



Making a world of difference

Q4 2023 investor conference call
February 9, 2024



Caution regarding forward-looking statements

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

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

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

Except as required by law, TELUS disclaims any intention or obligation to update or revise forward-looking statements, whether written or oral.

Demonstrating Continued Execution Excellence

- Achieving strong operational and financial results across our business
- Leading customer growth underpinned by industry-best client loyalty
- Delivering exceptional customer experiences over our globally-leading networks
- Enhancing our operational and financial performance through our cost efficiency program
- Returning capital to shareholders through our leading dividend growth program
- Demonstrating our unwavering commitment to put our customers and communities first

Mobile Operating Results

Q4 2023

\$58.50

Mobile phone
ARPU
(0.3%) y/y

1.40%

Mobile phone
churn
+18 bps y/y

+126,000

Mobile phone
net adds
+14,000 y/y

+203,000

Connected device
net adds
+97,000 y/y

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

Mobile Operating Results

Fiscal 2023

\$58.78

Mobile phone
ARPU
+1.2% y/y

1.05%

Mobile phone
churn
+10 bps y/y

+443,000

Mobile phone
net adds
+42,000 y/y

+564,000

Connected device
net adds
+196,000 y/y

Delivered highest mobile phone net additions since 2010, record high Connected Device net additions along with industry-leading postpaid mobile phone churn below 1% for the tenth consecutive year

Fixed Operating Results

Q4 2023

+36,000

Internet
net adds
(6,000) y/y

+23,000

TV
net adds
+6,000 y/y

+23,000

Security
net adds
(5,000) y/y

+75,000

Total fixed
net adds
(8,000) y/y



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

Fixed Operating Results

Fiscal 2023

+143,000

Internet
net adds
+1,000 y/y

+69,000

TV
net adds
+9,000 y/y

+78,000

Security
net adds
(21,000) y/y

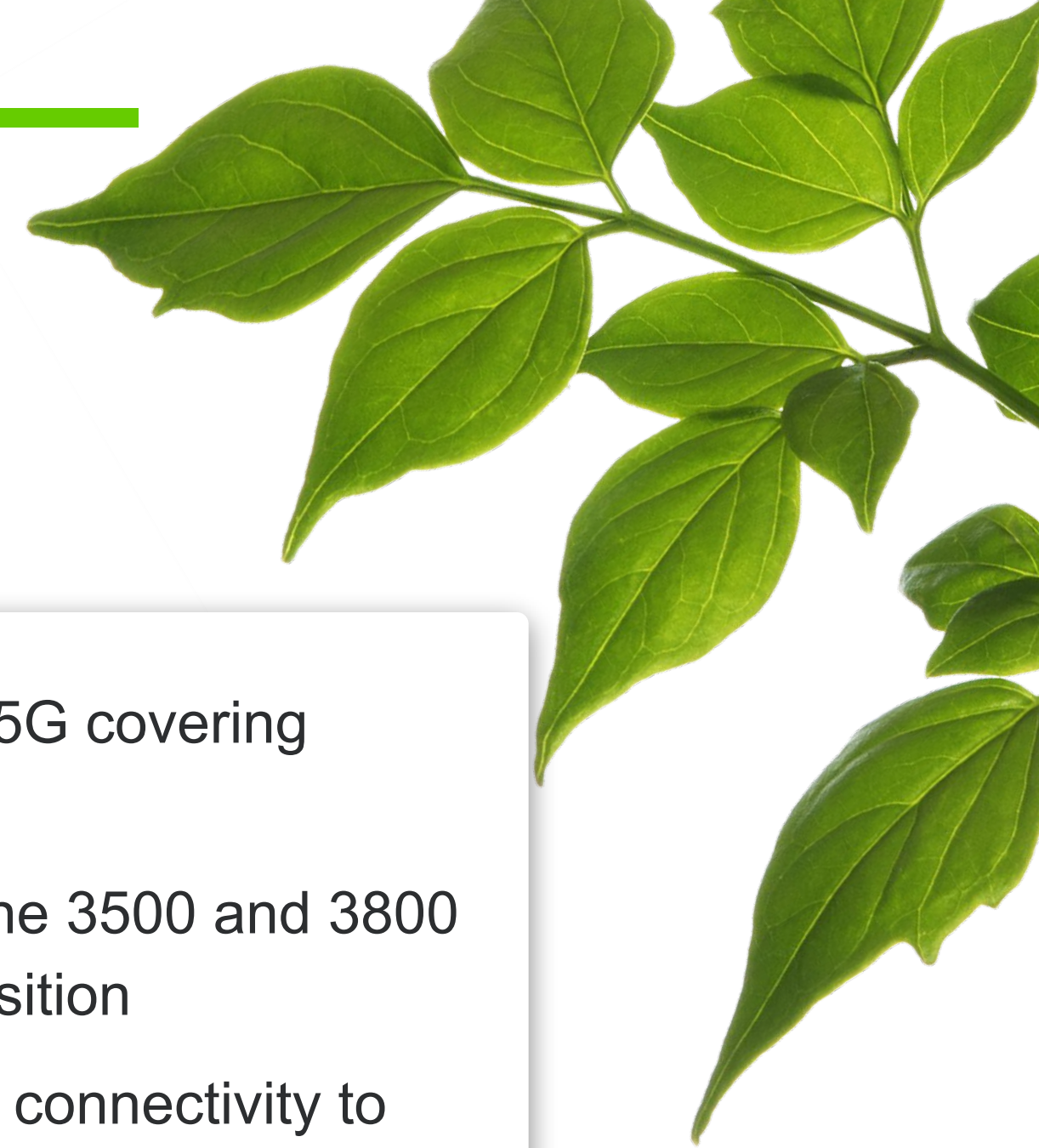
+259,000

Total fixed
net adds
(15,000) y/y



Our team achieved its second highest annual record for Fixed subscriber growth of 259,000 reflecting our industry-leading PureFibre network and superior bundled offerings

Our leading mobile and fixed broadband networks



- PureFibre network connecting approximately 3.2 million premises and 5G covering approximately 86% of Canadians
- Secured 100 MHz of contiguous premium mid-band spectrum across the 3500 and 3800 MHz spectrum bands, further enhancing our 5G network leadership position
- Bridging digital and socio-economic divides by delivering world-leading connectivity to rural and indigenous communities
- Actively removing, retiring and monetizing legacy copper cables, aligned with our real estate development opportunities

Generational broadband network investments to drive extensive socio-economic benefits for all Canadians, while underpinning the advancement of our operational and financial performance

Health Services

Revolutionizing Access to Healthcare
Fiscal 2023

\$1,705 million

Services revenue
+\$792 million y/y

69.5 million

Lives covered
+1.8 million y/y

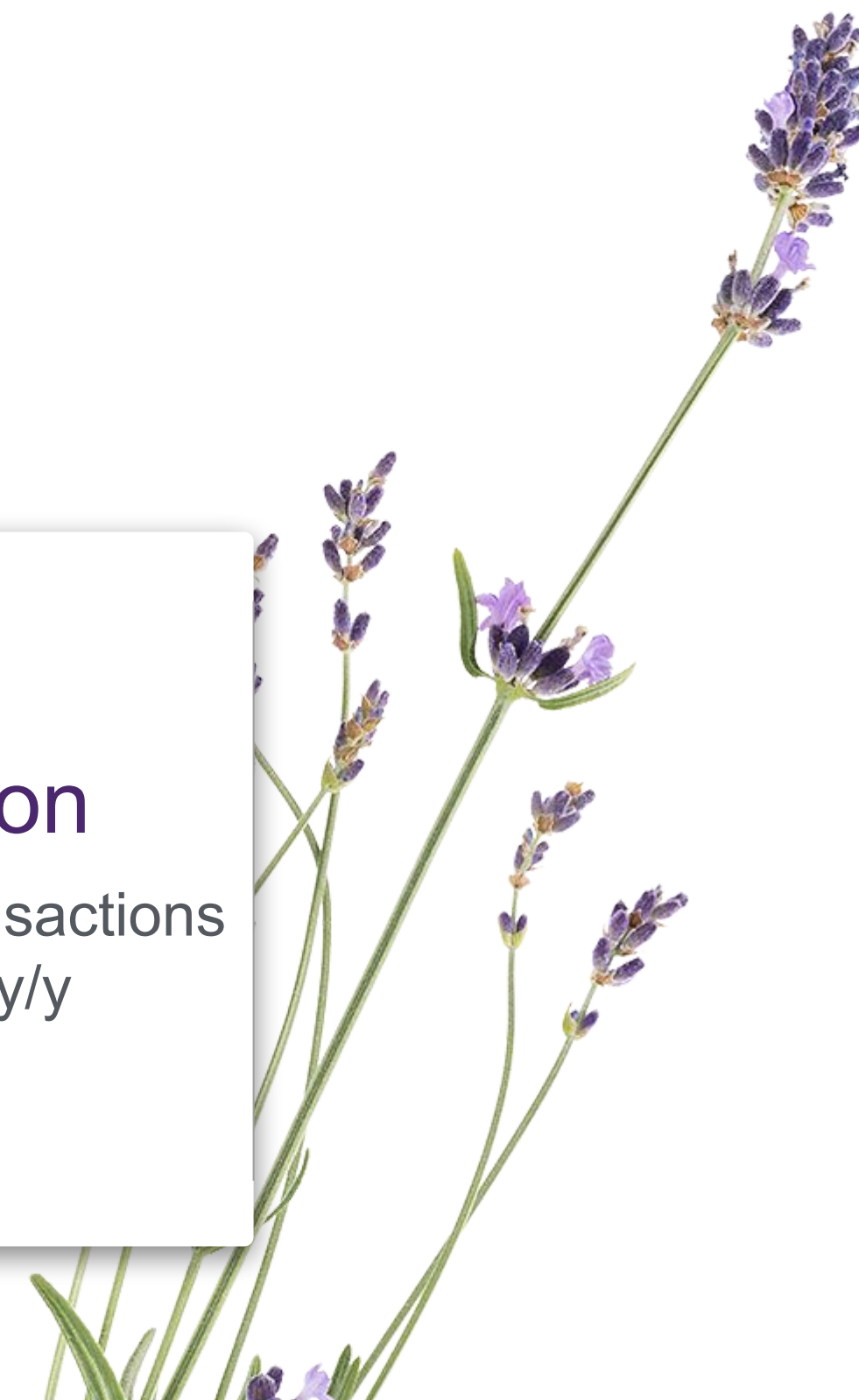
5.6 million

Virtual care members
+1.1 million y/y

610 million

Digital health transactions
+30 million y/y

Delivering strong revenue growth while focused intensely on integrating and scaling our global health operations to build the healthiest communities and workplaces on the planet



Agriculture & Consumer Goods Services

Digitally connecting the food value chain
Fiscal 2023

\$347 million

Agriculture and
Consumer Goods
services revenue

(2.0)% y/y

**1,500+ team
members
globally**

**Serving
customers in
over 50 countries**

Remain focused on becoming the world's largest global independent provider of digital technologies and data insights connecting customers across the agricultural products, food and packaged goods industries

Returning Capital to Shareholders

- Targeting 7 to 10% annual dividend growth from 2023 through 2025
- Quarterly dividend declared of \$0.3761 payable April 1, 2024, up 7.1% y/y
- 25 dividend increases since dividend growth program initiated in May 2011
- Returning approximately \$25 billion to shareholders since 2004, including \$20 billion in dividends and \$5 billion in share purchases

Ability to deliver on our dividend growth program reflects our confidence in executing our global growth strategy, and our ability to drive sustainable free cash flow growth



Leading the World in Social Capitalism

- Inspiring our team members, retirees and their family and friends to volunteer **1.5 million hours** around the world, making 2023 our most giving year ever.
- Since 2000, our extended TELUS family has provided **\$1.7 billion** in cash, in-kind contributions, time and programs, including **2.2 million days** of volunteering.
- Helping **2 million youth** reach their full potential through **TELUS Friendly Future Foundation**, by granting **\$11 million**, including **\$2 million** in bursaries, to **550** charitable and community organizations in 2023.
- Supporting **over 1.1 million** citizens in need through our **Connecting for Good** and **TELUS Wise** programs since inception, providing access to our world-leading technology and connectivity, and building digital literacy knowledge.

Our 20+ years of sustainability leadership



2000

First CSR Report

Enhanced disclosure to environmental, social & economic performance



2008

Launched Work Styles

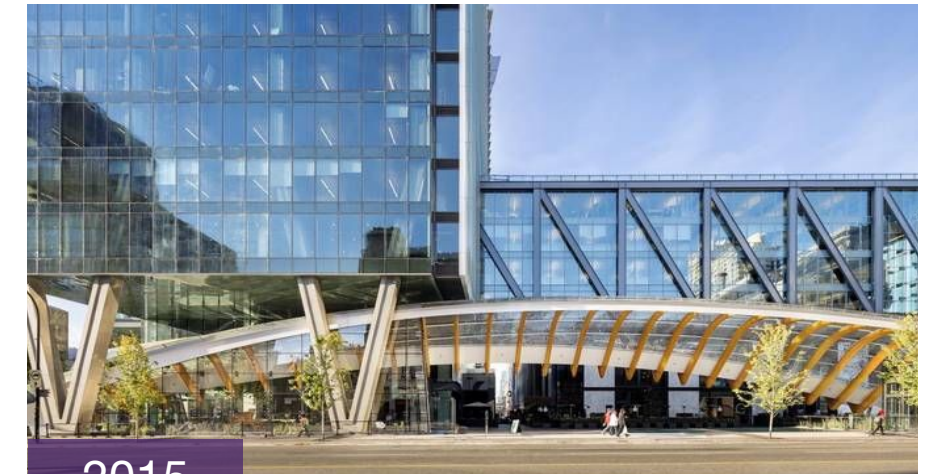
Improved team member engagement and productivity while reducing Scope 3 emissions



2011

Initial 10-year climate change targets

Exceeded 2020 target early: 31% emissions reduction over 2010 levels in 2019



2015

TELUS Garden corporate green mortgage bond \$225 million; first corporate mortgage bond in North America for real estate financing



2017

First Virtual Power Purchase Agreement (VPPA); First utility-scale solar farm in Western Canada



2021

Net carbon neutral operations by 2030 or sooner



2022

3 more renewable VPPAs operational; TELUS has executed the most renewable energy VPPAs in Canada across all industries



2021-2023

TELUS is now the largest sustainability-linked bond issuer in the Canadian fixed income market

Financial Results



TELUS Technology solutions (TTech)

Q4 2023

\$1.8 billion Mobile network revenue +3.8% y/y	\$1.2 billion Fixed data services revenue ¹ +3.6% y/y	\$4.4 billion Operating revenues +2.6% y/y	\$1.6 billion Adjusted EBITDA +8.0% y/y
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¹ Excludes health services as well as agriculture and consumer goods services revenues.

Our consistent focus on profitable loading and
our differentiated asset mix driving solid financial results



TELUS Technology solutions (TTech)

Fiscal 2023

\$6.9 billion Mobile network revenue +5.1% y/y	\$4.6 billion Fixed data services revenue ¹ +5.3% y/y	\$17 billion Operating revenues +9.5% y/y	\$6.4 billion Adjusted EBITDA +8.5% y/y
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¹ Excludes health services as well as agriculture and consumer goods services revenues.

Strong full year results reflecting our consistent operational execution and focus on high-quality customer growth and customer service excellence



Digitally-led customer experiences (DLCX)

Q4 2023

\$741 million

External
Revenues
+6.8% y/y

\$249 million

Adjusted
EBITDA¹
+19.4% y/y

26%

Adjusted EBITDA
margin²
+1.2 pts

¹ For certain metrics, there are definitional differences between TELUS and TELUS International reporting. These differences largely arise from TELUS International adopting definitions consistent with practices in its industry.

² This is a non-GAAP ratio that does not have any standardized meaning prescribed by IFRS-IASB and might not be comparable to similar measures presented by other issuers. See the Appendix in this presentation.



Macroeconomic pressure temporarily impacting TI service demand; TI actioning significant cost efficiency efforts to address lower service volumes and optimize cost structure

Digitally-led customer experiences (DLCX)

Fiscal 2023

\$2.9 billion

External
revenue
+9.3% y/y

\$774 million

Adjusted
EBITDA¹
+0.9% y/y

21%

Adjusted EBITDA
margin²
(2.9) pts

¹ For certain metrics, there are definitional differences between TELUS and TELUS International reporting. These differences largely arise from TELUS International adopting definitions consistent with practices in its industry.

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Macroeconomic pressure temporarily impacting TI service demand; TI actioning significant incremental cost efficiency efforts to address lower service volumes and to optimize its cost structure

Consolidated

Q4 2023 results

\$5.2 billion	\$310 million	\$1.9 billion	\$1.3 billion	\$590 million
Operating revenues	Net income ¹	Adjusted EBITDA ²	Cash provided by operating activities	Free cash flow ²
+2.6% y/y	+17% y/y	+9.4% y/y	+17% y/y	+83% y/y

¹ Adjusted Net Income was \$341 million, up 0.6% y/y. Adjusted Net income is a non-GAAP measure that does not have any standardized meaning prescribed by IFRS-IASB and is therefore unlikely to be comparable to similar measures presented by other issuers. See the Appendix in this presentation.

² These are specified financial measures. For quantitative reconciliations, see *Section 11.1* of the 2023 MD&A available on SEDAR+ at www.sedarplus.com.

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

Consolidated

Fiscal 2023 results

\$20 billion	\$867 million	\$7.2 billion	\$4.5 billion	\$1.8 billion
Operating revenues	Net income ¹	Adjusted EBITDA ²	Cash provided by operating activities	Free cash flow ²
+9.4% y/y	(50%) y/y	+7.6% y/y	(6.5%) y/y	+38% y/y

¹ Adjusted Net Income was \$1.37 billion, down 16.6% y/y. Adjusted Net income is a non-GAAP measure that does not have any standardized meaning prescribed by IFRS-IASB and is therefore unlikely to be comparable to similar measures presented by other issuers. See the Appendix in this presentation.

² These are specified financial measures. For quantitative reconciliations, see *Section 11.1* of the 2023 MD&A available on SEDAR+ at www.sedarplus.com.

Financial results driven by record customer growth over our leading networks, diversified and powerful asset mix, and company-wide focus on cost efficiency and effectiveness

Accelerating Cost Efficiency Programs



- Executing extensive cost efficiency programs (CEP) first announced in Q2 2023
- CEP in response to the evolving regulatory, competitive and macroeconomic environment
- Investments in leading broadband networks and digitization enabling meaningfully cost optimization
- Focus on efficiency to drive EBITDA expansion, margin accretion and accelerated cash flow growth

Progressing our accelerated plans to digitally revolutionise our business
and further streamline our operating costs

Establishing robust 2024 financial targets

TTech Operating revenues⁽¹⁾

Growth of 2 to 4%

TTech Adjusted EBITDA

Growth of 5.5 to 7.5%

Consolidated Free cash flow

Approximately \$2.3 billion

Consolidated Capital expenditures⁽²⁾

Approximately \$2.6 billion

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

² Excludes \$100 million targeted towards real estate development initiatives.

Consolidated Operating Revenues and Adjusted EBITDA expected to
grow at similar rates approximate to our TTech outlook

Strong liquidity position

Leading results driving our strong balance sheet and liquidity position

- Weighted average cost of long-term debt of 4.33%
- Average long-term debt term to maturity of 11.3 years
- Available liquidity¹ of approximately \$3.1 billion
- \$2.75 billion syndicated credit facility expiring July 2028
- \$600 million securitization trust expiring December 2024

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



Questions?

Investor relations

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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:

- DLCX Adjusted EBITDA margin is a non-GAAP ratio. Adjusted Net income and Available liquidity are non-GAAP financial measures. 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 2023 annual MD&A available on SEDAR+ at www.sedarplus.com and ‘*Non-GAAP and other specified financial measures*’ in our fourth quarter 2023 news release dated February 9, 2024.

Let's make the
future friendly,
together.

