

# People purpose passion



Q1 2024 investor conference call  
May 9, 2024



# Caution regarding forward-looking statements

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

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

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 updated in our first quarter 2024 MD&A, and in other TELUS public disclosure documents and filings with securities commissions in Canada (on SEDAR+ at [sedarplus.ca](https://www.sedarplus.ca)) and in the United States (on EDGAR at [sec.gov](https://www.sec.gov)).

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

# Demonstrating our consistent execution track record

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- Executing against our differentiated growth strategy
- Achieving industry-leading customer additions and solid financial results
- Leading customer growth underpinned by industry-best client loyalty
- Delivering exceptional customer experiences over our world-leading networks
- Progressing our ongoing transformational efficiency programs
- Delivering on our multi-year dividend growth program with 7% y/y increase
- Unwavering commitment to put our customers and communities first





# Mobility operating results

## Q1 2024

Mobile phone ARPU <sup>1</sup>	\$59.31	(1.8%) y/y
Mobile phone churn	1.13%	+23bps y/y
Mobile phone net adds	45,000	(2,000) y/y
Connected device net adds	101,000	+43,000 y/y

<sup>1</sup> Excluding mobile phone subscriber base adjustment of 283,000, ARPU declined by 1.6% in the quarter.

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



# Fixed operating results

## Q1 2024

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Internet net adds	30,000	(5,000) y/y
TV net adds	19,000	+10,000 y/y
Security net adds	22,000	No change
Total fixed net adds	63,000	+5,000 y/y



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

# Connecting people through our globally unmatched networks

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- PureFibre network connecting more than 3.2 million premises and 5G connecting approximately 86% of Canadians
- Bridging digital and socio-economic divides by delivering world-leading connectivity to rural and Indigenous communities
- Reclaiming copper cables driving efficiencies and aligned with our real estate development opportunities



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



# TELUS Health

## Revolutionizing health and wellbeing

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Health services revenue	\$420 million	(0.7%) y/y
Lives covered	71.7 million	+4.7 million y/y
Virtual care members	5.9 million	+0.7 million y/y
Digital health transactions	159 million	+10.1 million y/y



Pursuing our mission to build the most trusted wellbeing company in the world and support the mental, physical and financial health of organizations and individuals around the globe

# TELUS Agriculture & Consumer Goods

Driving efficiency through passion and technology

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Agriculture services revenue

**\$82 million**

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Team members globally

**1,500+**

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Customers

**5,400+**

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Harvesting valuable data analytics and insights to drive efficiency and effectiveness in the agriculture and consumer goods sector



# Returning capital to shareholders

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- Targeting 7 to 10% annual dividend growth from 2023 through 2025
- Quarterly dividend declared of \$0.3891 payable July 2, 2024, up 7.0% y/y
- 26 dividend increases since dividend growth program initiated in May 2011
- Returning more than \$25 billion to shareholders since 2004, including over \$20 billion in dividends and \$5.2 billion in share purchases



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



# Leading the world in social capitalism

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- Inspiring our team members, retirees and their family and friends to volunteer across 32 countries during our **19th annual TELUS Days of giving**, driving to achieve **1.5 million hours** of service around the world for the second consecutive year - more than any other company in the world.
- 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.
- Supporting **more than 33 million youth in-need** in Canada and around the world since 2005, through **TELUS Friendly Future Foundation** and our **19 TELUS Community Boards**, by granting **over \$126 million** in cash donations to **more than 10,000 initiatives**.





# Financial Results

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# TELUS technology solutions (TTech) Q1 2024

Mobile network revenue	\$1.7 billion	+2.9% y/y
Fixed data services revenue <sup>1</sup>	\$1.2 billion	+2.7% y/y
Operating revenues	\$4.2 billion	+0.4% y/y
Adjusted EBITDA	\$1.7 billion	+4.1% y/y

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

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



# Digitally-led customer experiences (DLCX) Q1 2024

External revenues	\$721 million	(4.6%) y/y
Adjusted EBITDA	\$207 million	+11% y/y
Adjusted EBITDA margin <sup>1</sup>	22.4%	+2.3 pts y/y

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

TELUS International executing significant cost efficiency programs positioning the business to achieve further EBITDA growth, incremental margin expansion and strong cash flow generation





# Consolidated Q1 2024

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Operating revenues	\$4.9 billion	(1.2%) y/y
Net income	\$140 million	(38%) y/y
Adjusted Net income <sup>1</sup>	\$390 million	+1.0% y/y
Adjusted EBITDA <sup>2</sup>	\$1.9 billion	+4.3% y/y

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

<sup>2</sup> These are specified financial measures. For quantitative reconciliations, see *Section 11.1* of the Q1 2024 MD&A available on SEDAR+ at [www.sedarplus.com](http://www.sedarplus.com).

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



# Reiterating 2024 financial targets

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

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<sup>(2)</sup>

Approximately \$2.6 billion

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

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



# Strong balance sheet and liquidity position

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- Weighted average cost of long-term debt of 4.37%
- Average long-term debt term to maturity of 10.7 years
- Available liquidity<sup>1</sup> of over \$4.2 billion
- \$2.75 billion syndicated credit facility expiring July 2028
- \$600 million securitization trust expiring December 2024

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





# Questions?

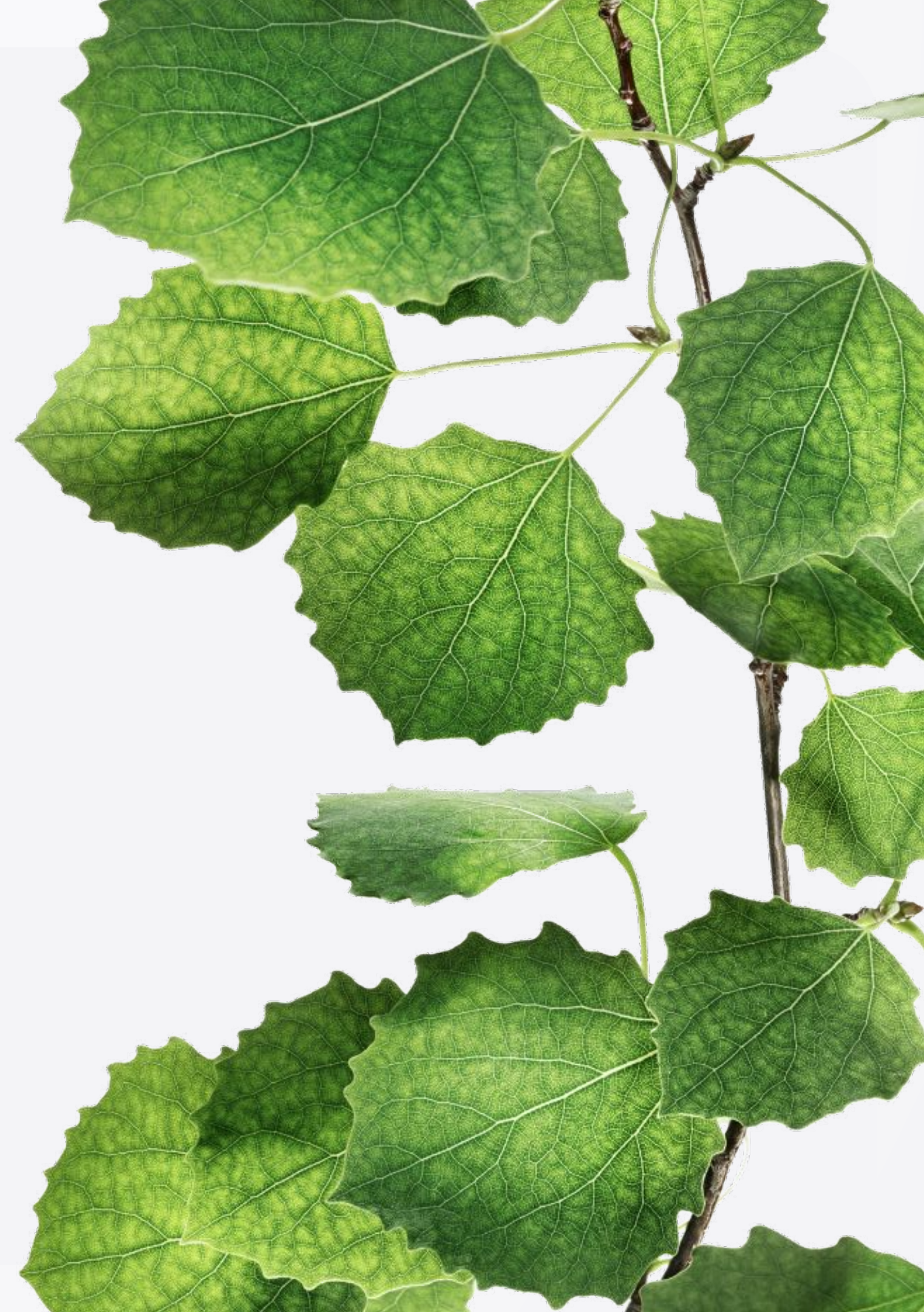
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# Appendix

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## Key definitions

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

- DLCX Adjusted EBITDA margin is a non-GAAP ratio. Adjusted Net income and Available liquidity are non-GAAP financial measures. Consolidated Adjusted EBITDA is an other specified financial measure. For further definitions and explanations of these measures, see *Section 11.1* of our first quarter 2024 MD&A available on SEDAR+ at [www.sedarplus.com](http://www.sedarplus.com) and '*Non-GAAP and other specified financial measures*' in our first quarter 2024 news release dated May 9, 2024.



Let's make the  
future friendly,  
together.

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