU (\$) <sup>12</sup>                                    | \$59.19       | \$58.80       | \$58.61       | \$58.69       | \$59.48       | \$57.74       | \$56.45       | \$58.85          | \$58.10        |
| ARPU % change on prior year <sup>(B)</sup>                 | (0.5%)        | 1.8%          | 3.8%          | 2.2%          | 2.3%          | 2.1%          | 0.6%          | 1.6%             | 1.8%           |
| Churn, per month (%) <sup>13</sup>                         | 1.00%         | 0.91%         | 0.88%         | 1.22%         | 0.95%         | 0.81%         | 0.81%         | 0.93%            | 0.95%          |
| <b>Connected Device (thousands)<sup>14</sup></b>           |               |               |               |               |               |               |               |                  |                |
| Net additions  | 179           | 124           | 58            | 106           | 124           | 92            | 46            | 361              | 368            |
| <b>Fixed (thousands)</b>                                   |               |               |               |               |               |               |               |                  |                |
| Internet net additions                                     | 37            | 35            | 35            | 42            | 36            | 34            | 30            | 107              | 142            |
| TV net additions   | 20            | 17            | 9             | 17            | 18            | 15            | 10            | 46               | 60             |
| Residential voice net losses                               | (8)           | (8)           | (8)           | (4)           | (6)           | (7)           | (10)          | (24)             | (27)           |
| Security net additions                                     | 18            | 15            | 22            | 28            | 25            | 20            | 26            | 55               | 99             |
| <b>Total telecom net additions (thousands)</b>             | <b>406</b>    | <b>293</b>    | <b>163</b>    | <b>301</b>    | <b>347</b>    | <b>247</b>    | <b>148</b>    | <b>862</b>       | <b>1,043</b>   |
| <b>Digital health transactions (millions)<sup>15</sup></b> | <b>150.6</b>  | <b>152.9</b>  | <b>148.9</b>  | <b>152.3</b>  | <b>143.2</b>  | <b>145.4</b>  | <b>139.6</b>  | <b>452.4</b>     | <b>580.5</b>   |
|  |               |               |               |               |               |               |               |                  |                |
|  | As at         |               |               |               |               |               |               | As at            |                |
|  | Q3/23         | Q2/23         | Q1/23         | Q4/22         | Q3/22         | Q2/22         | Q1/22         | Sept 30, 2023    | Dec 31, 2022   |
| <b>Telecom subscribers (thousands)</b>                     |               |               |               |               |               |               |               |                  |                |
| Mobile phone subscribers <sup>11(B)</sup>                  | 9,958         | 9,798         | 9,688         | 9,691         | 9,579         | 9,429         | 9,336         | 9,958            | 9,691          |
| Connected device subscribers <sup>14(B)</sup>              | 2,911         | 2,732         | 2,608         | 2,468         | 2,362         | 2,238         | 2,146         | 2,911            | 2,468          |
| Internet subscribers <sup>16(C)</sup>                      | 2,590         | 2,553         | 2,518         | 2,413         | 2,371         | 2,335         | 2,301         | 2,590            | 2,413          |
| TV subscribers <sup>17</sup>                               | 1,371         | 1,351         | 1,334         | 1,325         | 1,308         | 1,290         | 1,275         | 1,371            | 1,325          |
| Residential voice subscribers <sup>18</sup>                | 1,072         | 1,080         | 1,088         | 1,096         | 1,100         | 1,106         | 1,113         | 1,072            | 1,096          |
| Security subscribers <sup>19(D)</sup>                      | 1,033         | 1,015         | 1,000         | 978           | 950           | 925           | 830           | 1,033            | 978            |
| <b>Total telecom subscribers (thousands)</b>               | <b>18,935</b> | <b>18,529</b> | <b>18,236</b> | <b>17,971</b> | <b>17,670</b> | <b>17,323</b> | <b>17,001</b> | <b>18,935</b>    | <b>17,971</b>  |
| <b>Healthcare lives covered (millions)<sup>20(E)</sup></b> | <b>69.6</b>   | <b>68.3</b>   | <b>67.0</b>   | <b>67.7</b>   | <b>60.4</b>   | <b>22.4</b>   | <b>21.9</b>   | <b>69.6</b>      | <b>67.7</b>    |
| <b>Virtual care members (millions)<sup>21</sup></b>        | <b>5.5</b>    | <b>5.3</b>    | <b>5.2</b>    | <b>4.5</b>    | <b>4.0</b>    | <b>3.6</b>    | <b>3.3</b>    | <b>5.5</b>       | <b>4.5</b>     |

<sup>(A)</sup> May not balance due to rounding alignment to YTD figures.

<sup>(B)</sup> Effective January 1, 2023, on a prospective basis, we adjusted our mobile phone and connected device subscriber bases to remove 50,000 subscribers and add 82,000 subscribers, respectively, due to a review of our subscriber bases.

<sup>(C)</sup> Effective January 1, 2023, on a prospective basis, we adjusted our internet subscriber base to add 70,000 subscribers as a result of business acquisitions.

<sup>(D)</sup> 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.

<sup>(E)</sup> During the third quarter of 2022, we added 36.9 million healthcare lives covered as a result of the LifeWorks acquisition.



**Digitally-led customer experiences - TELUS International (DLCX)  
Operations<sup>(A)</sup>**

| <i>\$ in millions</i>                                      | Quarter 3    |              |                   |               | September YTD |              |                   |                |
|--|--------------|--------------|-------------------|---------------|---------------|--------------|-------------------|----------------|
|  | 2023         | 2022         | Change            | % Change      | 2023          | 2022         | Change            | % Change       |
| <b>Operating revenues and other income</b>                 |              |              |                   |               |               |              |                   |                |
| Operating revenues (arising from contracts with customers) | 706          | 667          | 39                | 5.8%          | 2,185         | 1,983        | 202               | 10.2%          |
| Intersegment revenue                                       | 183          | 136          | 47                | 34.6%         | 528           | 376          | 152               | 40.4%          |
| <b>Total operating revenues and other income</b>           | <b>889</b>   | <b>803</b>   | <b>86</b>         | <b>10.7%</b>  | <b>2,713</b>  | <b>2,359</b> | <b>354</b>        | <b>15.0%</b>   |
| Goods and services purchased                               | 159          | 150          | 9                 | 6.0%          | 475           | 459          | 16                | 3.5%           |
| Employee benefits expense                                  | 559          | 464          | 95                | 20.5%         | 1,768         | 1,366        | 402               | 29.4%          |
| <b>Total operating expense<sup>(B)</sup></b>               | <b>718</b>   | <b>614</b>   | <b>104</b>        | <b>16.9%</b>  | <b>2,243</b>  | <b>1,825</b> | <b>418</b>        | <b>22.9%</b>   |
| <b>EBITDA<sup>7</sup></b>                                  | <b>171</b>   | <b>189</b>   | <b>(18)</b>       | <b>(9.4%)</b> | <b>470</b>    | <b>534</b>   | <b>(64)</b>       | <b>(11.9%)</b> |
| <b>EBITDA margin</b>                                       | <b>19.2%</b> | <b>23.6%</b> | <b>(4.4) pts.</b> |               | <b>17.3%</b>  | <b>22.6%</b> | <b>(5.3) pts.</b> |                |
| Add: Restructuring and other costs included in EBITDA      | 16           | 11           | 5                 | n.m.          | 55            | 25           | 30                | n.m.           |
| <b>Adjusted EBITDA<sup>8</sup></b>                         | <b>187</b>   | <b>200</b>   | <b>(13)</b>       | <b>(6.5%)</b> | <b>525</b>    | <b>559</b>   | <b>(34)</b>       | <b>(6.1%)</b>  |
| <b>Adjusted EBITDA margin<sup>9</sup></b>                  | <b>21.0%</b> | <b>24.9%</b> | <b>(3.9) pts.</b> |               | <b>19.3%</b>  | <b>23.7%</b> | <b>(4.4) pts.</b> |                |
| <b>Capital expenditures</b>                                | <b>35</b>    | <b>33</b>    | <b>2</b>          | <b>6.1%</b>   | <b>89</b>     | <b>102</b>   | <b>(13)</b>       | <b>(12.7%)</b> |
| <b>Capital expenditure intensity<sup>10</sup></b>          | <b>4%</b>    | <b>4%</b>    | <b>-</b>          | <b>pts.</b>   | <b>3%</b>     | <b>4%</b>    | <b>(1) pt.</b>    |                |
| <b>Adjusted EBITDA less capital expenditures</b>           | <b>152</b>   | <b>167</b>   | <b>(15)</b>       | <b>(9.0%)</b> | <b>436</b>    | <b>457</b>   | <b>(21)</b>       | <b>(4.6%)</b>  |
| <b>Average CAD:USD FX rate<sup>(C)</sup></b>               | <b>0.75</b>  | <b>0.77</b>  | <b>(0.02)</b>     | <b>(2.6%)</b> | <b>0.74</b>   | <b>0.78</b>  | <b>(0.04)</b>     | <b>(5.1%)</b>  |

<sup>(A)</sup>May not balance due to rounding alignment to YTD figures.

<sup>(B)</sup>Includes restructuring and other costs.

<sup>(C)</sup>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<sup>(A)</sup>**

| <i>\$ in millions</i>                                      | Quarterly    |              |              |              |              |              |              | Sept YTD     | Annual       |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
|  | Q3/23        | Q2/23        | Q1/23        | Q4/22        | Q3/22        | Q2/22        | Q1/22        | 2023         | 2022         |
| <b>Operating revenues and other income</b>                 |              |              |              |              |              |              |              |              |              |
| Operating revenues (arising from contracts with customers) | 706          | 723          | 756          | 694          | 667          | 672          | 644          | 2,185        | 2,677        |
| Intersegment revenue                                       | 183          | 173          | 172          | 161          | 136          | 125          | 115          | 528          | 537          |
| <b>Total operating revenues and other income</b>           | <b>889</b>   | <b>896</b>   | <b>928</b>   | <b>855</b>   | <b>803</b>   | <b>797</b>   | <b>759</b>   | <b>2,713</b> | <b>3,214</b> |
| <i>Operating revenues % change on prior year</i>           | 5.8%         | 7.6%         | 17.4%        | 8.8%         | 13.6%        | 22.2%        | 20.4%        | 10.2%        | 15.9%        |
| Goods and services purchased                               | 159          | 147          | 169          | 186          | 150          | 157          | 152          | 475          | 645          |
| Employee benefits expense                                  | 559          | 618          | 591          | 494          | 464          | 464          | 438          | 1,768        | 1,860        |
| <b>Total operating expense<sup>(B)</sup></b>               | <b>718</b>   | <b>765</b>   | <b>760</b>   | <b>680</b>   | <b>614</b>   | <b>621</b>   | <b>590</b>   | <b>2,243</b> | <b>2,505</b> |
| <b>EBITDA<sup>7</sup></b>                                  | <b>171</b>   | <b>131</b>   | <b>168</b>   | <b>175</b>   | <b>189</b>   | <b>176</b>   | <b>169</b>   | <b>470</b>   | <b>709</b>   |
| <i>EBITDA % change on prior year</i>                       | (9.4%)       | (25.9%)      | (0.6%)       | 8.0%         | 35.1%        | 37.1%        | 35.1%        | (11.9%)      | 27.7%        |
| <b>EBITDA margin</b>                                       | 19.2%        | 14.6%        | 18.1%        | 20.4%        | 23.6%        | 22.2%        | 22.2%        | 17.3%        | 22.1%        |
| Add: Restructuring and other costs included in EBITDA      | 16           | 21           | 18           | 35           | 11           | 10           | 4            | 55           | 60           |
| <b>Adjusted EBITDA<sup>8</sup></b>                         | <b>187</b>   | <b>152</b>   | <b>186</b>   | <b>210</b>   | <b>200</b>   | <b>186</b>   | <b>173</b>   | <b>525</b>   | <b>769</b>   |
| <i>Adjusted EBITDA % change on prior year</i>              | (6.5%)       | (18.6%)      | 8.1%         | 22.9%        | 35.5%        | 35.6%        | 25.3%        | (6.1%)       | 29.5%        |
| <b>Adjusted EBITDA margin<sup>9</sup></b>                  | <b>21.0%</b> | <b>16.9%</b> | <b>20.1%</b> | <b>24.5%</b> | <b>24.9%</b> | <b>23.4%</b> | <b>22.7%</b> | <b>19.3%</b> | <b>23.9%</b> |
| <b>Capital expenditures</b>                                | 35           | 34           | 20           | 33           | 33           | 38           | 31           | 89           | 135          |
| <b>Capital expenditure intensity<sup>10</sup></b>          | 4%           | 4%           | 2%           | 4%           | 4%           | 5%           | 4%           | 3%           | 4%           |
| <b>Adjusted EBITDA less capital expenditures</b>           | <b>152</b>   | <b>118</b>   | <b>166</b>   | <b>177</b>   | <b>167</b>   | <b>148</b>   | <b>142</b>   | <b>436</b>   | <b>634</b>   |
| <b>Average CAD:USD FX rate<sup>(C)</sup></b>               | <b>0.75</b>  | <b>0.74</b>  | <b>0.74</b>  | <b>0.74</b>  | <b>0.77</b>  | <b>0.78</b>  | <b>0.79</b>  | <b>0.74</b>  | <b>0.77</b>  |

<sup>(A)</sup>May not balance due to rounding alignment to YTD figures.

<sup>(B)</sup>Includes restructuring and other costs.

<sup>(C)</sup>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

<sup>1</sup> **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, and virtual power purchase agreements unrealized change in forward element. 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 Q3 2023 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.sedarplus.com](http://www.sedarplus.com)).

<sup>2</sup> **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.

<sup>3</sup> **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, 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.

<sup>4</sup> **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 interim 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 interim consolidated statements of cash flows. It provides an indication of how much cash generated by operations is available after capital expenditures 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 Q3 2023 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.sedarplus.com](http://www.sedarplus.com)).

<sup>5</sup> **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.

<sup>6</sup> **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.

<sup>7</sup> **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 Q3 2023 Management's Discussion & Analysis Section 11.1 for the quantitative reconciliation of Net Income to EBITDA. MD&A is made available on SEDAR+ ([www.sedarplus.com](http://www.sedarplus.com)).

<sup>8</sup> **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 Q3 2023 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.sedarplus.com](http://www.sedarplus.com)).

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

<sup>9</sup> **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 Q3 2023 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.sedarplus.com](http://www.sedarplus.com)).

<sup>10</sup> **Capital expenditure intensity** is calculated as capital expenditures excluding real estate development divided by total Operating revenues and other income.

<sup>11</sup> **Mobile phone subscriber** means a subscriber on an active TELUS service plan with a recurring revenue-generating portable unit (e.g. feature phones and smartphones) where TELUS provides voice, text and/or data connectivity.

<sup>12</sup> **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.

<sup>13</sup> **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.

<sup>14</sup> **Connected device subscriber** means a subscriber on an active TELUS service plan with a recurring revenue-generating portable unit (e.g. tablets, internet keys, Internet of Things, wearables and connected cars) that is supported by TELUS and is intended for limited or no cellular voice capability.

<sup>15</sup> **Digital health transactions** mean the total number of health claims, dental claims, consultations or other transactions facilitated by TELUS Health products and services.

<sup>16</sup> **Internet subscriber** means a subscriber on an active TELUS internet plan with a recurring revenue-generating unit where TELUS provides internet connectivity.

<sup>17</sup> **TV subscriber** means a subscriber on an active TELUS TV plan with a recurring revenue-generating subscription for video services from a TELUS TV platform.

<sup>18</sup> **Residential voice subscriber** means a subscriber on an active TELUS phone plan with a recurring revenue-generating unit where TELUS provides voice service.

<sup>19</sup> **Security subscriber** means a subscriber on an active TELUS security plan with a recurring revenue-generating unit that is connected to the TELUS security and automation platform.

<sup>20</sup> **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, personal health security and employee and family assistance programs). It is probable that some members and their dependents will be a user of multiple TELUS Health services.

<sup>21</sup> **Virtual care member** means primary enrolment to receive services on an active TELUS Health virtual care plan.