

# Shareholders' Newsletter

DECEMBER 2023

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Dear shareholders,

The end of 2023 has not only been rich in challenges for the Group, but also in opportunities. In this latest Newsletter, I am pleased to share two key factors that confirm Teleperformance's strength.

**First, we are delighted to announce the recent finalization of the Majorel acquisition, with over 99.9% of the company's shares tendered in the offer.**

This success reflects the transaction's relevance and the potential of high value creation for our shareholders. The acquisition has driven the emergence of a new Teleperformance, one that is stronger in every way, especially in terms of geographies, verticals, and lines of expertise. It sets the stage for robust growth and global leadership over the coming years.

On a proforma basis, Teleperformance will have around 500,000 employees, more than €10 billion in revenue, over €2 billion in EBITDA and nearly €1 billion in net free cash flow. Strong financial flexibility will allow the Group to continue to grow with a highly efficient allocation of capital, including share buybacks and acquisitions.

As we embark on this promising new journey, I am delighted to welcome Majorel's team to the Teleperformance family. Together, with our shared commitment to the core values of Integrity, Respect, Professionalism, Innovation and Commitment, we will continue to be a best-in-class example of diversity, equity, and inclusion.

**Secondly, the resilience of the Group business model was demonstrated in our latest financial publication on November 6:** with a like-for-like growth of +6% recorded for the first nine months of 2023, we confirm our like-for-like revenue growth target, in the low end of the +6% to +8% initial guidance range, excluding Covid contracts and the exceptional exchange rate volatility impact related to countries experiencing hyperinflation. The environment is still challenging with many US companies tightening their budgets and the evolution of consumer behavior after several years of confinement. Our profitability model is a reference with one of the highest annual EBITA margins in the industry.

We would like to thank you for your loyalty and support and look forward to presenting you further updates in early 2024 on the integration of Majorel's operations into Teleperformance and the Group's new medium-term objectives. In the meantime, slightly ahead of time, we wish you an excellent end-of-year break.

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



Cosmos  
Integrity



Earth  
Respect



Metal  
Professionalism



Air  
Innovation



Fire  
Commitment



# Teleperformance strengthens its global leadership with the acquisition of Majorel



## The "New Teleperformance", in figures\*

**~ 500,000**  
employees in  
95 countries

including 3,000 high  
added-value digital  
transformation experts

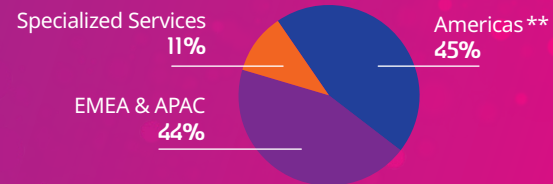
**€2bn+**  
in EBITDA

**€10bn+**  
in revenue

**~€1bn**  
in net free  
cash flow

### A well-balanced global footprint

Revenue breakdown by activity



\*Aggregated estimated 2023 figures of the two companies  
\*\*North America, India, the Philippines, and LATAM



*"With more than 99.9% of Majorel's shares tendered in the offer, this success reflects the transaction's relevance and the potential of high value creation for our shareholders. The acquisition has driven the emergence of a new Teleperformance, one that is stronger in every way, especially in terms of geographies, verticals, and lines of expertise."*

**Daniel Julien**, Chairman and CEO of Teleperformance

## Last steps of the acquisition

**October 20, 2023**

Results of the offer  
Offer declared  
unconditional

**November 3, 2023**

**Finalization of the acquisition**  
Results of the offering post-acceptance  
period > 99.9%

**November 1<sup>st</sup>, 2023**  
1<sup>st</sup> Majorel  
consolidation

**November 8, 2023**  
Settlement

**November 28, 2023**

Squeeze out

**December 11, 2023**

Delisting of Majorel

Post acceptance  
period

Closing

Squeeze out and Delisting

## The acquisition of Majorel provides Teleperformance with a new springboard for further growth over the next few years

With this transaction, the Group is strengthening:

- 1** its global footprint, especially in Europe, including France and Germany, where Teleperformance has a relatively limited presence, as well as in Asia and Africa
- 2** its positioning in a number of high-growth potential verticals, such as financial services, insurance and luxury goods
- 3** its high added-value lines of expertise on claim management and end-to-end document processing as additional opportunities



## Synergies confirmed

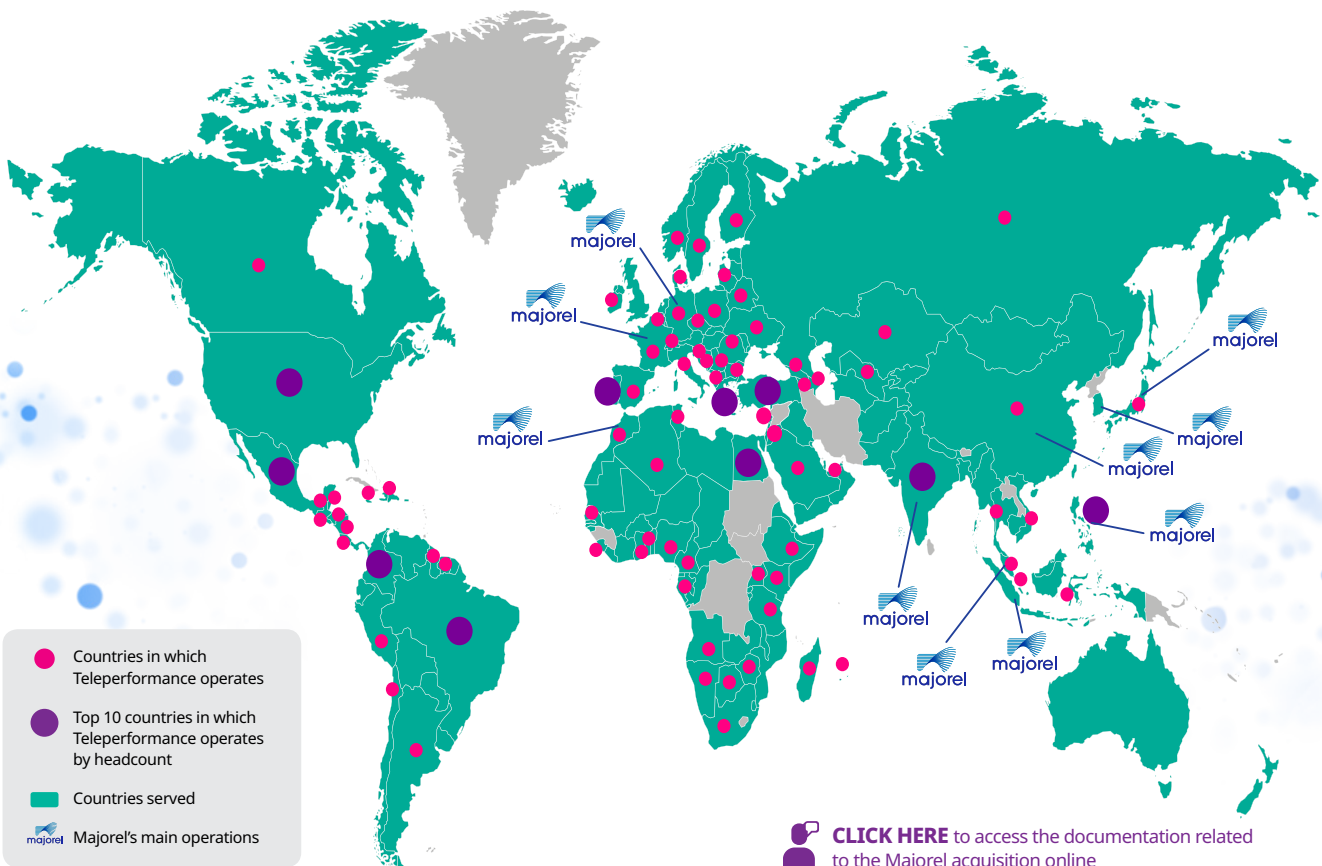
The combination will create a wide range of synergies, in terms of both revenue and costs.

The cost synergy plan has been confirmed, with projected savings well into the initial target range of €100 million to €150 million.

The key areas for synergy opportunities are IT (licenses, hardware, procurement, etc.), site management and cost mutualization.

## Saham Group and Bertelsmann Group, former reference shareholders of Majorel, each take up 3.6% of Teleperformance's capital, for a total holding of 7.2%

In addition, Moulay Hafid Elalamy, founder of the Saham Group, is set to join Teleperformance's Board of Directors in early 2024.



[CLICK HERE](#) to access the documentation related to the Majorel acquisition online



**“We expect to return nearly €600 million in cash to shareholders in 2023”**

Three questions for Olivier Rigaudy, Deputy CEO and Group CFO

01

**What are the key takeaways from the revenue announcement for the first nine months of 2023?**

Revenue for the first nine months of 2023 amounted to €5,949 million, representing an increase of +6.0% on a like-for-like basis, excluding the impact of the year-on-year decline in the contribution from Covid contracts. This like-for-like growth was satisfactory, even as the economic and geopolitical environment remained uncertain. It reflects the resilience and diversity of Teleperformance's client portfolio by region, by industry and by service line. This performance is notably underpinned by solid gains in operations in Europe and in India, and in Specialized Services, as well as robust momentum in the social media, content moderation, financial services and healthcare sectors.

02

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

The environment is still challenging, with many US companies tightening their budgets and consumer behavior evolving post Covid. We are targeting satisfactory like-for-like revenue growth in the low end of the 6% to 8% initial guidance range, excluding the impact of lower revenue from Covid support contracts and hyperinflation in Turkey and Argentina. In addition, we confirm our EBITA margin target. Following the acquisition, Majorel will be consolidated as of November 1, 2023.

03

**What is the Group's policy in terms of cash return to shareholders?**

We expect to return nearly €600 million in cash to shareholders in 2023, resulting from dividends for €227 million and share buybacks for around €350 million. In August 2023, the Group launched a share buyback program for a total amount of up to €500 million. The opportunity arose from the Group's strong cash flow generation, its unrivaled, industry-leading performance in a challenging macroeconomic environment, and its future growth prospects, none of which were properly reflected in its stock price. Teleperformance's financial flexibility is solid. The Group has an investment capacity of around €1 billion. Following the acquisition of Majorel and completion of this share buyback program, the Group's net debt leverage remains under control, at around 2.0x\*, which will enable it to continue developing in key markets in the years ahead.

\* Based on est. 2023 aggregated annual figures for Teleperformance and Majorel.



**CLICK HERE** to access the first nine months 2023 revenue press release published on November 6, 2023

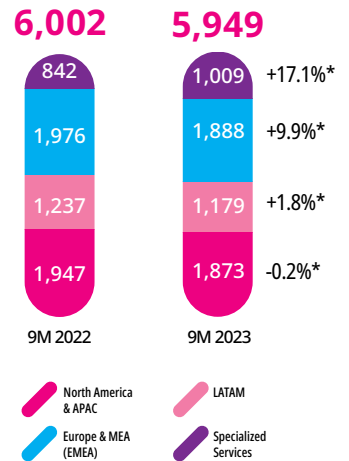
**KEY FIGURES**

FIRST NINE MONTHS 2023 REVENUE:

**€5,949m**

**+6.0%** like-for-like, excluding impact of Covid contracts\*

REVENUE BY ACTIVITY (€m)



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

**FULL-YEAR 2023 GUIDANCE CONFIRMED**

- Like-for-like revenue growth in the low end of the +6% to +8% initial guidance range\*
- EBITA margin target of around 16%
- Consolidation of Majorel from November 1, 2023

**CASH RETURN TO SHAREHOLDERS OF NEARLY €600 MILLION BY END-2023**

- Share buybacks
- Dividends

\* At constant scope of consolidation and exchange rates, and excluding the impact of lower revenue from Covid support contracts and excluding the exchange rate volatility impact related to countries with hyperinflation

**SUCCESSFUL ISSUE OF €1.4BN IN LONG-TERM BONDS, MORE THAN 5.1X OVER-SUBSCRIBED**

This outcome illustrates the market's confidence in Teleperformance's creditworthiness and its "BBB" Standard & Poor's rating. The proceeds of the bonds will be used to refinance the Majorel acquisition.

Two tranches were issued:

- a 5-year senior bond for €700 million with a 5.25% coupon,
- an 8-year senior bond for €700 million, with a 5.75% coupon.

**TELEPERFORMANCE SHARE PRICE (IN €)\* OVER 10 YEARS**



\* Compared to the CAC 40 index rebased Teleperformance share price as of January 1, 2014



# Adapt to Master the *Future*



## ADAPT

Today, more than ever, technological innovations mean adapting to change.

## to MASTER

Teleperformance is a global leader in digital business services, blending the best of advanced technology with human empathy.

## the FUTURE

To meet the evolving needs of its clients and the world's biggest brands, Teleperformance is accelerating its digital transformation, relying notably on artificial intelligence to make its solutions simpler, faster and safer.



## DIVERSITY & INCLUSION

### Teleperformance strengthens its commitment to Impact Sourcing

NOVEMBER 2023



#### The Group joined the Impact Sourcing Alliance,

whose mission is to support sharing Impact Sourcing information and best practices globally among Business Process Outsourcing (BPO) players.



JUNE 2023



#### Teleperformance has also committed to recruiting 500 refugees

over the next three years in Europe in partnership with Tent Partnership for Refugees (Tent).

TENT



[CLICK HERE](#) to read the June 22, 2023 press release



#### DID YOU KNOW?

Impact Sourcing refers to initiatives designed to offer job opportunities to people facing barriers to employment.

Around 20% of the Group's workforce comes from these programs, the vast majority of whom are young people without qualifications.

## GREAT PLACE TO WORK®

### Fortune ranks Teleperformance among World's Top 5 Best Workplaces in 2023



The results of the Great Place to Work® survey, collected from 14.8 million employees worldwide, have ranked Teleperformance among the top 25 global leaders for the third consecutive year.

**More than 99% of Teleperformance employees work in a Great Place to Work®-certified location.**



[CLICK HERE](#) to read the November 20, 2023 press release

## LATEST NEWS

### Citizen of the Planet

#### World Clean-up Day

Employees around the world took part in **World Clean-up Day** on September 16, 2023.

### Citizen of the World

#### Partnership with Feed the Children

For the start of the 2023 school year, Teleperformance has provided more than 2,800 American families with school supplies and food, in partnership with Feed the Children.



#### Global agreement between Teleperformance and UNI Global Union

The global agreement between Teleperformance and UNI Global Union has been implemented in Colombia, Romania, Poland, Jamaica and El Salvador since it was signed in December 2022.



[CLICK HERE](#) to read the UNI's press release published on December 13, 2023



## Concrete examples of using AI in core Teleperformance operations

TP AI Open Doors in Zoetermeer, Netherlands



*"TP AI Open Doors was organized on September 21, 2023, at Zoetermeer (Netherlands) and Santa Clara (United States) sites. The event gave more than 65 investors and analysts the opportunity to understand how the Group has been improving its performance by integrating artificial intelligence into its operations for several years. We are convinced that new technologies remain a major lever of growth and excellence for Teleperformance and its partners."*

**Bhupender Singh**, Deputy Chief Executive Officer and President of Group Transformation

## Presentation by Samsung on its partnership with Teleperformance

### SAMSUNG

Samsung is one of the world's largest producers of electronic devices. Samsung Benelux and Teleperformance have built a solid partnership over almost a decade. Investors were highly impressed by the concrete and comprehensive presentation by Daan van der Mijden, Samsung Benelux's Senior Director of Customer Service.



**Daan van der Mijden**, Senior Director Customer Service, Samsung

*"I was very honored to present the partnership with Teleperformance at TP AI Open Doors. This partnership has transformed Samsung customer experience by setting up a 24/7 service combining bots and human advisors, enabling advisors to focus on complex queries."*

## Enthusiastic testimonials from investors on TP AI Open Doors

*"The event highlighted the significant use of AI throughout the organization and also highlighted the complications of AI and its ability to disrupt human interaction" summarized a North American investor.*

*"Meeting Samsung's representative was incredibly useful to understand the clients' perspective. (...) Also really appreciated having videos of concrete examples of bots and real agent use cases" commented a French investor.*



TP AI Open Doors in Santa Clara, United States



**CLICK HERE** to ask the TP AI Open Doors presentation

## LATEST NEWS ON ARTIFICIAL INTELLIGENCE

### Teleperformance deploys AI solutions leveraging ServiceNow cloud platform

Thanks to a single simplified knowledge management system and automation of certain transactional tasks, Teleperformance enhances the employee experience, increases productivity and transforms its operations.



**CLICK HERE** to read the June 13, 2023 press release

### Teleperformance expands Microsoft partnership by launching TP GenAI, a generative AI platform

Teleperformance leverages Microsoft Azure artificial intelligence tools to deliver a better customer experience.



**CLICK HERE** to read the June 20, 2023 press release

AWARDS



MOODY'S | ESG Solutions

With a score of 70/100, up 4 points vs. 2022, Teleperformance is well above the 46/100 average for its sector. The marked increase in the social criterion (+9 points) highlights the Group's efforts to promote diversity and inclusion, social dialogue, employee development and respect of human rights. Its steady rise since 2019 (+15 points) confirms the validity of its CSR approach.

Teleperformance's Investor Friendly approach recognized once again in the Institutional Investors Extel annual ranking

based on investor votes (survey results published in September 2023). The Group was ranked in the Top 1 or 2 in five different categories within the Business & Employment Services sector in Europe.

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:

63,443,054 as of December 15, 2023

Market capitalization:

€7.8bn as of December 15, 2023

Global indices:

CAC 40, STOXX 600, S&P Europe 350, MSCI Global Standard et Euronext Tech Leaders

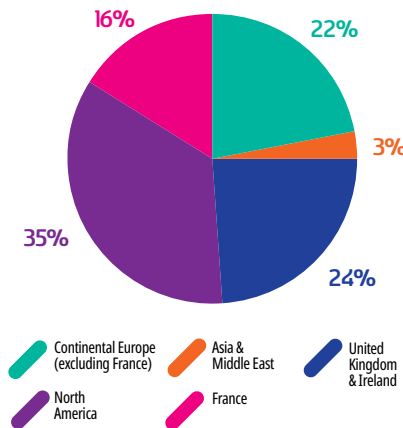
ESG indices:

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), et S&P Global 1200 ESG (since 2017)

ESG Ratings MSCI : A

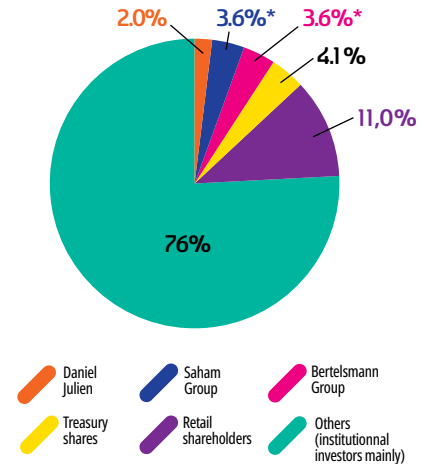
CAPITAL

In September 2023, the Group had nearly 530 identified institutional investors, broken down geographically\* as follows:



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

Following the finalization of the Majorel acquisition, Teleperformance's shareholding structure changed as follows (as of December 15, 2023):



\*New shareholders

SAVE THE DATE

(indicative agenda)

March 6, 2024

2023 Annual Results

April 30, 2024

First-quarter 2024 revenue

Second-quarter 2024

Capital Market Days

(event date will be announced soon)

LET'S KEEP IN TOUCH!

Sign up to receive all our financial documentation and key Teleperformance news by email by sending a message to [investor@teleperformance.com](mailto:investor@teleperformance.com) or writing to us via the Group's website: [teleperformance.com](https://www.teleperformance.com) / "Contact us" section

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