

inspired to be *the best*

 **Teleperformance**

# Shareholders Newsletter

NOVEMBER 2022

## CONTENTS

**CSR**  
TELEPERFORMANCE  
IS COMMITTED TO  
BEING AN EMPLOYER  
OF CHOICE

PARTNERSHIP WITH  
ONE TREE PLANTED  
pages 2-3

**INNOVATION**  
OUTSOURCED  
SALES CAMPAIGNS  
MANAGEMENT  
page 4

**FINANCE**  
THIRD-QUARTER 2022  
REVENUE AND OUTLOOK  
Three questions for  
Olivier Rigaudy  
Deputy CEO and Group CFO  
page 5

**SHAREHOLDER  
INFORMATION**  
INVESTIR DAY

SHARE INFORMATION  
AND CALENDAR  
pages 6-7

## Dear Shareholders,

In this newsletter, we are pleased to share the Group's latest developments, its financial performance and its new targets.

**In early November, we reported Q3 2022 revenue showing that the Group remains very strong** despite an uncertain economic environment. Teleperformance generated growth of +17.2% as reported, of which +7.0% like-for-like and +13.8% excluding the impact of Covid support contracts. The outlook is encouraging. The current momentum supports our forecast of revenue above €8 billion for the full year, with like-for-like growth of more than +12%, excluding the impact of the Covid contracts. This growth is coupled with an upward trend in EBITA margin.

**We have continued our strategy of selective external growth** and have further expanded our range of high value-added activities, with the acquisition of PSG Global Solutions ("PSG"), which offers a leading outsourced recruitment service in the United States. Its offering is based on a digital platform that reduces the time and cost of recruitment, a competitive asset in light of today's very tight labor market.

**In the medium term, growth will continue to be sustained thanks to our three-fold expertise in "lines of business, client verticals, geographies"** and our reinforced investments in digital solutions. We are maintaining our revenue target of around €10 billion at constant scope by 2025, with an EBITA margin of 16%.

**The well-being of our employees remains key to the Group's development.** In October 2022, for the second year running, Teleperformance was named one of the World's 25 Best Workplaces™ across all industries by *Fortune* magazine in partnership with Great Place to Work®.

**As a world-class employer, we responded quickly, firmly and transparently to recent controversy in the news media** regarding the working conditions of our content moderation employees in the United States and Colombia. The Teleperformance share price has been destabilized and we are working to restore the conditions of trust and confidence that will allow the stock to get back to its usual valuation levels. To start with, we have

launched a 150 million share buyback program to protect our shareholders.

Although the attacks we have been facing are largely unfounded, we have decided to exit the content moderation segment that exposes employees to the most egregious images. We will of course continue our other moderation activities, which are an essential service to protect citizens from fraud, fake news and abusive content.

We immediately launched a dual internal and external audit managed by a renowned firm to review the compliance of our subsidiary in Colombia with applicable local laws and regulations. The findings will be publicly disclosed. This subsidiary has also engaged in discussions with local unions and the new Colombian government.

We have also invited institutional investors to an open door visit in Bogotá, so that they can form their own opinion by "seeing and feeling" the reality on the ground.

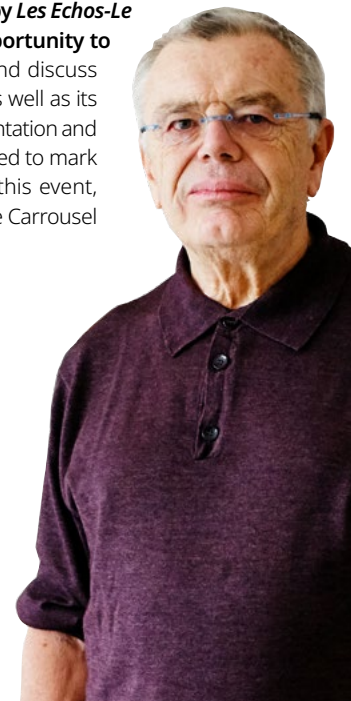
Lastly, in a spirit of compromise, we have invited UNI Global to continuing discussions on a global partnership agreement based on the UN Global Compact, which we signed in 2011.

We are doing everything possible to calm the situation, reassure our partners and quickly return to the path of value creation for all our stakeholders.

**Our participation in Investir Day on November 29, the leading event in France dedicated to individual shareholders and organized by *Les Echos-Le Parisien*, was a very good opportunity to answer all your questions** and discuss the Group's current situation as well as its many projects. A strategic presentation and playful animations were displayed to mark our first-ever participation in this event, which took place this year at the Carrousel du Louvre in Paris.

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

*"The well-being  
of our employees  
remains key  
to the Group's  
development"*



Cosmos  
Integrity



Earth  
Respect



Metal  
Professionalism



Air  
Innovation



Fire  
Commitment



# Teleperformance rises to 11<sup>th</sup> place in *Fortune* and Great Place to Work<sup>®</sup> Best Employers Ranking

64 countries certified Great Place to Work<sup>®</sup> covering 97% of 420,000 employees

## Content moderation (Trust & Safety), a public interest mission

Teleperformance's Trust & Safety solutions provide ongoing protection of customer data, ensuring regulatory compliance, safeguarding brand reputation and making platforms safer in a wide range of sectors such as social media, e-commerce, technology, travel, financial services and online gaming.

While artificial intelligence processes 97% of content on forums and social networks, moderators intervene to analyze content that requires contextualization as well as cultural and linguistic nuances.

The issues at stake, both political and human, are complex and must be considered in strict compliance with local legislation and platforms' charters in order to best protect users.



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

*"After reflecting on the feedback received from our shareholders regarding the perception of our Trust & Safety business, Teleperformance announced its decision to exit from the segment of this business that is exposed to the most egregious content."*

*Teleperformance is one of the few companies in the world that can provide this essential service professionally, at global scale, with the highest standards in terms of employee safety and well-being."*

 **CLICK HERE**

[Read the related press release published on November 17, 2022](#)

## Employee mental health protection at the heart of the Trust & Safety business

Since 2018, Teleperformance has implemented measures to foster the well-being and mental health of its moderators so that they can do their jobs in the best possible conditions: an appropriate hiring procedure involving a series of psychometric tests, training provided to all managers and advisors to help them identify signs of emotional stress, access to psychological support for up to nine months after the end of their contract, more frequent paid breaks and better wages than other business lines.

The well-being of moderators and, more broadly, of employees is an absolute priority for the Group, which is committed to being an employer of choice. This factor is an



essential prerequisite for its success and value creation.





Teleperformance has partnered with  
**One Tree Planted**  
to plant **500,000 trees**  
across the world for the good of people,  
nature and biodiversity.



## Teleperformance helps its clients to grow their business

Teleperformance's success is based on its range of solutions. Deployed according to a three-dimensional "TP Cube" approach (lines of business, client verticals, geographies), **it responds perfectly to the growing complexity of client needs all over the world.**

### TP boost

In an uncertain economic environment, major brands need to sell more and better to their own customers. The innovative **TP Boost** solution allows them to outsource the management of their sales campaigns, helping them make the best offer at the best time.

TP Boost is based on **combining the best salespeople with artificial intelligence. The efficiency of digital marketing campaigns is thus greatly enhanced**, whether they are intended for customer acquisition or for the retention of existing customers.



#### DID YOU KNOW?

Outsourcing marketing campaigns allows major brands to **respond more effectively to customer expectations in terms of personalized offers and understanding their needs, while optimizing their budget.**

*Source: Retail Customer Experience; Hubspot*

**85%** of decision makers say it's not a question of whether to **outsource**, but **how much to outsource sales programs.**

*Source: cabinet Gartner*



Video is an ideal interaction channel for making digital marketing campaigns even more effective!

**TP** live

**6-fold increase**

in online campaign visibility with TP Live



## "The Group will continue to grow in the fourth quarter"

Three questions for Olivier Rigaudy, Deputy CEO and Group CFO

01

### What are the key takeaways from the release of the third-quarter 2022 revenue figures?

We continued to deliver strong growth in the third quarter, with revenue up +7.0% like-for-like, or +13.8% excluding the decrease in the contribution from Covid support contracts. We are very satisfied with this performance, which was achieved despite a very unsettled macroeconomic environment.

02

### What drove this excellent performance?

This strong momentum is based in particular on the Group's robust and diversified client portfolio. Thanks to its global presence and its attractive offering of integrated solutions, "from the field to the board room", the Group is also perfectly placed to fully benefit from the market's structural growth of the market, linked to continuing digitalization and the need for outsourced and digital customer experience services. This sustained demand comes from global players in the digital economy as well as from large, well-known brands that are digitalizing their offering. The Group's operations in the social media, travel, financial services and healthcare sectors have grown rapidly as a result.

The Specialized Services activities also enjoyed sustained growth, led by the resounding recovery of TLScontact's visa application management business and the continued steady development of LanguageLine Solutions' online interpreting business.

03

### What is the outlook for the full year?

Despite an uncertain economic environment, the Group will continue to grow in the fourth quarter, thanks to the ramp-up of contracts signed over the course of the year. We have raised our full-year 2022 targets. Like-for-like revenue growth excluding Covid support contracts should be more than +12%, versus the 2022 target of more than +10% initially communicated. The EBITA margin before non-recurring items should stand at around 15.5%, up +40 basis points year on year, and up +10 basis points compared with the initially announced 2022 target of a +30 basis point increase.



#### CLICK HERE

Read the third-quarter 2022 revenue press release published on November 3

## KEY FIGURES

THIRD-QUARTER 2022

REVENUE:

€2,056m

+13.8%

like-for-like\* growth, excluding Covid\*\*

+7.0%

like-for-like growth\*

FIRST NINE MONTHS 2022

REVENUE:

€6,002m

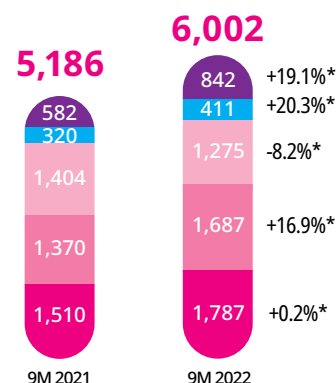
+13.2%

like-for-like\* growth, excluding Covid\*\*

+6.0%

like-for-like growth\*

## REVENUE BY ACTIVITY (€m)



## Teleperformance has acquired PSG Global Solutions ("PSG"), a leader in digital recruitment process outsourcing in the US.

This \$300 million deal will create immediate value for Teleperformance shareholders as it is expected to be accretive to EBITDA margin and earnings per share in 2022 on a proforma basis.

This \$300 million deal will create immediate value for Teleperformance shareholders as it is expected to be accretive to EBITDA margin and earnings per share in 2022 on a proforma basis.

"Teleperformance has further strengthened its strong added-value Specialized Services activities with the acquisition of PSG, specialists in recruitment process outsourcing solutions. They rely on a digital platform that reduces the length and the cost of recruitment."



Daniel Julien, Chairman and Chief Executive Officer



PSG Global Solutions

a high growth, profitable, and strong cash generative company

- Revenue: \$75 million (2022E), with an annual revenue growth of around +40% (2019-2022E CAGR).
- Approximately 4,000 expert recruiters, mostly based in the Philippines.
- More than 110 clients.



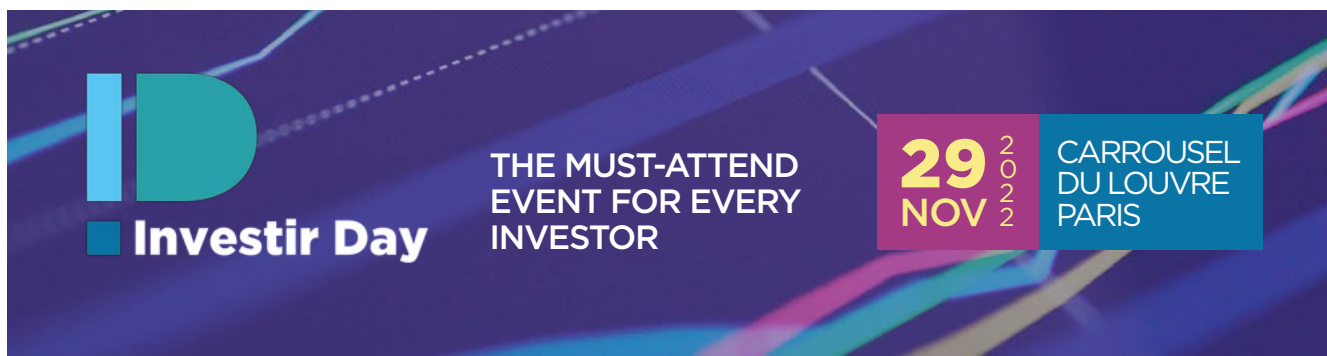
#### CLICK HERE

Read the press release announcing the transaction on October 27, 2022

## FULL-YEAR 2022 TARGETS RAISED

- Like-for-like revenue growth excluding Covid support contracts of **more than +12%**
- EBITA margin before non-recurring items at **around 15.5%, up +40 basis points**

\* At constant exchange rates and scope of consolidation  
 \*\* Excluding the impact of lower revenue from Covid support contracts



## Teleperformance participates for the first time in Investir Day

Investir Day is back in the prestigious setting of the **Carrousel du Louvre in Paris on November 29, 2022 from 8:30 am to 8:00 pm**. Whether you are an expert or a beginner investor, you will be able to interact with and get advice from different players and specialists in finance and climate. Teleperformance is one of the partners of Investir Day and will be delighted to tell you about its various activities and innovations.



### AGENDA

A replay of the interview with **Olivier Rigaudy**, Deputy CEO and Group CFO, at Investir Day Live is available on the Group website.



[CLICK HERE](#) See the replay of Olivier Rigaudy's interview (in French)

#### NOVEMBER 29:

AT 10:30 am

Olivier Rigaudy will present the Group strategy and outlook and answer your questions.

ALL DAY

Experts will be available to present the high-touch, high-tech and the CSR strategy. A unique immersive experience in the Teleperformance metaverse will be offered in the morning.

The Investor Relations team will also be on hand to answer all your questions.



*"I am honored to present of Teleperformance's activities for its first participation in Investir Day. My 20 years of experience in the Group have allowed me to contribute to its incredible expansion, made possible by the high-touch, high-tech strategy, a real mantra that I will explain to you in more detail. So, come and joins us".*

**Karine Jan**, CEO of Teleperformance in France

Register now at [www.investirday.fr](http://www.investirday.fr)



## AWARDS

### Teleperformance joins the CAC 40 ESG index, the benchmark CSR index of the Paris stock exchange

In September 2022, Teleperformance joined the CAC 40 ESG index, the first national CSR index by Euronext. Launched in March 2021, it brings together the 40 French companies in the CAC Large 60 with the best environmental, societal and governance (ESG) practices, based on the French SRI label and the principles of the UN Global Compact, of which Teleperformance has been a signatory since 2011.



*"This distinction reflects the strong commitment of Teleperformance to employees' well-being, diversity and inclusion within its organization, as well as climate. Our inclusion in the CAC 40 ESG is a concrete outcome that attests to this commitment."*

**Olivier Rigaudy**, Deputy CEO and Group CFO

## SHARE INFORMATION

### LISTING

Euronext Paris, compartment A

#### Symbols:

Euronext ticker: TEP – ISIN: FR0000051807

Reuters: TEPRF.PA – Bloomberg: TEP FP

#### Euronext sector classification:

Professional Business Support Services (ICB)

#### Number of outstanding shares:

59,120,842 as of October 31, 2022

#### Market capitalization:

€16 billion as of October 31, 2022

**Global indices:** CAC 40, SBF 120, STOXX 600, MSCI Global Standard et S&P Europe 350

**ESG indices:** CAC 40 ESG (since 2022) Euronext Vigeo Euro 120 (since 2015), EURO STOXX 50 ESG (since 2020), MSCI Europe ESG Leaders (since 2019), FTSE4Good (since 2018), Solactive Europe Corporate Social Responsibility (since 2019) and S&P Global 1200 ESG (since 2017)

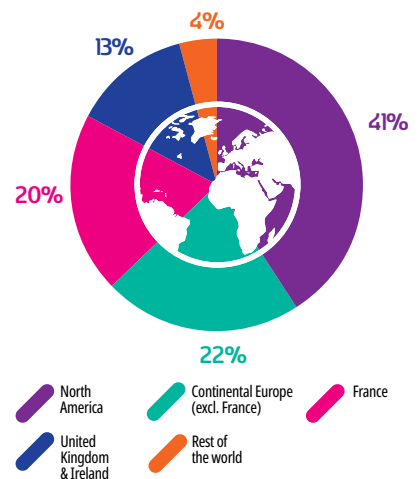
#### MSCI ESG rating: AA

(confirmed in September 2022)

### CAPITAL

Over 775 identified institutional investors from around the world owned 84% of the share capital as of September 2022.

#### Geographical breakdown of institutional investors\*



\* Based on the country of the company owning the shares

## TELEPERFORMANCE SHARE PRICE (IN €)\* OVER 5 YEARS



\* Compared to the CAC 40 index rebased Teleperformance share price as of October 31, 2017

### SAVE THE DATE

(indicative calendar)

**November 29, 2022** – Investir Day

**February 16, 2023** – 2022 Annual Results

**April 25, 2023** – First-quarter 2023 Revenue

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## LET'S KEEP IN TOUCH!

Sign up to receive all our financial documentation and key Teleperformance news by e-mail by sending a message to

[investor@teleperformance.com](mailto:investor@teleperformance.com) or writing to us the Group's website:

<http://www.teleperformance.com/Contact Us Section>

**420,000**  
people

**~ 50 %**  
working from home

From  
**88**  
countries

In  
**265+**  
languages

For  
**1,000+**  
clients

In  
**170**  
markets

# Simpler. Faster. Safer.



*Founded in 1978 by Daniel Julien, Teleperformance is the global leader in outsourced customer and citizen experience management and related digital services. It is the preferred high-touch, high-tech partner of market-leading global companies undergoing rapid expansion, as well as government agencies. The Group implements digital strategies to optimize and transform their customer and citizen experience and other business processes to make interactions "Simpler, Faster, Safer".*

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