



Making a world of difference

Q1 2023 investor conference call
May 4, 2023



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 2023 targets, outlook, updates, 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 use words such as 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. This disclosure is presented for the purpose of assisting our investors and others in understanding certain key elements of our expected 2023 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 (such as the impact of the COVID-19 pandemic, regulatory decisions and developments, the performance of the Canadian and provincial economies, the competitive environment, the impact of technological substitution, challenges in deploying technology, our earnings and free cash flow, and our capital expenditures), and are based on assumptions, including about future economic conditions and courses of action. These assumptions may ultimately prove inaccurate and, as a result, our actual results or events may differ materially from expectations expressed today.

These assumptions, risks, and uncertainties are described in detail in our 2022 annual management's discussion and analysis (MD&A) and updated in our first quarter 2023 MD&A, and in other TELUS public disclosure documents and filings with securities commissions in Canada (on SEDAR at [sedar.com](https://www.sedar.com)) 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
- Continuing strong momentum from our diversified and powerful asset mix
- Returning capital to shareholders through our leading dividend growth program
- Demonstrating our unwavering commitment to put our customers and communities first

Mobile Operating Results

Q1 2023

\$58.61

Mobile phone
ARPU
+3.8% y/y

0.88%

Mobile phone
churn
+7 bps y/y

+47,000

Mobile phone
net adds
+1,000 y/y

+58,000

Connected device
net adds
+12,000 y/y

Continued high-quality and profitable customer growth leveraged by our strong digital capabilities and ability to deliver outstanding customer experiences over our world-leading network

Fixed Operating Results

Q1 2023

+35,000

Internet
net adds
+5,000 y/y

+9,000

TV
net adds
(1,000) y/y

+22,000

Security
net adds
(4,000) y/y

+58,000

Total fixed
net adds
+2,000 y/y



Superior product portfolio driving high quality customer growth and higher product intensity

Our leading mobile and fixed broadband networks

- PureFibre network connecting more than 3.0 million premises
- 5G covering approximately 83% of Canadians and growing
- Expanding world-leading connectivity to rural and indigenous communities
- Actively removing, retiring and monetizing legacy copper cables



Notable third party recognition

#1 **OPENSIGNAL**

#1 **OOKLA**

#1 **PC**
PCMAG.COM

#1 **TUTELA**

Consistently strong performance is powered by our highly engaged team, who passionately deliver superior service offerings and digital capabilities over our world-leading broadband networks

Health Services

Revolutionizing Access to Healthcare
Q1 2023

\$423 million

Services revenue
+\$283 million y/y

67.0 million

Lives covered
+45.1 million y/y¹

5.2 million

Virtual care members
+1.9 million y/y

148.9 million

Digital transactions
+9.3 million y/y

¹ During the third quarter of 2022, we added 36.9 million healthcare lives covered as a result of the LifeWorks acquisition.

Delivering strong revenue growth while continuing to focus 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
Q1 2023

\$84 million
(1.2%) revenue
growth y/y

1,600+ team
members globally

Serving customers in
over 50 countries

Expecting double-digit agriculture revenue growth in 2023, reflecting the significant long-term value we are creating as a globally-leading provider of agriculture and consumer goods technology solutions

Returning Capital to Shareholders

- Targeting 7 to 10% annual dividend growth from 2023 through 2025
- Quarterly dividend declared of \$0.3636 payable July 4, 2023, up 7.4% y/y
- 24 dividend increases since dividend growth program initiated in May 2011
- Returning \$23 billion to shareholders since 2004, including \$18 billion in dividends and \$5.2 billion in share purchases

Dividend growth supported by strong EBITDA growth profile and significant cash flow expansion

Leading the World in Social Capitalism

- TELUS Friendly Future Foundation (TFFF) and TELUS Community Boards have supported the health and well-being of more than 300,000 youth, so far in 2023, by granting \$2.1 million to 173 charitable organizations.
- Since its inception in 2018, TFFF has provided \$38 million in cash donations to our communities, helping 14 million youth reach their full potential.
- During the quarter, TFFF launched its \$1 million *Livable Communities for our Youth Challenge* to improve the lives of youth by connecting innovative entrepreneurs to Canadian charities. This Innovation Challenge brings together expertise across business, academia, entrepreneurs and charities. Up to five winners will be chosen to partner with a registered charity in Canada, with the total prize purse of \$1 million being awarded to fund the most compelling ideas and approaches.

Our 20+ years of sustainability leadership



2000

First CSR Report

Enhanced disclosure to environmental, social & economic performance



2008

Launched Work Styles

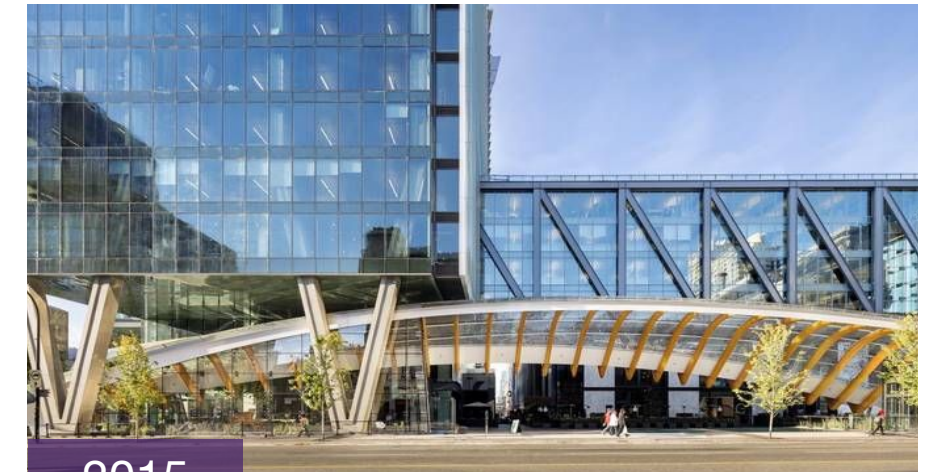
Improved team member engagement and productivity while reducing Scope 3 emissions



2011

Initial 10-year climate change targets

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



2015

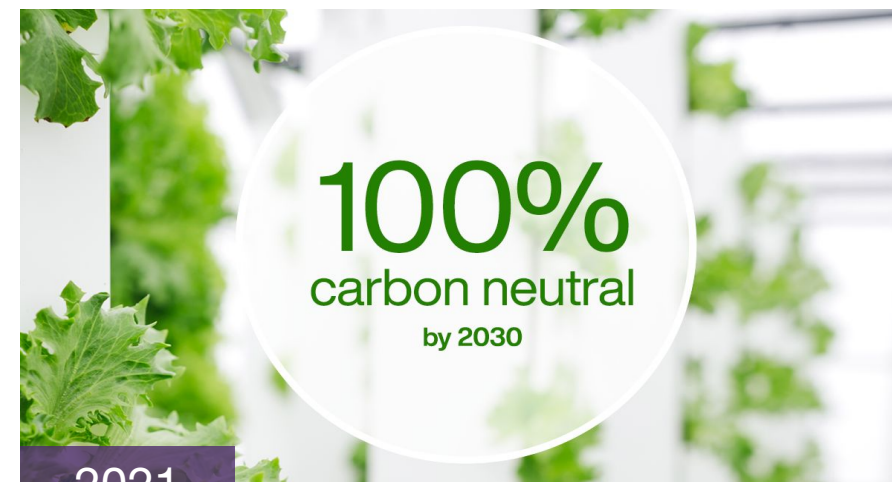
TELUS Garden green mortgage bond \$225 million; first green mortgage bond in North America for real estate financing



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 has become the largest sustainability-linked bond issuer in the Canadian fixed income market

Financial Results



TELUS Technology solutions (TTech)

Q1 2023

**\$1,697
million**

Mobile network
revenue
+7.6% y/y

**\$1,128
million**

Fixed data
services revenue¹
+6.7% y/y

**\$4,208
million**

Operating
revenues
+15.7% y/y

**\$1,593
million**

Adjusted
EBITDA
+11.0% y/y

¹ Excludes health services as well as agriculture & consumer goods services revenues.

Our consistent focus on profitable loading and our differentiated
asset mix drive strong financial results



Digitally-led customer experiences (DLCX)

Q1 2023

\$756 million

External
revenue
+17.4% y/y

\$186 million

Adjusted
EBITDA
+8.1% y/y

20.1%

Adjusted EBITDA
margin¹
-2.6 pts

¹ 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 achieved an impressive Q1 2023 performance, marked by double-digit revenue growth and solid profitability, despite the challenging macroeconomic conditions

Consolidated

Q1 2023 results

**\$4,964
million**

Operating
revenues and
other income
+15.9% y/y

**\$224
million**

Net
income¹
(44.6%) y/y

**\$1,779
million**

Adjusted
EBITDA²
+10.7% y/y

**\$761
million**

Cash provided
by operating
activities
(33.0%) y/y

**\$535
million**

Free
cash flow²
+28.9%

¹ In Q1 2023, Adjusted Net income decreased by \$29 million or 7.0%, excluding the effects of restructuring and other costs, income tax-related adjustments, other equity income related to real estate joint ventures, and virtual power purchase agreements unrealized change in forward element. 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 Q1 2023 MD&A available on SEDAR at www.sedar.com

Strong financial results supported by record customer growth on our leading networks, diversified and powerful asset mix, and our company-wide focus on delivering exceptional customer service

Re-affirming our 2023 consolidated targets

Operating revenues⁽¹⁾

Growth of 11 to 14%

Adjusted EBITDA

Growth of 9.5 to 11%

Consolidated capital expenditures
(excluding spectrum licences)⁽²⁾

Approximately \$2.6 billion

Free cash flow

Approximately \$2.0 billion

¹ For 2023, we are guiding on operating revenues, which excludes other income. Operating revenues for 2022 were \$18,292 million.

² Excludes \$75 million targeted towards real estate development initiatives.

Ambitious financial targets further demonstrate our
established operating momentum and execution excellence

Strong liquidity position

Leading results driving our strong balance sheet and liquidity position

- Weighted average cost of long-term debt of 4.18%
- Average long-term debt term to maturity of 11.8 years
- Available liquidity¹ of \$1.8 billion
- \$2.75 billion syndicated credit facility expiring April 2026
- \$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 Q1 2023 MD&A available on SEDAR at www.sedar.com and 'Non-GAAP and other financial measures' in our first quarter 2023 news release dated May 4, 2023.

Let's make the
future friendly,
together.

