# Q2 2026 Results
## Conference Call

July 31, 2026

# Caution regarding forward-looking statements

Today's discussion will contain forward-looking statements, including statements relating to: our objectives and our strategies to achieve those objectives; our revised full-year 2026 financial targets; our expectations regarding trends in the telecommunications industry, growth in different areas of our business, and the nature, timing and benefits of our asset monetization and deleveraging plans; and our dividend payout ratio range, expected impact of our dividend reset and the termination of the discount under our DRIP. Forward-looking statements are typically identified by the words *assumption*, *goal*, *guidance*, *objective*, *outlook*, *strategy*, *target* and other similar expressions, or verbs such as *aim*, *anticipate*, *believe*, *could*, *expect*, *intend*, *may*, *plan*, *predict*, *seek*, *should*, *strive* and *will*. Our 2026 targets and outlook are presented for the purpose of assisting our investors and others in understanding certain key elements of our expected 2026 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. Our actual results or other events may differ materially from expectations expressed today.

The assumptions underlying our forward-looking statements are described in *Section 9 General trends, outlook and assumptions, and regulatory developments and proceedings* of our 2025 annual management's discussion and analysis (MD&A) and updated in our second quarter 2026 MD&A and in other TELUS public disclosure documents and filings with securities commissions in Canada (on SEDAR+ at sedarplus.ca) and in the United States (on EDGAR at sec.gov). Material risk factors that could cause actual results to differ materially from our forward-looking statements are also described in *Section 10 Risks and risk management* of our 2025 annual MD&A and second quarter 2026 MD&A.

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

**Dollar amounts referenced today are in Canadian dollars unless otherwise stated**

# Mapping the course to transform TELUS


**Victor G. Dodig**
President and CEO

# Key messages – Q2 2026

**Experienced leadership executing a focused strategy**

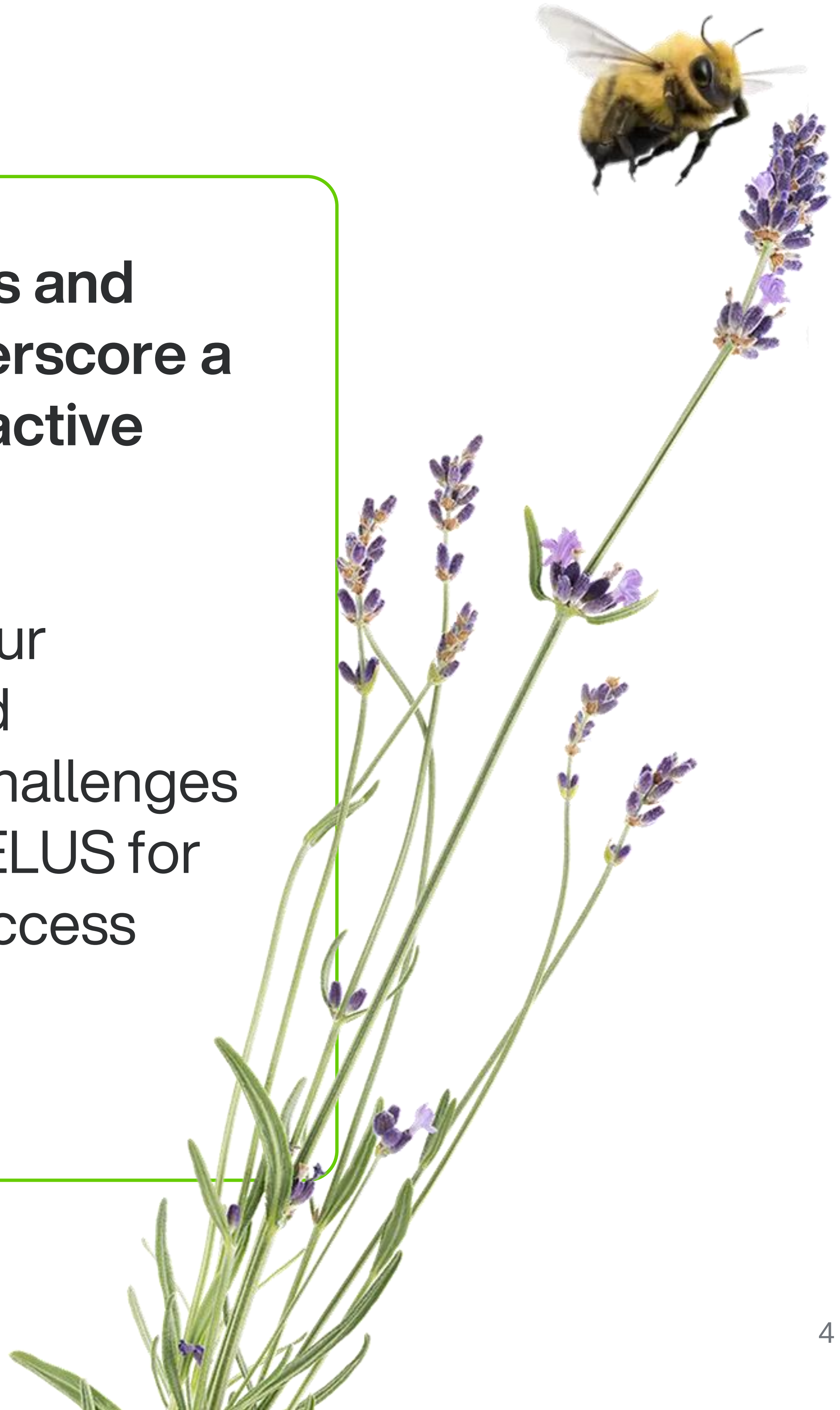
*Three priorities:* Strengthen financial foundation, hone operational discipline, and deploy resources to drive returns

**Accelerating TELUS' transformation with intentionality and speed**

Focusing the portfolio, strengthening the balance sheet, and empowering our people

**Q2'26 results and outlook underscore a company in active transition**

Leveraging our strengths and addressing challenges to position TELUS for long-term success



# Leadership update: Infusing talent and aligning organization for focused execution

## Gopi Chande

- Appointed EVP and CFO July 1, 2026
- Previously, CFO, TELUS Digital and TELUS Health
- 30+ years of executive finance experience, including over 16 years with TELUS and its most significant strategic initiatives and growth investments, including, TELUS' world-leading PureFibre network
- Recognized for leading complex organizations and fostering high-performing global teams

## Dave Fuller

- Rejoining TELUS as EVP and Group President, Communications, effective September 1, 2026
- Oversight for newly established telecom platform, TELUS Communications, which comprises both Consumer and Business Solutions teams
- 25+ years of telecom industry experience, including 15 years at TELUS in several senior executive roles across both business and consumer organizations

## Navin Arora

- Appointed EVP and Group President, Global Platform Businesses, effective September 1, 2026
- Appointed to lead Global Platform Businesses, a portfolio that includes TELUS Digital, TELUS Health and TELUS Agriculture & Consumer Goods
- Assuming leadership of enterprise corporate strategy, corporate development, sovereign AI data centre strategy and execution, and TELUS Global Ventures

# New CEO initial observations and industry dynamics

**Foundational Strengths**

- Network leadership in TELUS PureFibre®
- Sustained customer growth and loyalty
- Advancing next gen, AI-enabling capabilities
- Investment in nation-building infrastructure projects, including supporting Canada's technological independence

**External landscape**

- Inherent industry competition and macroeconomic headwinds including lower immigration, which is weighing on demand across all carriers

**Opportunities**

- Focus on our core business, harness technology and encourage a culture of innovation efficiency
- Further deepen our customer relationships
- Invest in technology and infrastructure that will play a vital role in Canada's economic growth and prosperity

Strategic plan built for what we can control and execute

# Introducing our near-term strategic priorities

1 **Strengthen**
our financial foundation

2 **Hone**
Our operational discipline and reinvest in the core

3 **Deploy**
Resources to drive profitable, sustainable growth and returns

# Strengthen our financial foundation

## Dividend Reset

- Quarterly amount reset to $0.1875 per share / ($0.75 annualized)
- Approximately $2.7 billion cumulative cash savings through 2028 directed toward debt reduction
- DRIP discount to be terminated effective October 1, 2026
- Dividend payout ratio range updated to 45-60% (trailing 12-month free cash flow)

## Capital Discipline

- 2026 capex reflects targeted incremental investment in core network and infrastructure
- Multi-year 10% capital intensity target on track
- Acquisition moratorium in effect

## Strategic Portfolio Review

- Active process underway for TELUS Health non-core assets
- Monetizing non-core real estate assets
- All proceeds directed toward debt reduction

We are committed to 3.0x or lower Net Debt to Adjusted EBITDA by end of 2028

# Hone operational discipline and reinvest in the core

## Customer Service

- Customer excellence is in our DNA and a competitive advantage
- Deepening relationships and driving revenue intensity across every customer engagement

## Cost Discipline

- Surgical review of cost structure, with a focus on technology-driven efficiency and eliminating redundancy
- Detailed cost savings scope to be provided on or before Q3'26 earnings call

## Reinvesting in Core

- Investing in infrastructure, including networks and sovereign AI data centres – where competitive position and returns are strongest

We will invest where returns on invested capital exceed our cost of capital – every dollar evaluated on this basis

STRATEGIC PRIORITY 3

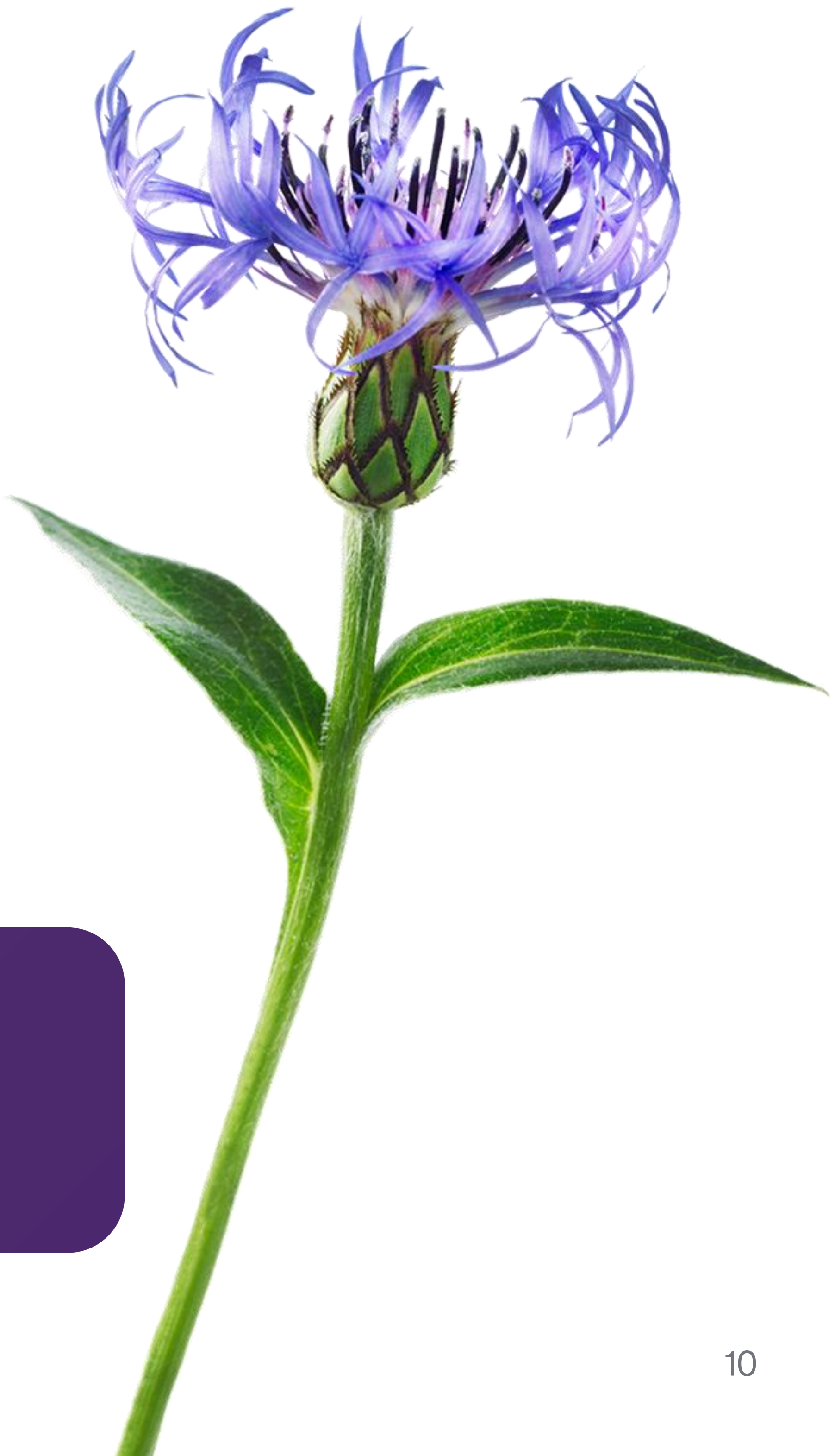
# Deploy resources to drive profitable, sustainable growth and returns

## Telecom

- Continuing to build on our wireless and TELUS PureFibre network leadership

## Global Platform Businesses

- Continuing to invest to better serve our customers and deliver a better return profile



Returns-driven investment in the businesses and infrastructure that will define TELUS' next chapter – scale and timing tied to balance sheet progress

# Update on asset monetization initiatives

## Strategic processes active and support debt target

### Terrion

Tower infrastructure partnership delivered 0.17x deleverage

**Completed September 2025**

### TELUS Health

In market with robust interest on certain non-core assets

**Active and Progressing**

### Real Estate

Non-core asset monetization underway with strong market interest

**Active and Progressing**

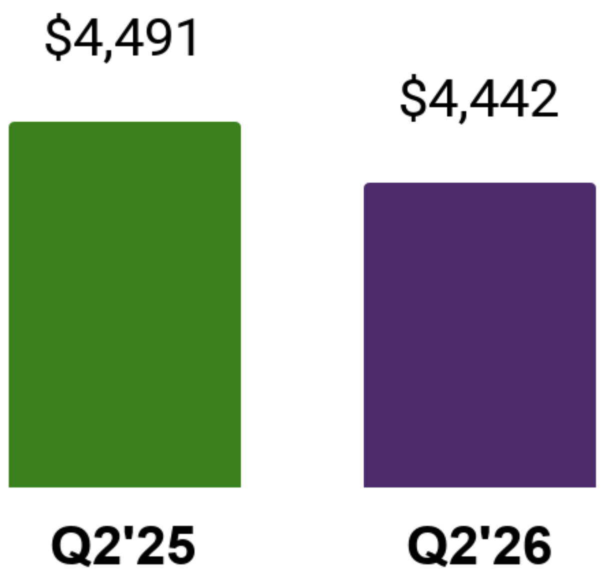
# Q2 financial and operational results

**Gopi Chande**
EVP and CFO

# Consolidated performance – Q2 2026

CAD $M

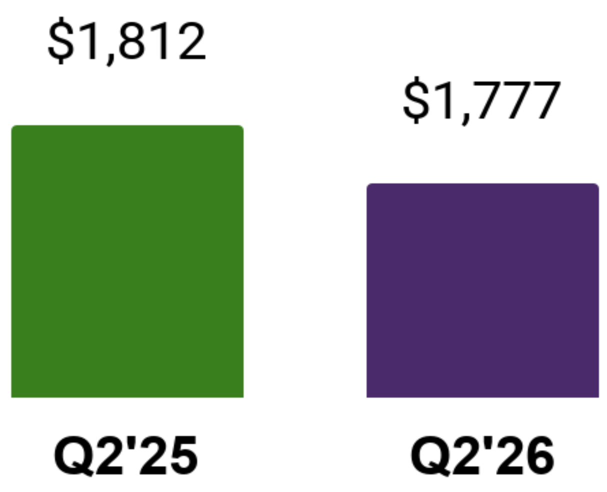
## Service revenues




**(1)%**

- Solid underlying performance in mobility with continued improvement in network revenue
- Offset primarily by weaker results in TELUS Digital

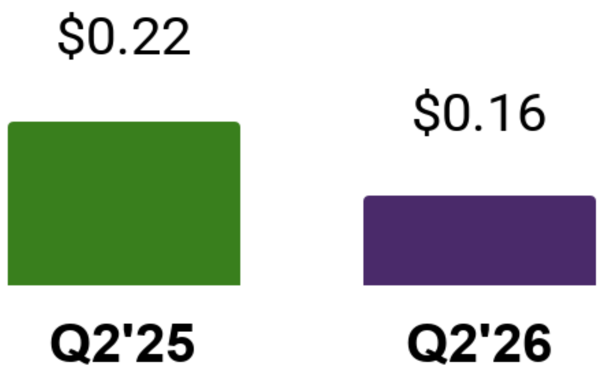
## Adjusted EBITDA[1]




**(2)%**

- Normalizing for the y/y decline in non-recurring Other income, consolidated Adjusted EBITDA stable, demonstrating the resiliency of our underlying telecom business
- Lower real estate gains y/y; do not expect any further meaningful real estate gains going forward as we strategically pause further development

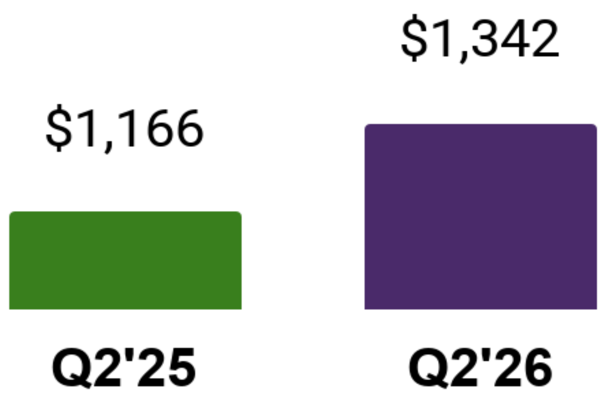
## Adjusted EPS[1]




**$(0.06), (27)%**

- Basic loss per share of $1.17 reflecting TELUS Digital carrying value impairment
- Adjusted EPS decline due to after-tax impacts of lower operating income and the elimination of the non-controlling interest for TELUS Digital

## Operating cash flow




**+15%**

- Strong focus on driving cash flow growth
- Free cash flow[1] of $545M, up 2% driven by lower income taxes paid and lease payments, partially offset by increased interest and reduced EBITDA
- Capex of $678M, flat y/y

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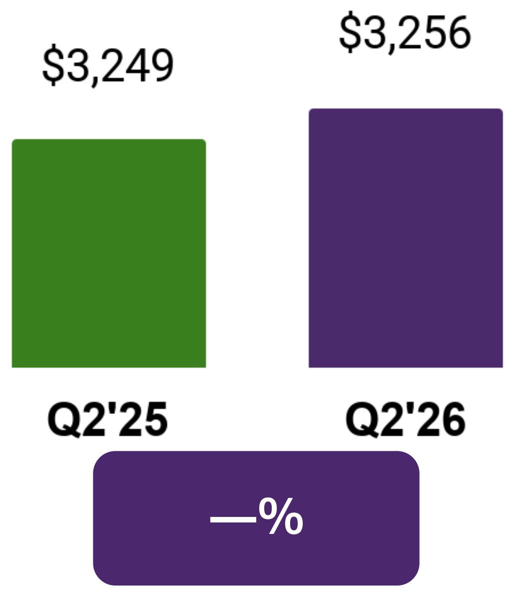
[1] These are non-GAAP and other specified financial measures. See the Appendix in this presentation.

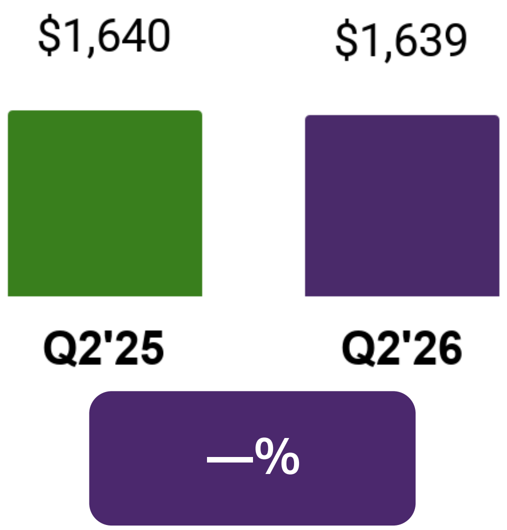
# TELUS Technology Solutions (TTech)

CAD $M

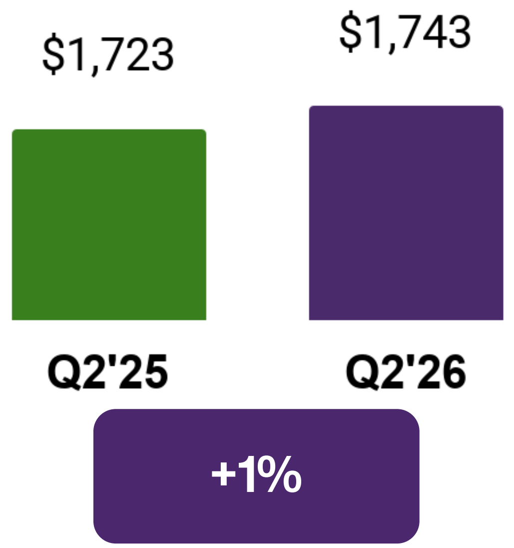
### Service revenues



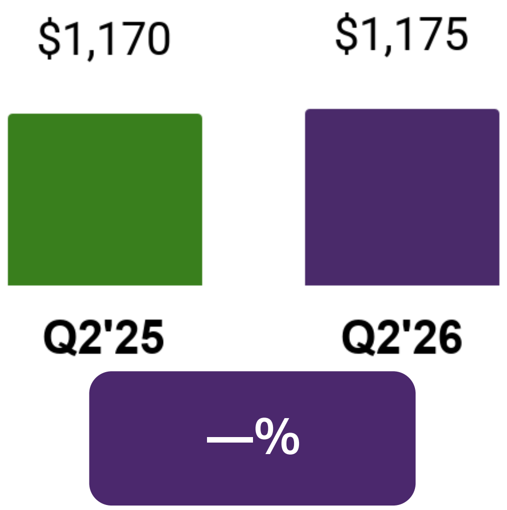

### Adjusted EBITDA




### Mobile network revenue




### Fixed data services



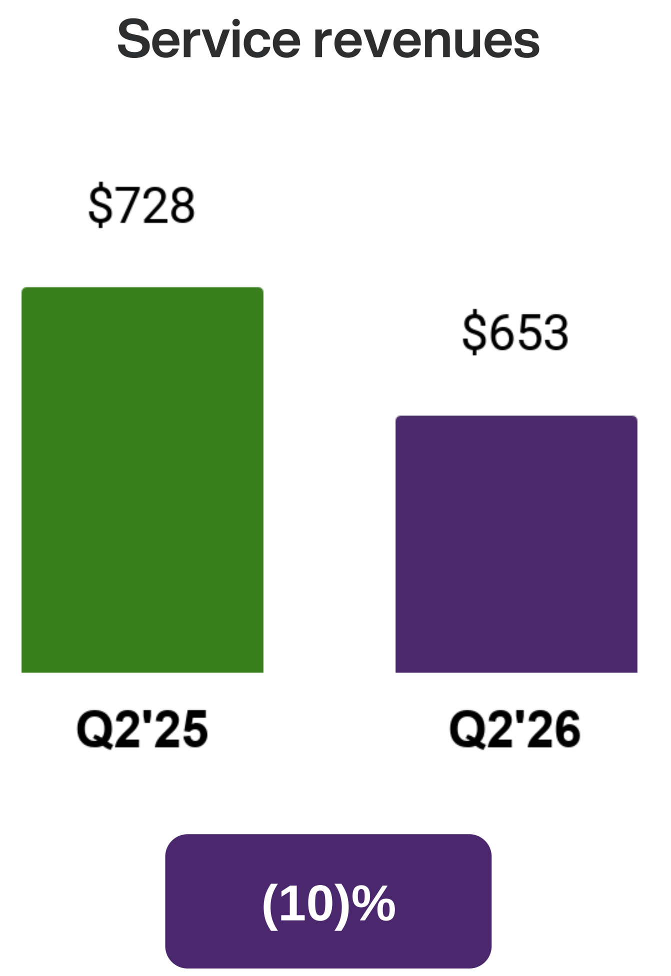

| Mobile phone net adds | Internet net adds | Blended mobile phone churn | Mobile phone ARPU |
|---|---|---|---|
| **+17,000** | **+20,000** | **1.08%** | **$56.36** |
| (38,000) y/y | (7,000) y/y | +0.02 pts | (0.4%) y/y |

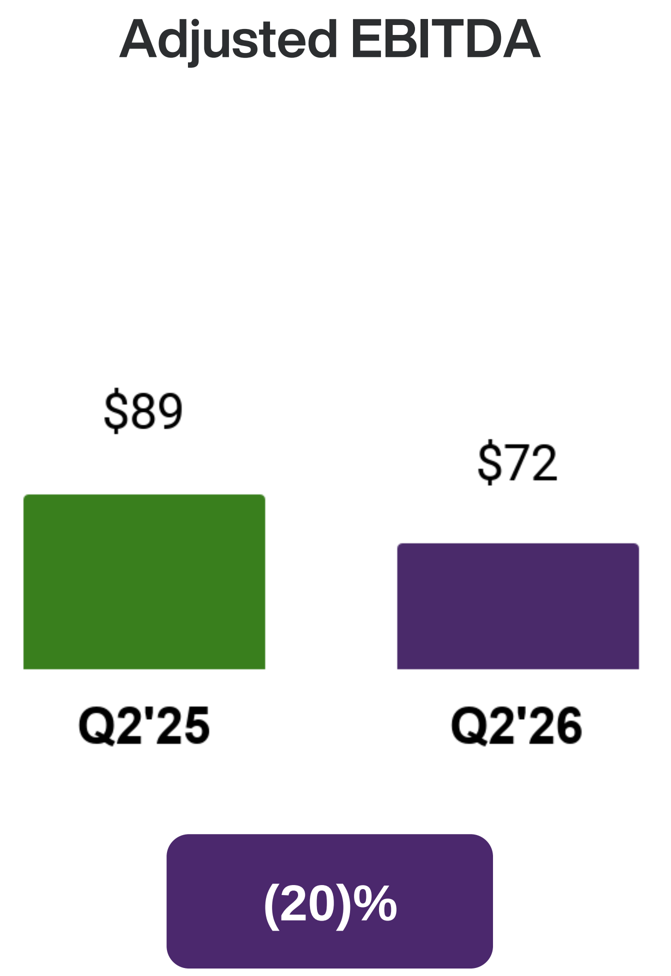
- 3rd consecutive quarter of y/y mobile network revenue growth
- 5th consecutive quarter of y/y ARPU improvement
- Encouraging signs of a moderating promotional environment
- Residential data revenue growth of 2% partially offset by variability in B2B data services

Mobile network revenue growth continues to improve;
encouraging signs of stabilization in wireless competitive environment

# TELUS Digital

CAD $M




- Non-cash carrying value impairment of $2.1 billion reflecting:
  - Accelerated churn in legacy services for certain hyperscale clients – specifically content moderation and ad-relevancy, search-related services
  - Slower pivot to higher-value work in AI & data solutions / data annotation, with extended sales cycles, slower growth rates
  - Industry-wide pressures on digital solutions work with deal size compression across the space
- Customer service management, representing more than half of segment revenue, continues to grow – leaning into CXAI engagements
- Pivot to higher-value AI data sets to address legacy services decline under way

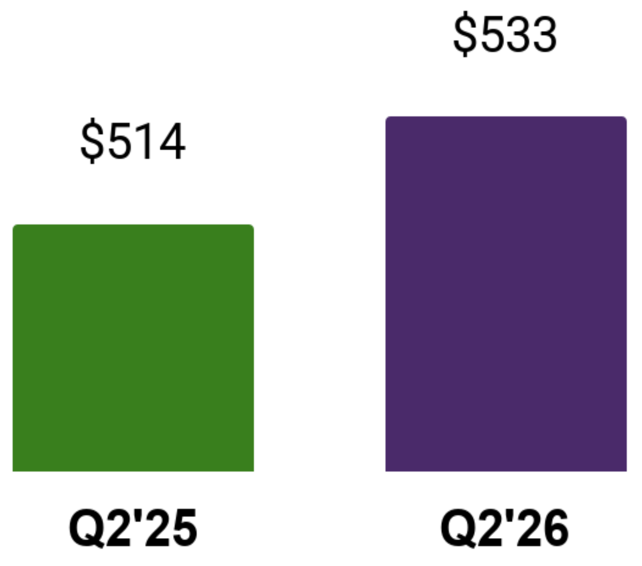
**Transition underway – CXAI differentiation and AI-enabling capabilities position TELUS Digital for growth**

# TELUS Health and TELUS Agriculture & Consumer Goods

CAD $M

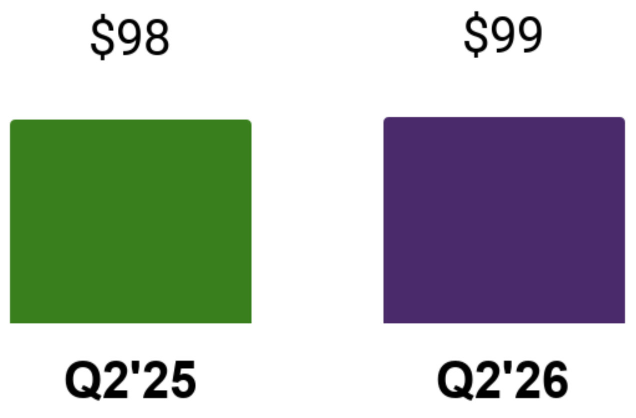
## TELUS Health

### Service revenues




**+4%**

### Adjusted EBITDA

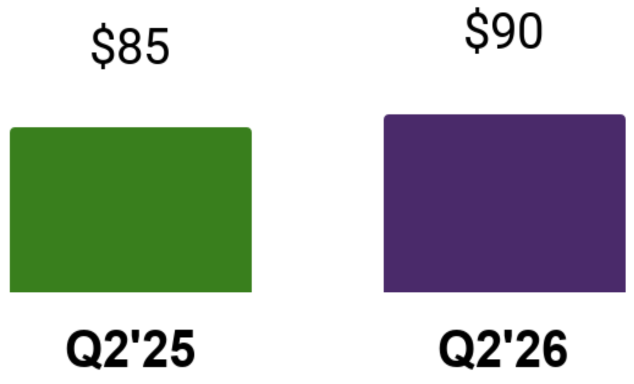



**+1%**

- Growth reflects ongoing Workplace Options integration
- Quality and scale of global health assets support confidence in stronger revenue, EBITDA and cash flow growth ahead

## TELUS Agriculture & Consumer Goods

### Service revenues




**+6%**

- Strong support from animal agriculture
- Prior-year business divestitures fully lapped as of Q2

**High-quality, global businesses positioned for growth**

# Balance sheet and cash flow

CAD $M

## Capital Summary and Financial Highlights

*As of June 30, 2026*

**$30,231**
Long-term debt

**$1,387**
Cash and temporary investments

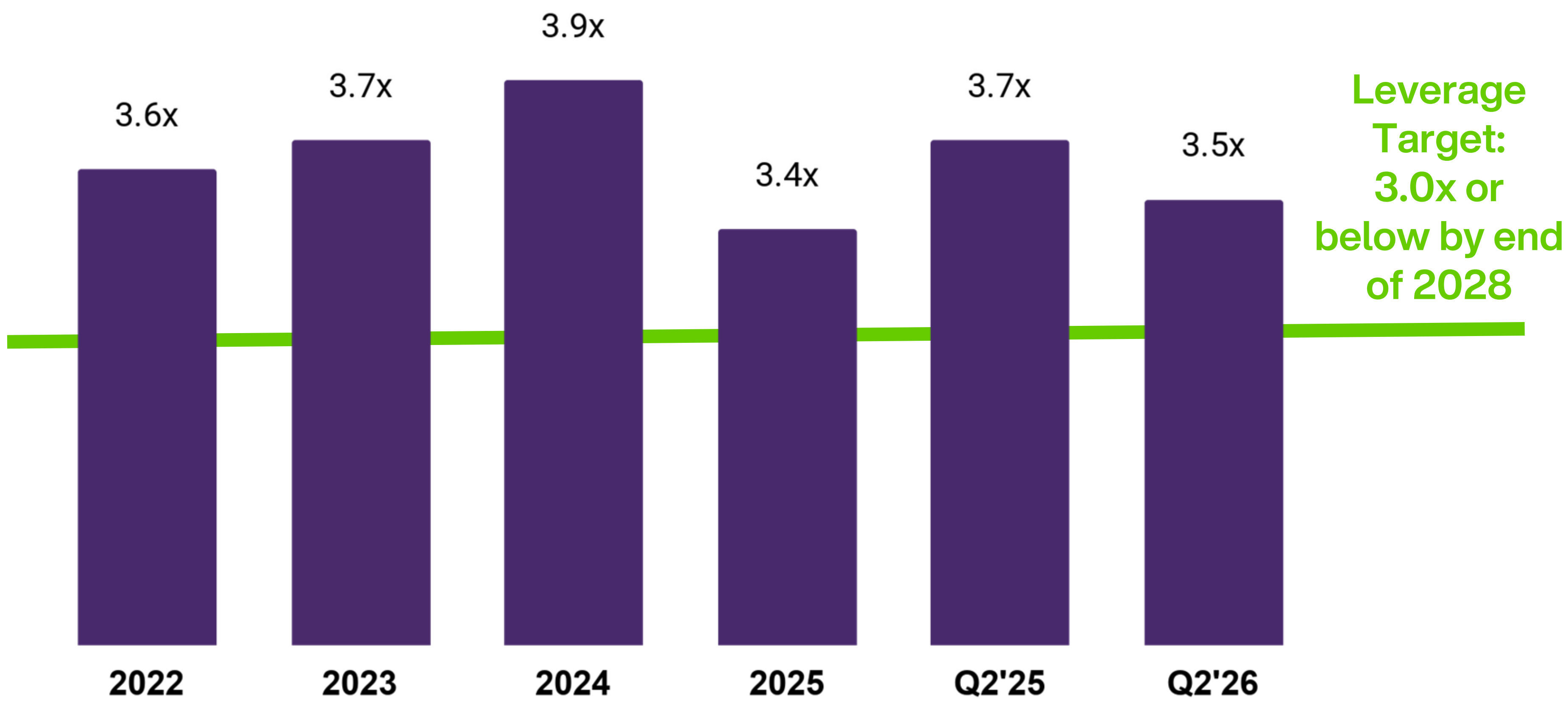
**$25,963**
Net Debt

**$2,724**
Total Available Liquidity[1]

## Long-Term Debt and Issuer Ratings

| BBB | Baa2 | BBB- |
|---|---|---|
| (Stable trend) | (Negative outlook) | (Positive outlook) |
| Morningstar DBRS | Moody's | S&P Global |

## Leverage Ratio (net debt to Adjusted EBITDA)




Well-capitalized and committed to maintaining investment grade credit profile

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

# Recalibrating near-term capital allocation strategy to support a stronger TELUS in the future

| | |
|---|---|
| **Reduce leverage** | • Net debt to Adjusted EBITDA of 3.5x as of June 30, 2026, down from 3.7x as of June 30, 2025<br>• Targeting 3.0x or lower by end of 2028, supported by organic free cash flow growth, dividend reset and asset monetization proceeds |
| **Invest in core for competitive advantage** | • Disciplined capital deployment focused on core telecom and digital infrastructure<br>• 2026 capex of approximately $2.6 billion, reflecting inflation and supply chain dynamics, strategic investment directed towards network infrastructure and site enablement for sovereign AI data centres, and customer base management<br>• Moratorium on acquisitions until leverage target is achieved |
| **Support a sustainable dividend** | • Quarterly dividend reset to $0.1875 per share, generating $2.7 billion in cumulative cash savings through 2028<br>• Payout ratio updated to 45 to 60% of trailing 12-month free cash flow<br>• DRIP discount eliminated effective October 1, 2026 – no longer necessary as network build matures and free cash flow grows |

# Updating 2026 financial guidance

CAD $M

| | Prior Guidance (as of May 8, 2026) | New Guidance (as of July 31, 2026) | Comments |
|---|---|---|---|
| **Consolidated service revenues[1]** | 2% to 4% | **Flat to (2)%** | • Positive trends in mobility are being offset by pressure in other parts of our business, including fixed data, TELUS Digital and slower than anticipated growth in TELUS Health |
| **Consolidated Adjusted EBITDA** | 2% to 4% | **(2)% to (4)%** | • Our original targets anticipated the pace of underlying business growth would offset non-recurring benefits we realized in 2025, largely due to real estate gains. See appendix for further details. |
| **Consolidated free cash flow** | 10% growth<br>~$2.45 billion | **~$1.8 billion** | • Result of lower EBITDA, higher capex and an incremental $100 million in transformation-related cash restructuring and other costs relative to our Q1 update |
| **Consolidated capital expenditures[2]** | 10% decrease<br>~$2.3 billion | **~$2.6 billion** | • Overall pricing inflation and supply chain dynamics<br>• Strategic investments in network infrastructure and site enablement for sovereign AI data centres, and customer base management |

[1] 2026 target for Consolidated Service revenues excludes Other income. Consolidated Service revenues for 2025 were $18.0 billion.
[2] Includes approximately $75 million targeted towards real estate development initiatives.

# Key takeaways

**TELUS is built on genuine competitive strengths**

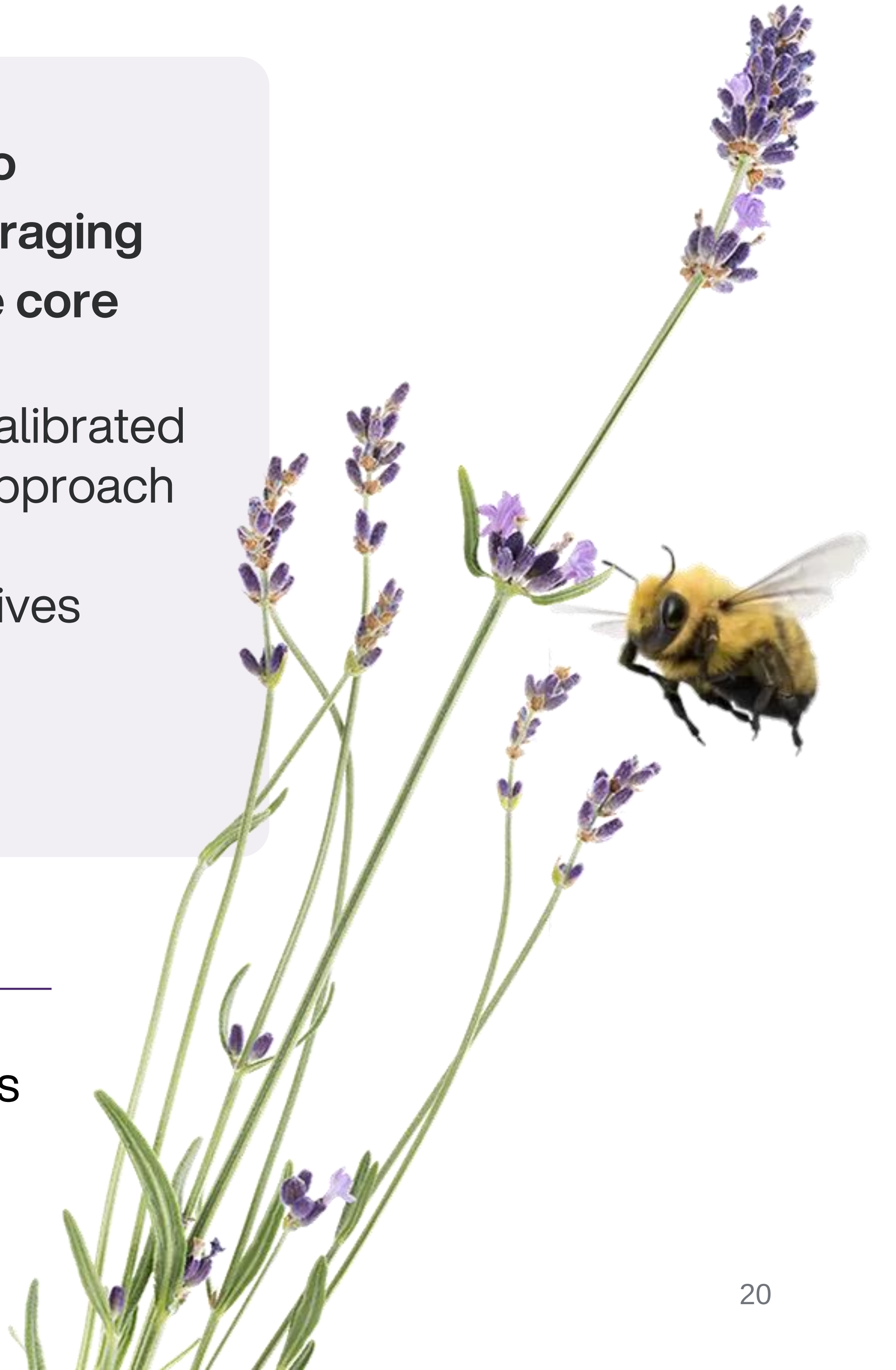
Industry-leading customer service, PureFibre and 5G networks, digital infrastructure, and a collaborative culture

**Experienced leadership executing a clear and focused strategy**

Meaningful work already underway

**Decisive actions to accelerate deleveraging and reinvest in the core**

Dividend reset, recalibrated capital allocation approach and active asset monetization initiatives



## More to come...

| Cost transformation outline | TELUS Health strategic process update | Progress against our three strategic priorities |
| --- | --- | --- |

# Q&A

# Appendix

## Key Definitions

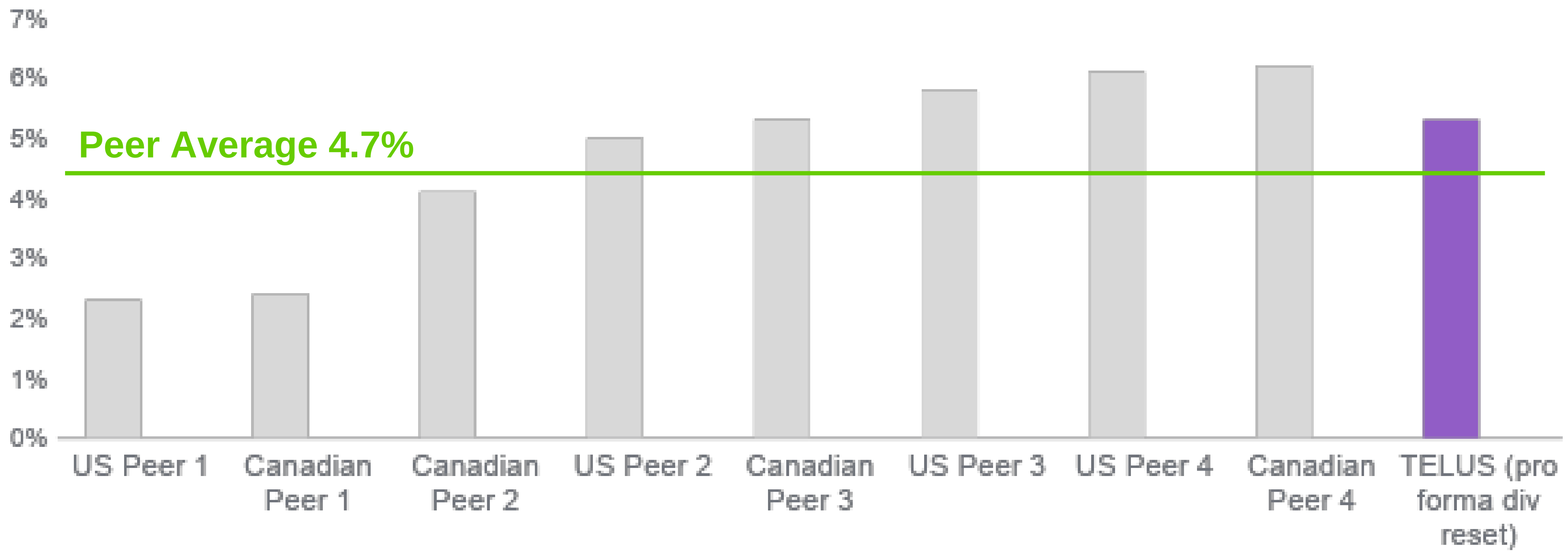
Our presentation and answers include the following non-GAAP and other specified financial measures, which may not be comparable to similar measures presented by other issuers: Consolidated Adjusted EPS is a non-GAAP ratio. Available liquidity is a non-GAAP financial measure. Consolidated Adjusted EBITDA and free cash flow are other specified financial measures. For further definitions and explanations of these measures, see Section 11.1 of our second quarter 2026 MD&A available on SEDAR+ at www.sedarplus.ca and 'Non-GAAP and other specified financial measures' in our second quarter 2026 news release dated July 31, 2026

# Dividend reset: A sustainable base for capital returns

## A reset to a level we can sustain and grow from, with a competitive yield, disciplined payout, and a defined path forward

- Dividend reset to $0.1875 per share quarterly ($0.75 annualized), effective October 1, 2026
- DRIP discount terminated effective October 1, 2026
- Intention is to grow the dividend as our financial position improves

| | Prior | Updated target |
|---|---|---|
| **Payout ratio policy** | 60 to 75% of free cash flow on prospective basis | 45 to 60% trailing 12-month free cash flow |
| **Dividend rate** | $1.6736 annualized | $0.75 annualized |




Canadian peers include: BCE, Cogeco Communications, Quebecor, Rogers

US peers include: AT&T, Comcast, T-Mobile, Verizon

# 2026 impact of other income and non-recurring items

## Updated 2026 target

| | | |
|---|---|---|
| **Consolidated Adjusted EBITDA** | (2)% to (4)% | Includes 200 bps headwind of non-recurring items |

### 1 Consolidated other income

| ($ in millions) | Q1'25 | Q2'25 | Q3'25 | Q4'25 | FY'25 | Q1'26 | Q2'26 | FY'26 |
|---|---|---|---|---|---|---|---|---|
| **Consolidated** | **39** | **51** | **39** | **31** | **160** | **24** | **9** | **33** |
| TTech | 39 | 50 | 29 | 29 | **147** | 12 | 8 | **20** |
| TELUS Health | — | 1 | 10 | 1 | **12** | 1 | — | **1** |
| TELUS Digital | — | — | — | 1 | **1** | 11 | 1 | **12** |

Composed primarily of real estate gains and net reversals of provisions related to business combinations

### 2 TTech other non-recurring items

| ($ in millions) | Q1'25 | Q2'25 | Q3'25 | Q4'25 | FY'25 | Q1'26 | Q2'26 | FY'26 |
|---|---|---|---|---|---|---|---|---|
| Goods and services purchased | — | — | 39 | — | **39** | — | — | **—** |
| Total Impact 1 + 2 | 39 | 51 | 78 | 31 | **199** | 24 | 9 | **33** |

Composed primarily of operating expense reductions that are one-time in nature and not expected to recur

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# Contact Us

Investor relations
1-800-667-4871
telus.com/investors
IR@telus.com