

**Letter**  
to shareholders  
DECEMBER 2019



Editorial: Daniel Julien, Chairman and Chief Executive Officer

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Dear Shareholders,

Last month in Santa Clara, in the heart of Silicon Valley, California, we opened the Teleperformance Innovation Experience Center (T.I.E.C.), a real showcase of our high tech, high touch approach and our new digital ecosystem. We presented investors and financial analysts with the Group's growth and transformation strategy to **become a key global business services provider in high-value integrated digital solutions.**

The transformation reached an important milestone at the end of 2018, with the acquisition of Intelenet in India, and subsequent creation of our Digital Integrated Business Services (D.I.B.S.) solutions, enabling the Group to upscale and broaden its services offering.

Today, with a unique global presence in our core business, 300,000+ employees at 400+ sites in 80 countries, this transformation is now accelerating with the global deployment of digital solutions, including an omnichannel offering, TAP™ solutions, predictive models, automation and procedures, across the whole Group. This has involved the development of a team of 600+ dedicated engineers, a key differentiating factor. The Group has been investing to strengthen its cybersecurity, has reviewed its Go-To-Market

strategy and has continued to deploy the Lean Six Sigma operational discipline for all Group managers.

Lastly, we have strengthened our organization, with the creation of an expanded Management Committee incorporating more women, so that we can succeed in this transformation and **do better, simpler, safer, faster and be more efficient.**

Our confidence in the success of this transformation strategy recently led us to raise **our objectives for 2022, notably targeting revenue of around 7 billion euros.**

***"To become a key global business services provider in high-value integrated digital solutions"***

Reflecting this positive momentum, the Group reported a strong increase in revenue for the third-quarter, with nearly + 14% like-for-like growth. **This is the thirtieth straight quarter of like-for-like growth exceeding + 5%, hence above the market.**

I would like to thank all our stakeholders, clients, employees, partners, the communities where we operate all over the world, and of course our shareholders for their loyalty and support in **developing a successful, agile and responsible Group.**



**Cosmos | Integrity**

I say what I do,  
I do what I say



**Earth | Respect**

I treat others with  
kindness and empathy



**Metal | Professionalism**

I do things right  
the very first time



**Air | Innovation**

I create & improve



**Fire | Commitment**

I'm passionate & engaged

## Grand Opening of the T.I.E.C., the new showcase for Teleperformance's global expertise and digital solutions in the heart of Silicon Valley

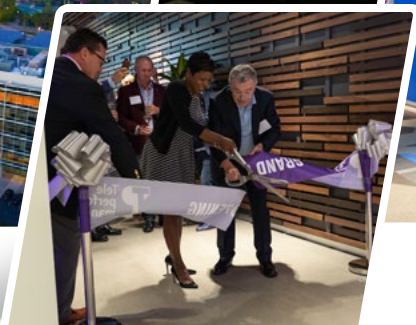
The Teleperformance Innovation Experience Center (T.I.E.C.) was inaugurated on October 15, 2019, by Daniel Julien, Chairman and Chief Executive Officer of Teleperformance.

This new center allows existing and potential clients to experience all of the *high tech*, *high touch* innovations deployed by Teleperformance worldwide.



**Teresa Mesquita,**  
Chief Global  
Marketing  
Officer

*"The challenges our clients face in terms of transformation and customer experience are becoming more and more complex. The goal of the T.I.E.C. is to help brands discover and adopt new digital solutions that are faster, safer and more efficient"*



## A SUCCESSFUL DIGITAL DAY organized in the T.I.E.C.



Nearly 40 participants attended the Teleperformance Digital Day in Santa Clara, California, on October 16 and 17, 2019, a day dedicated to investors and financial analysts.

Daniel Julien, Chairman and Chief Executive Officer of Teleperformance, along with the members of the Management Committee and Group's experts, gave presentations on the acceleration of the Group's transformation with the global deployment of its digital solutions: omnichannel offering, TAP™ solutions (Technology, Analytics, Process), predictive models, automation and procedures.



### GOOD TO KNOW!

All of the Digital Day documentation, including the replay of the presentations, is available on the investor relations website:

<https://www.teleperformanceinvestorrelations.com/>  
(Press Releases and Documentation section/  
Investor Days)



KEY FIGURES

**600+**  
TAP™ experts  
(Technology, Analytics, Process)

**100+**  
proprietary digital  
platforms

**5,000+**  
bots operating

**15,000+**  
consulting projects  
delivered

## DIGITAL TRANSFORMATION STRATEGY TO BETTER RESPOND TO NEW CLIENT NEEDS

### Facilitating the digital transformation of major brands

The necessary evolution of the business models of the major global brands, whether from the digital or traditional economy, and the increased demand from consumers are generating significant needs for innovative digital solutions.

Teleperformance supports the digital transformation of its clients by combining its expertise in data analysis, automation & artificial intelligence, its Lean Six Sigma operational discipline and its multilingual & innovative capabilities in human capital management.

### A dedicated team of experts

The acceleration of Teleperformance's global deployment of digital solutions is based on the development of a TAP™ (Technology, Analytics, Process) team, a real center of excellence made up of 600+ dedicated experts. Thanks to their pragmatism and proximity to clients, these experts can optimize the most complex processes to make them better and safer.

### IMPROVE CUSTOMER EXPERIENCE QUALITY WITH INTERACTION ANALYTICS

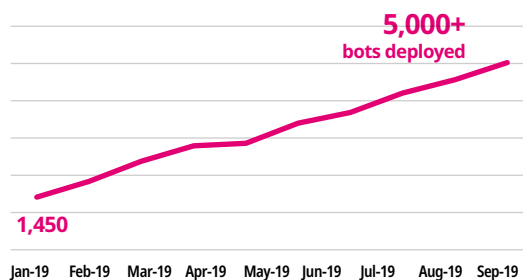
Interaction analytics solutions, based on transcripts of phone conversations, chats or e-mails, make it possible to measure consumer emotions with even greater precision and thus to adapt the performance of agents in real time. The insights from customer data are also applied to improve the customer experience. The number of claims can be reduced by almost 50%!



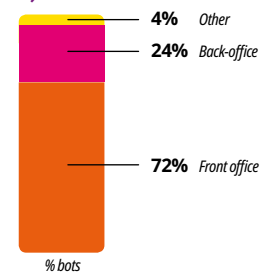
### ACCELERATED DEPLOYMENT OF BOTS

Teleperformance now manages more than 5,000 bots. And more than 1,250 others are currently being developed. 72% of these automated computer programs support front office (customer experience) operations and help interaction experts be even more efficient.

#### Strong growth in the number of bots



#### Breakdown of bots by function



## The Group is confident in the success of this strategy and raised its 2020-2020 financial targets at Digital Day



The Group is now targeting:

- Revenue of around €7 billion in 2022, including average like-for-like\* growth of at least + 7% per year and targeted acquisitions in high value-added services
- An average annual increase in EBITA margin of at least + 10 bps over the period
- Continued strong net free cash flow generation



**Daniel Julien,**  
Chairman and Chief Executive Officer

*"We are healthy, pretty agile, and we are here to win, and to continue to win for a long time."*



# "This is the highest quarterly growth reported in the past seven years"

3 questions for Olivier Rigaudy, Deputy CEO and Group CFO

## 1 What are the key takeaways from the release of the third-quarter revenue?

We delivered a tremendous third-quarter performance, with a +13.5% like-for-like increase in consolidated revenue for the period, well above the market growth. This is the highest quarterly growth reported in the past seven years. On a reported basis, third-quarter revenue growth came to +25.6%, lifted by the positive impact from the first-time consolidation of the ex-Intelenet operations. Since the start of 2019, revenue growth has accelerated in our two activities, Core Services & D.I.B.S. and Specialized Services. This dynamic was especially strong in the North American market and the Ibero-LATAM region, where growth continued to accelerate compared with the two first quarters.

## 2 What are the main growth drivers?

The speed-up in growth results from the deployment of the strategy presented last month, during Digital Day, to become a leading global group in digital integrated business services.

In particular, we are responding to the growing needs of our clients both in the development of their "e-business" and in their digital transformation. For example, we serve more and more players in the digital and collaborative economy. We accompany their rapid expansion all over the world. These customers represent 23% of the revenue generated over the first 9 months of 2019, compared to only 18% for the whole of 2018.

## 3 What is the outlook for the end of the year?

Based on the very good performance delivered in the third-quarter, we have raised our full-year 2019 revenue growth objective, now targeting around +10.0% like-for-like revenue growth, versus "at least +8.5%" previously. In addition, we have confirmed our objective to increase EBITA margin before non-recurring items by at least 20 bps, excluding the positive impact of the first-time application of IFRS 16 from January 1, 2019.

### KEY FIGURES

THIRD-QUARTER 2019 REVENUE

**€1,352 m**

+ 13.5% like-for-like\*

FIRST NINE MONTHS 2019 REVENUE

**€3,916 m**

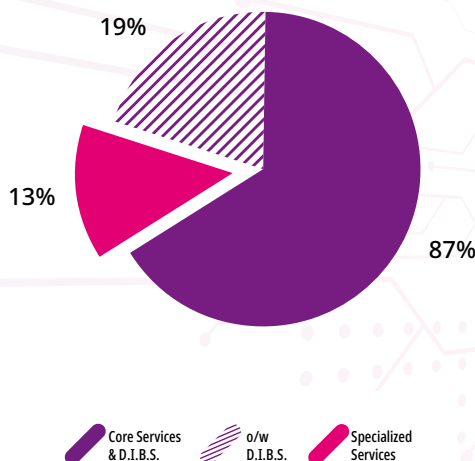
+ 11.5% like-for-like\*

### 2019 OUTLOOK:

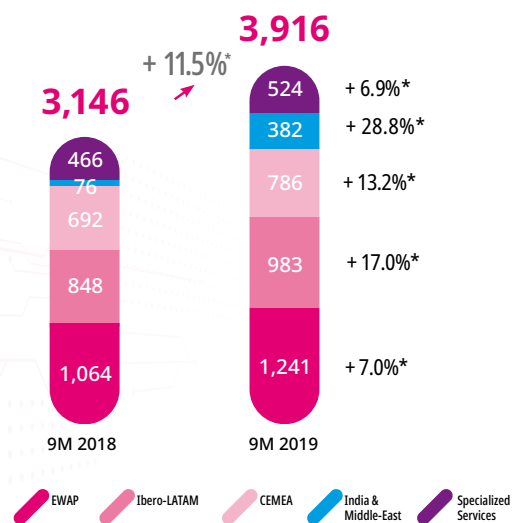
- Full-year 2019 growth target raised: **growth of around +10.0% like-for-like**
- Confirmed improvement in EBITA margin before non-recurring items of **at least +20 bps\*\***

\* At constant exchange rates and scope of consolidation  
 \*\* Excluding the impact of applying IFRS 16 from January 1, 2019

REVENUE BY ACTIVITY 9 months 2019



REVENUE BY ACTIVITY (€M) 9 months 2019 vs. 9 months 2018



\* At constant exchange rates and scope of consolidation



**1 Accessible to deaf and hard of hearing, LanguageLine Solutions® services reduce inequalities**

Since the start of 2019, LanguageLine Solutions® has generated nearly 1.5 million minutes of sign language interpretation in more than 103,000 video sessions.



*“Struggling to communicate is a thing of the past. InSight®, our state-of-the-art video interpretation technology, helps the deaf overcome this barrier. We are very proud to provide this valuable solution!”*



**Scott Klein,**  
President of  
Specialized Services

**Signatory to the United Nations Global Compact (UNGC) since 2011, Teleperformance has been an active contributor to the 17 United Nations Sustainable Development Goals\*.**

The Group's commitment to addressing major global challenges, such as those related to poverty, inequality and climate, includes the development of unique work environments and solutions that create value for the Group and society. To illustrate this commitment, three of Teleperformance's many initiatives are presented here.

\* See <https://www.unglobalcompact.org/> for more details

**3 Connecta Campus in Colombia: a privileged work environment, like every Teleperformance site!**

The Connecta center in Colombia ensures a pleasant, safe and comfortable workplace, in perfect harmony with Teleperformance's culture, so that every agent feels fully valued. By offering a unique and multicultural work environment, Teleperformance in Colombia



Site in Connecta (Colombia)

has just been awarded for the third consecutive year by the Great Place to Work® Institute, an independent expert in workplace well-being.

**Around the world, nearly 70% of employees of the group work in a subsidiary that has received a Great Place to Work® award.**

**2 Launch of TP Women, an initiative to increase diversity and gender equality**

*“With more than 300,000 employees in 80 countries, the diversity of the Teleperformance family is incredible! The ‘TP Women’ program, set up in 2019, aims in particular to anchor gender equality even more deeply in the Group's culture and to strengthen the presence of women in positions of responsibility. It is led by almost 100 active members, covering all the countries where we operate.”*



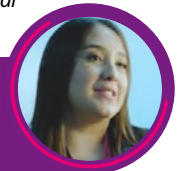
**Miranda Collard,** Chief Client Officer of the EWAP region and Chair of TP Women



*“Beyond the incredible attractiveness of our workspace and the cultural diversity, I greatly appreciate all the initiatives that promote my personal development.”*



**Tatania G.,** supervisor in Connecta (Colombia)



**Strengthened governance**

A reinforced Management Committee, incorporating more women and expanded to 21 managers has been set up to support the acceleration of the Group's transformation. It includes the 8 members of the Executive Committee.

The position of President of Transformation was created and entrusted to Bhupender Singh, former CEO of Intelenet. He reports directly to Daniel Julien, Chairman and Chief Executive Officer of Teleperformance.

President and Chief Operating Officer of the Ibero-LATAM region, Agustin Grisanti is also taking charge of CEMEA operations management.

**Composition of the Executive Committee**

**EXECUTIVE MANAGEMENT**



- 1. Daniel Julien,**  
Chairman and Chief Executive Officer
- 2. Olivier Rigaudy,**  
Deputy Chief Executive Officer and Group Chief Financial Officer



- 3. Jeffrey Balagna,**  
Chief Operating Officer of the EWAP region
- 6. Scott W. Klein,**  
President of Specialized Services

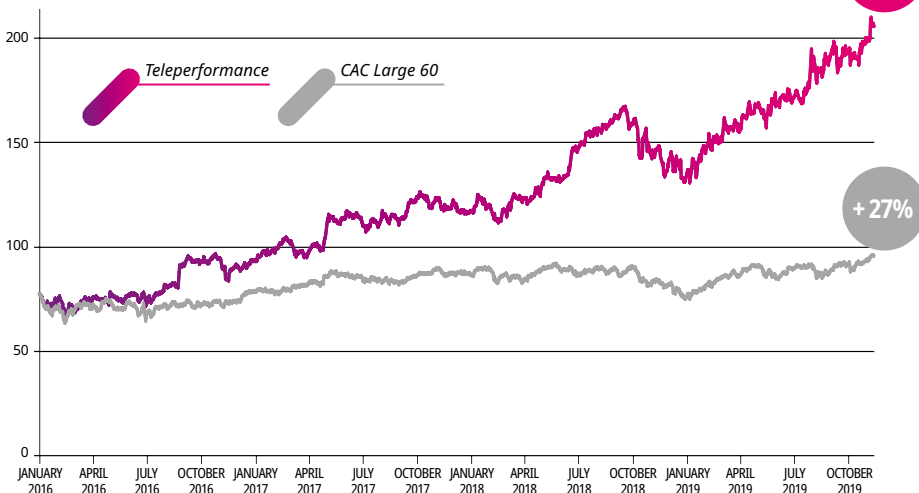


- 4. Eric Dupuy,**  
President of Global Business Development
- 7. Leigh Ryan,**  
Global Chief Legal Officer and Chief Compliance Officer



- 5. Agustin Grisanti,**  
Chief Operating Officer of the CEMEA and Ibero-LATAM regions
- 8. Bhupender Singh,**  
President of Transformation

**TELEPERFORMANCE SHARE PRICE PERFORMANCE (IN €)**  
compared to CAC Large 60\* since January 1, 2016



\* Based on Teleperformance share price as of January 1, 2016

Teleperformance shares are traded on the Euronext Paris market, Compartment A, and are eligible for the deferred settlement service. They are included in the following indices: **CAC Large 60, CAC Next 20, CAC Support Services, SBF 120, STOXX 600, MSCI Global Standard and S&P Europe 350.**

They have also been included in the **Euronext Vigeo Eurozone 120 index since December 2015 and the FTSE4Good Index since June 2018 with regard to the Group's performance in corporate responsibility.**

Ticker: TEP - ISIN: FR0000051807 - Reuters: TEPFR.PA - Bloomberg: TEP FP

**58,719,000**

OUTSTANDING SHARES  
AS OF NOVEMBER 22, 2019

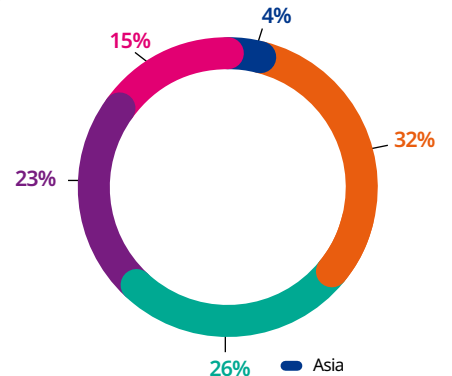
**€12.6 billion**

MARKET CAPITALIZATION  
AS OF NOVEMBER 22, 2019

**SHAREHOLDING STRUCTURE**

Daniel Julien, Chairman and CEO as well as Group founder, holds 2.0% of the company's share capital. Institutional investors from around the world own 84% of the share capital.\*

**Geographical breakdown of institutional shareholders\***



\* As of September 15, 2019, based on the country of the company owning the shares

**SAVE THE DATE**

(indicative calendar)

**February 20, 2020**

Release of 2019 annual results

**April 16, 2020**

2020 Annual General Meeting

**TELEPERFORMANCE AT A GLANCE**



*The worldwide leader in outsourced omnichannel customer experience management*

**300,000+**  
EMPLOYEES

**265**  
LANGUAGES

**80**  
COUNTRIES

**400+**  
SITES

**Simpler. Faster. Safer.**



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Investor Relations Department - +33 (0)1 53 83 59 15 - 21-25, rue Balzac - 75008 Paris - [investor@teleperformance.com](mailto:investor@teleperformance.com)

