



Investor Presentation

May 2024

 **TELUS**® International

Disclaimer

Forward-Looking Statements

This presentation contains forward-looking statements concerning our business, operations and financial performance and condition, as well as our plans, objectives and expectations for our business operations and financial performance and condition. Any statements contained herein that are not statements of historical facts may be deemed to be forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as “aim”, “anticipate”, “assume”, “believe”, “contemplate”, “continue”, “could”, “due”, “estimate”, “expect”, “goal”, “intend”, “may”, “objective”, “plan”, “predict”, “potential”, “positioned”, “seek”, “should”, “target”, “will”, “would” and other similar expressions that are predictions of or indicate future events and future trends, or the negative of these terms or other comparable terminology. These forward-looking statements are based on our current expectations, estimates, forecasts and projections about our business, and the industry in which we operate and management's beliefs and assumptions, and are not guarantees of future performance or development and involve known and unknown risks, uncertainties and other factors that are in some cases beyond our control. We assume no obligation to update or revise any forward-looking statements, whether as a result of new information, future events, uncertainties or otherwise, except as required by law. Factors that may cause actual results to differ materially from current expectations include, among other things, those factors described in our “Risk Factors” section of our Annual Report filed on SEDAR+ and in “Item 3D – Risk Factors” of our Annual Report on Form 20-F filed on EDGAR, each dated February 9, 2024.

Non-GAAP Financial Measures

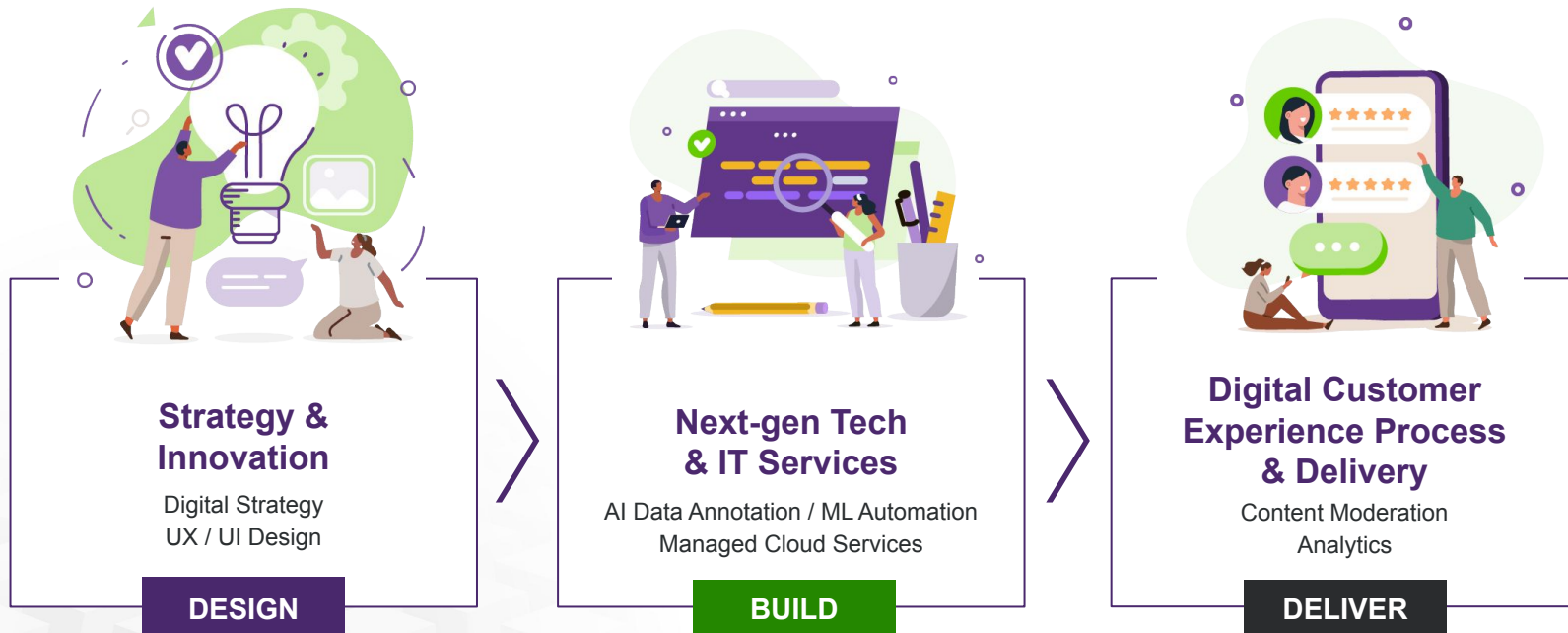
This presentation also contains non-GAAP financial information, with reconciliation to GAAP measures presented at the end of this presentation. We report certain non-GAAP measures used in the management analysis of our performance, but these do not have standardized meanings under International Financial Reporting Standards as prescribed by the International Accounting Standards Board (IFRS-IASB). These non-GAAP financial measures and non-GAAP ratios may not be comparable to GAAP measures or ratios and may not be comparable to similarly titled non-GAAP financial measures or non-GAAP ratios reported by other companies, including those within our industry and TELUS Corporation, our controlling shareholder. Management believes that these measures are commonly reported by issuers and widely used by investors as an indicator of a company's operating performance. These non-GAAP financial measures, which should be considered only as a supplement to, and not as a superior measure to, measures prepared in accordance with GAAP.

Beginning in the three-month period ended March 31, 2024, we no longer exclude share-based compensation expense, changes in business combination-related provisions, and the tax effects of these items, as applicable, in our presentation of Adjusted Net Income, Adjusted Basic and Diluted EPS, and Adjusted EBITDA. We believe this presentation is more indicative of underlying business performance, and better aligns the presentation of these non-GAAP financial measures and ratios with comparable measures and ratios of TELUS Corporation, our parent company. All comparative financial information herein has been restated to conform to the current period presentation.

Currency

All financial information in this presentation is stated in U.S. dollars.

We are a leading digital customer experience innovator that designs, builds, and delivers next-generation solutions for global and disruptive brands



The TELUS International difference



\$750B+	Total addressable market ¹
18	Average programs per client ²
650+	Clients
76%	Global top quartile Engagement ³
68	Delivery locations
	<div> <div>FY 2023</div> <div>2024 Outlook⁴</div> </div>
Revenue	<div> <div>\$2.71B</div> <div>\$2.79 - 2.85B</div> </div>

Note: CX (Customer Experience).

¹ Total addressable market estimated by management as of 2023.

² Top 10 clients, excl. TELUS, as of December 31, 2023.

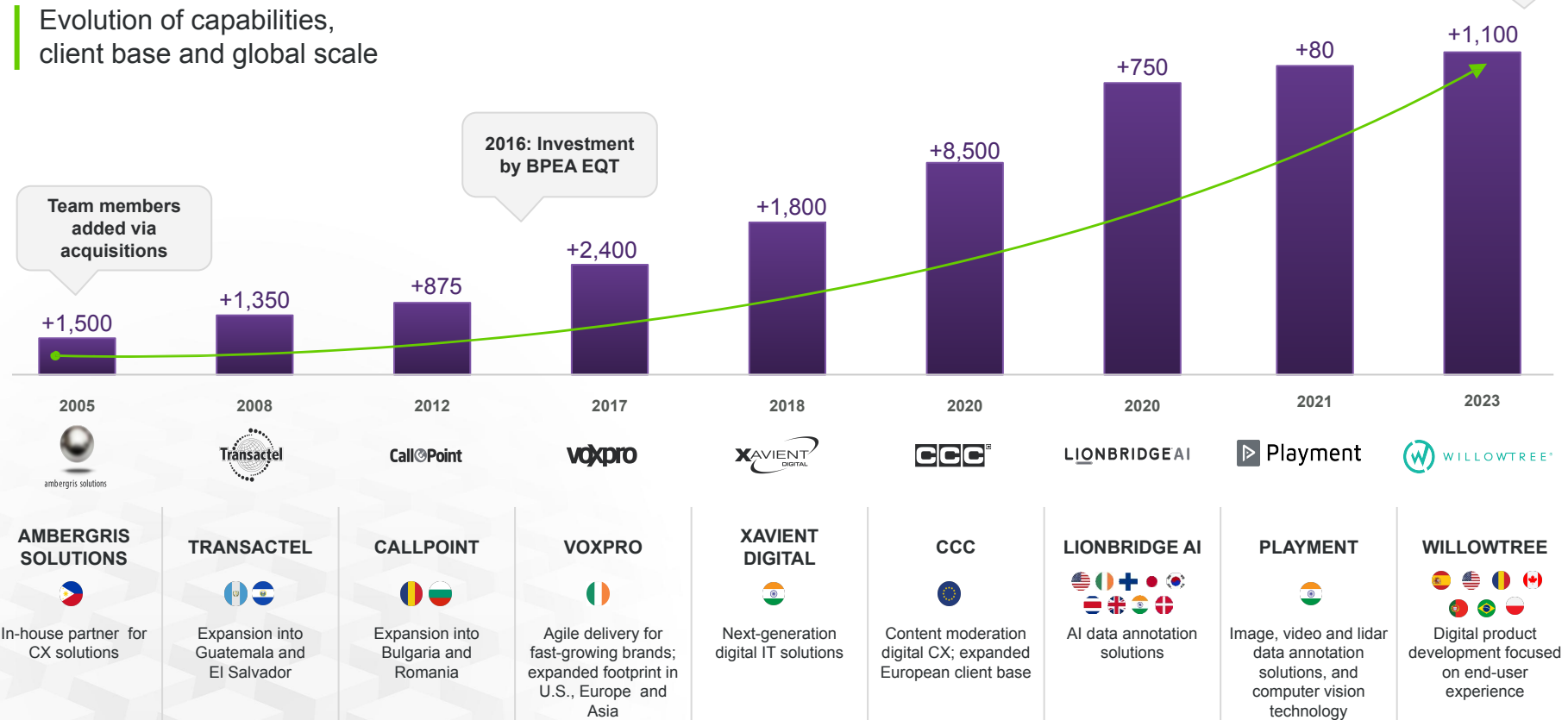
³ Employee engagement score by Kincentric, for the year ended December 31, 2023.

⁴ Outlook for full-year 2024, as disclosed on February 9, 2024 and reiterated on May 9, 2024.

Our digital journey

~75,000
total team members

Evolution of capabilities,
client base and global scale



AMBERGRIS SOLUTIONS



In-house partner for CX solutions

TRANSACTEL



Expansion into Guatemala and El Salvador

CALLPOINT



Expansion into Bulgaria and Romania

VOXPRO



Agile delivery for fast-growing brands; expanded footprint in U.S., Europe and Asia

XAVIENT DIGITAL



Next-generation digital IT solutions

CCC



Content moderation digital CX; expanded European client base

LIONBRIDGE AI



AI data annotation solutions

PLAYMENT



Image, video and lidar data annotation solutions, and computer vision technology

WILLOWTREE

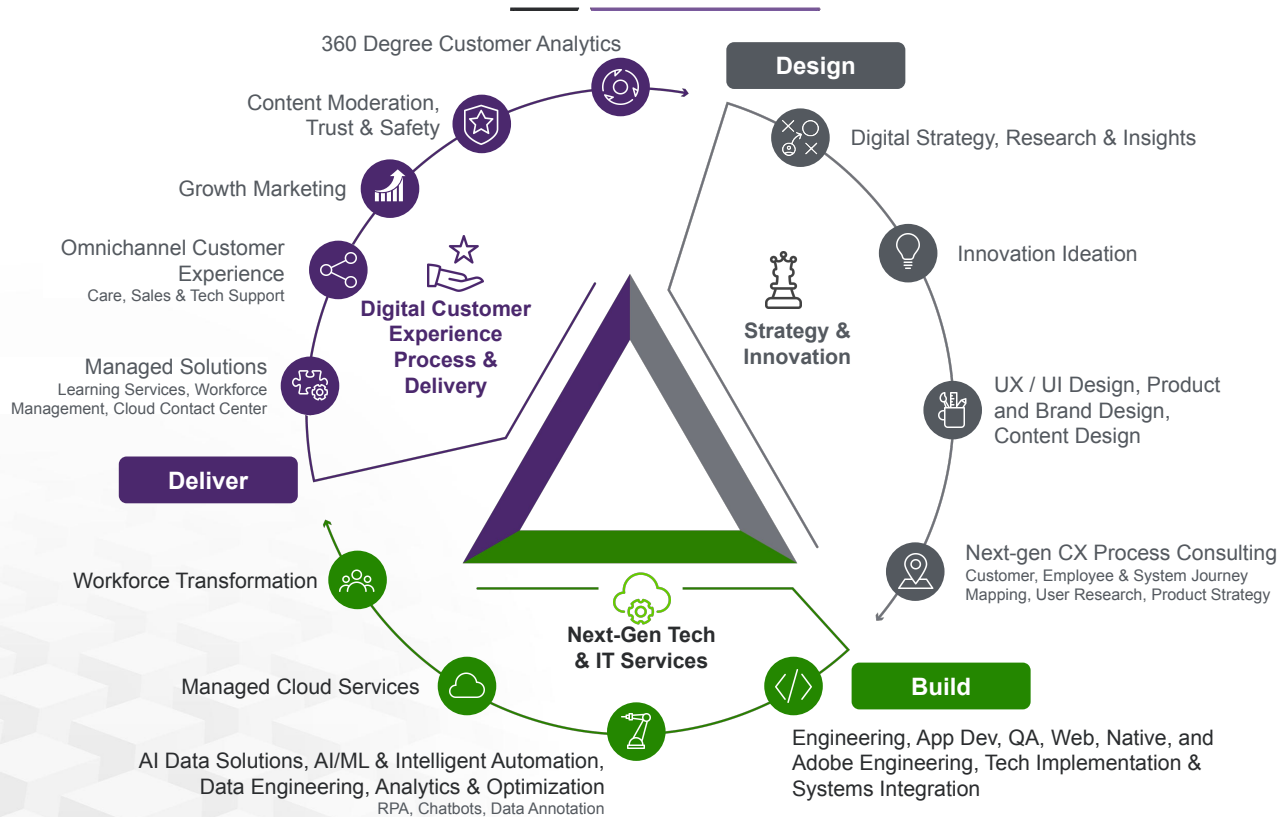


Digital product development focused on end-user experience

Significant market opportunity to design, build, and deliver premium digitally enabled experiences



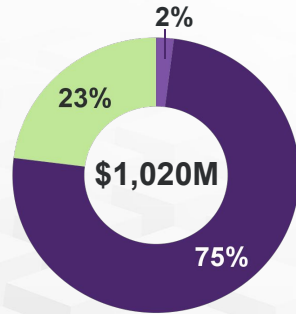
Comprehensive, end-to-end capabilities with digital technology expertise



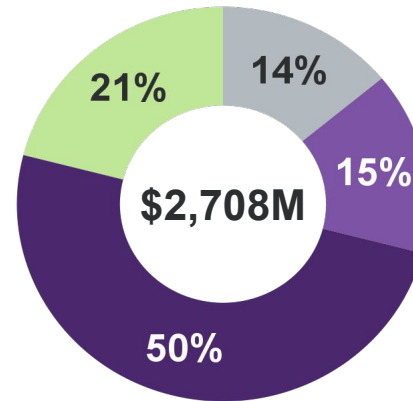
Evolution in service lines driving profitable growth

Significant diversification across service lines provides foundation for continued accretive revenue growth opportunities

2019 revenue by service line



2023 revenue by service line



AI Data Solutions Trust & Safety CXM Digital IT



Enterprise grade AI-fueled intelligent experiences

Automate | Augment | Adopt | Accelerate

Apps

Turn-key apps and use cases



CX



DX



EX



Other

Integrated framework for apps & UX



3rd Party



UX

Core

Flexible | Extensible | Scalable | Controllable

Scalable enterprise services



Arbitration



Orchestration



Moderation



Validation

Common management backbone



Administration



Observation



Integration



Security

Spotlight on: TELUS International AI Data Solutions

Technology-enabled solutions to create and enhance the quality of global AI training data for machine learning, including large language models (LLMs) for generative AI



1 million+ AI Community speaking 500+ languages and dialects



Speed & accuracy of delivery, with built-in quality assurance



Proprietary AI platforms for community sourcing & project management



Secure onsite, nearsite, offsite capabilities



Data at scale - collection, creation, annotation, selection and relevance



End-to-end solutions & client experience systems



Technology-enabled data annotation platform increases annotator efficiency



Generative AI services: dataset engineering, model validation & tuning, software engineering, policy/guardrails



AI data expertise serving leading providers of digital assistants, search engines and advertising networks

Data Creation / Collection



Data Annotation



Computer Vision



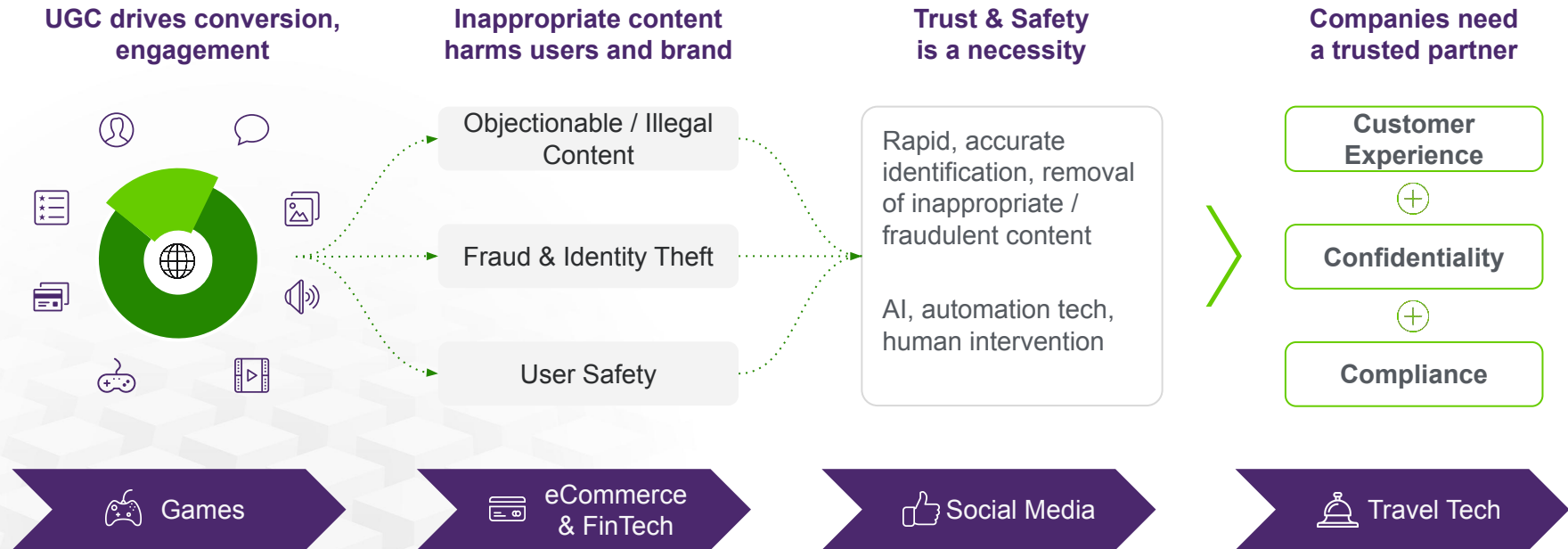
Content Relevance



Linguistic Annotation

Spotlight on: TELUS International Digital Trust & Safety solutions

Importance of building trust and security to support high-growth digital platforms



Revenue diversification: strategic partner to a diverse set of leading clients

**650+
clients**



High-Growth
End-Markets



Partner With
Disruptors &
Market Leaders



Long-Term,
Entrenched
Relationships

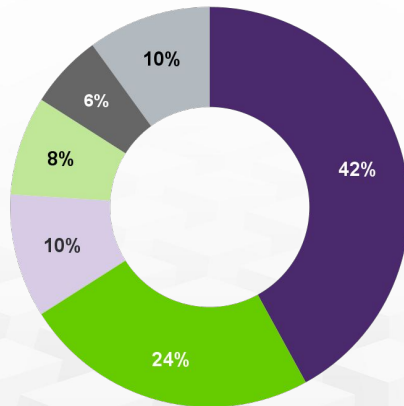


Mission-Critical
Partner, Driving
Revenue For Clients



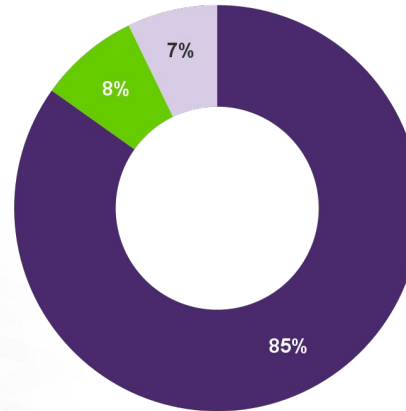
Shared
Cultural Values

By vertical (Q1 2024)



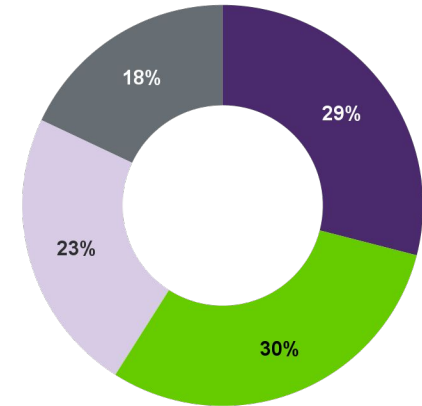
● Tech & Games ● Communications & Media ● eCommerce & Fintech
● Healthcare ● Banking, Fin. Services & Insurance ● Other

By client location (FY 2023)



● North America ● Europe ● Asia-Pacific

By geography (Q1 2024)



● North America ● Europe ● Asia-Pacific
● Central America and others

Top 10 client concentration:

- FY 2023: 63% | Q1 2024: 65%

Culture as a competitive differentiator



Talent Acquisition

- **820K** candidates screened and **200** university partnerships¹
- **~48%** referral-based hires²

¹ During the year ended December 31, 2023.

² Of new full time team members hired in 2023.

Training and Coaching

- Create thought leaders with deep industry acumen
- **~3,300** degrees & programs completed at **TI University**

Diversity and Inclusion

- Women represent **~47%**³ of our total workforce

³ As of March 31, 2024.

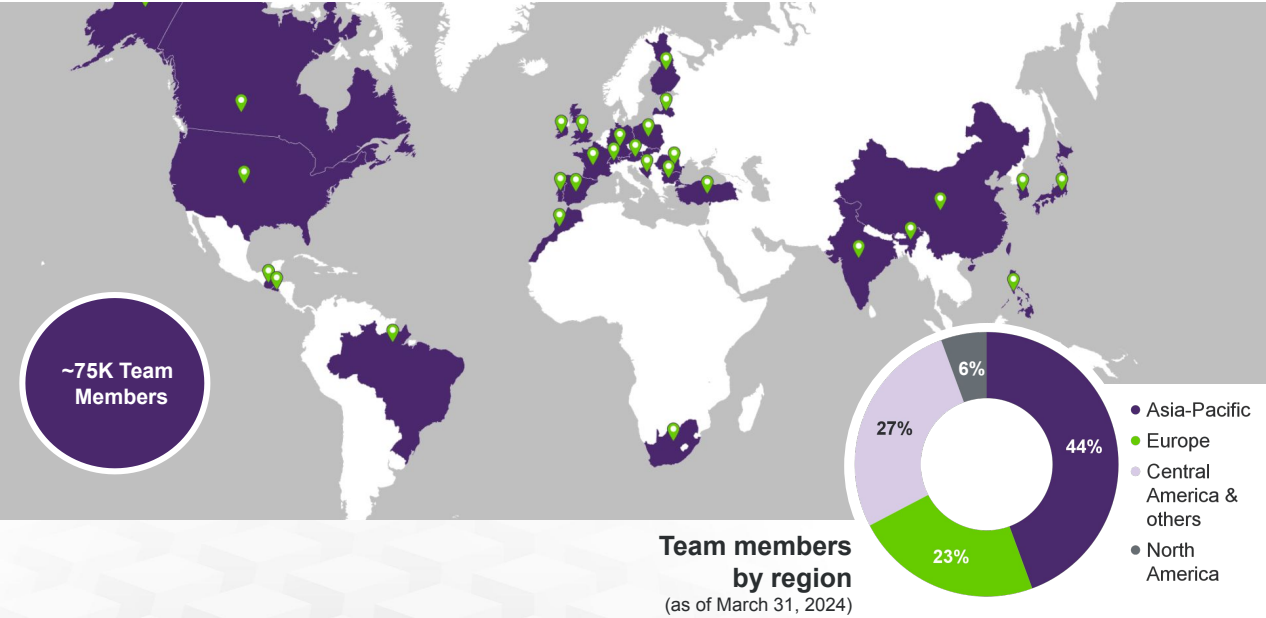
Corporate Social Responsibility

- **~\$5.6M** distributed to local charities through TELUS International Community Boards since 2011
- TELUS International team members **volunteered 83,000 hours** in 2023

Culture of inclusion, diversity, and respect drives our success



Globally-scaled, agile delivery model, supported by best-in-class technology



Best-in-class technology



Built on **next-generation** cloud infrastructure



Next-gen tools capable of self learning

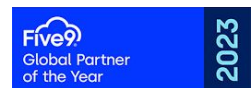


Deep expertise in **AI and automation**



API connectivity to clients' data

Technology partnerships



Our executive leadership team



Jeffrey Puritt

President and
Chief Executive Officer



Gopi Chande

Chief Financial Officer



Michel Belec

Chief Legal Officer and
Corporate Secretary



Tobias Dengel

President of WillowTree,
a TELUS International Company

200+ years of combined experience, including extensive industry
experience within **digital IT and customer experience management**



Jose-Luis Garcia

Chief Operating Officer



Brian Hannon

Chief Growth Officer



Mike Ringman

Chief Information Officer



Marilyn Tyfting

Chief Corporate Officer

Multiple levers of continued organic growth



Expand volume
and services with
existing clients



Win new logos in
core verticals



Leverage
technology
expertise,
including AI to
innovate new
solutions



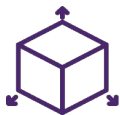
Drive efficiency
through
continuous
improvement



Expand
geographic
presence

Inorganic growth: proven, disciplined approach to M&A and track-record of value creation

Key strategic priorities



Augment
capabilities



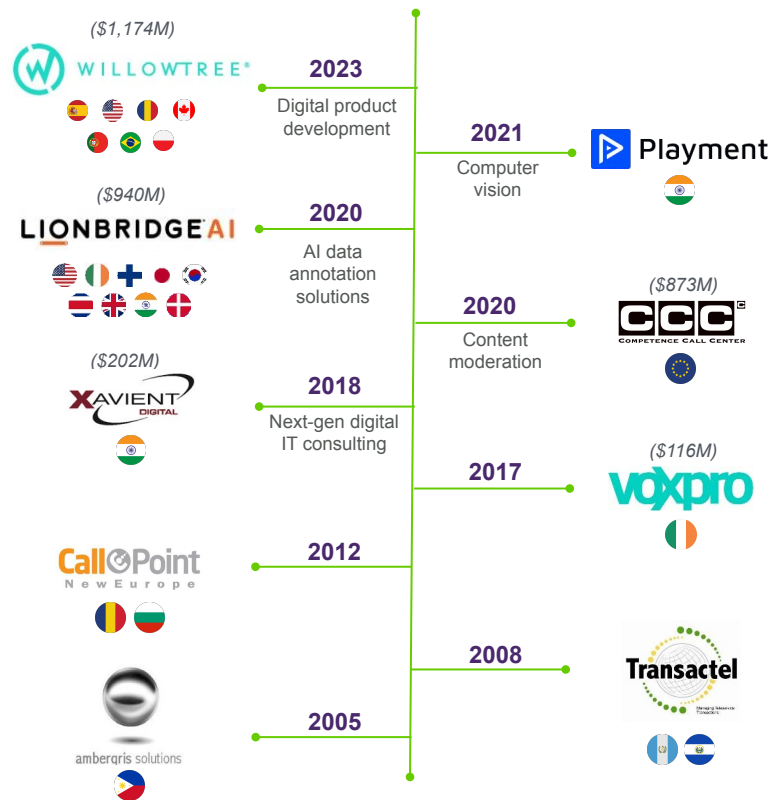
Add
scale



Diversify
geos & clients

Integration best-practices

- Process expertise
- Operational excellence
- Cultural alignment
- Talent/leadership retention



Navigating a challenging macro environment

Continued investment in hyperautomation

Businesses continue to invest in digital transformation to enhance client experience; AI and Trust & Safety in focus now more than ever

Value for money in focus

Historical experience shows a gravitation towards outsourcing as businesses emerge from a macro slowdown with a focus on value for money

Vendor consolidation

Clients increasingly choosing to work with end-to-end service providers

Diversified services and verticals

Broad array of expertise in a mix of growth and traditionally stable sectors, leveraging leading technology and complex solutions

Entrenched client relationships

End-to-End service provider to long tenured clients; focused on doing better with less; average tenure of 9 years (excl. TELUS); strategic partner to TELUS

Experienced management team

200+ years of combined senior management industry experience including navigating previous macro slowdowns

Strong financial profile over the long term

Focus on profitable growth and cash flow combined with a healthy balance sheet; backed by long-term strategic investors

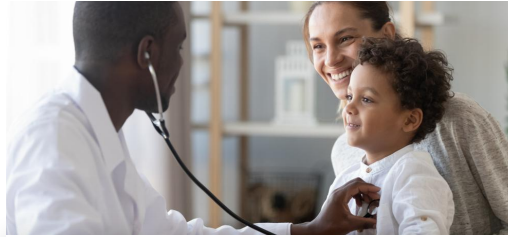
Industry
Specific

TI Specific

Counter-cyclical growth opportunities with TELUS Corporation



Meaningful opportunity to displace competitor spend and capture even more share of TELUS' business across multiple business areas.



A leading global health and well-being company, providing employee and family preventative healthcare and wellness solutions, relying on innovative digital technologies, including AI and client service to improve health outcomes.



Enabling efficient, sustainable, traceable production from farm to fork, leveraging digital solutions as the largest provider of its kind to help improve food safety and quality for end consumers.

WillowTree capabilities enhance TI's service offerings to amplify opportunities with TELUS

Full-year 2024 outlook



Revenue

\$2,790 to \$2,850 million

3% to 5% YoY



Adjusted EBITDA¹

\$623 to \$643 million

7% to 10% YoY

Adjusted EBITDA Margin¹

22.3% to 22.6%



Adjusted Diluted EPS¹

\$0.93 to \$0.98

7% to 13% YoY

Please refer to the forward looking statements disclaimer on slide 2.

¹ Adjusted EBITDA is a non-GAAP measure, while Adjusted EBITDA Margin and Adjusted Diluted EPS are non-GAAP ratios, which do not have a standardized meaning under IFRS and may not be comparable with similar measures and ratios presented by other issuers. For a description of the composition of Adjusted EBITDA, Adjusted EBITDA Margin and Adjusted Diluted EPS, see non-GAAP section of this presentation.

Note, during the three-month period ended March 31, 2024, we revised our presentation of Adjusted Net Income, Adjusted Basic and Diluted EPS, and Adjusted EBITDA. All comparative financial information has been restated to conform to the presentation adopted in the current period.

Medium term growth levers

Drivers



Revenue growth

- Large and expanding TAM with early stages of penetration
- End-to-end capabilities, including WillowTree
- Sales funnel conversion on new and existing clients
- Cross-Sell / Upsell across TI portfolio



Margin expansion

- Operating leverage and scale efficiencies
- Continued mix shift toward higher margin service offerings
- Optimize pricing and third party vendor cost



Robust cash flow

- Adjusted EBITDA expansion
- Working capital optimization and management
- Stable capital intensity levels

Capital allocation strategy geared toward continued profitable growth



Drive organic growth

- Invest in organic growth drivers
- Increase proportionate investment in sales and marketing
- Baseline annual capital expenditures of ~4% to 5% as percent of revenue



Disciplined M&A

- M&A to enhance capabilities and drive secular growth
- Strategically aligned
- Patient and disciplined approach



Manage leverage

- Manage leverage to support growth and optimize cost of capital
- Repay debt to maintain target steady-state Net Debt to Adjusted EBITDA¹ as per credit agreement of 2-3x

Driving incremental shareholder value creation

Strong execution drives robust organic and inorganic growth and leading profitability

Agility to **pivot** and adopt disruptive tech, foresight to **innovate and transform** people based offerings

Continuous digital transformation to drive higher **value, quality, efficiency** and strong **profitability**

Strategic **talent mix evolution** through diversified geo presence

Growth-oriented capital allocation to expand **AI-enabled capabilities and commercial expansion**

C-suite engagement to anticipate & meet **client demand** for evolving operating models

Thoughtful M&A to augment & accelerate capabilities

Delivering substantial value to all stakeholders

Connected Clients

- Driving advocacy through CX (CSAT, NPS)
- Enabling rapid global expansion
- Reducing time to market and cost to serve
- Preserving customer trust
- Leading continuous differentiation

Engaged Team Members

- Nurturing and caring culture
- Protecting team member wellbeing
- Advancing diversity, equity and inclusion
- Promoting growth through learning & development

Healthier Communities

- Giving back to the communities where we live, work and serve
- Creating meaningful employment through impact sourcing
- Supporting a sustainable planet

Shareholders

- Resilient profitable growth profile
- Experienced management team
- Smart acquirer
- Growth-oriented capital allocation
- Strong governance





Non-GAAP

 **TELUS**® International

Non-GAAP

This presentation includes non-GAAP financial information, with reconciliation to GAAP measures presented at the end of this presentation. We report certain non-GAAP measures used in the management analysis of our performance, but these do not have standardized meanings under International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS-IASB). These non-GAAP financial measures and non-GAAP ratios may not be comparable to GAAP measures or ratios and may not be comparable to similarly titled non-GAAP financial measures or non-GAAP ratios reported by other companies, including those within our industry and TELUS Corporation, our controlling shareholder.

Adjusted EBITDA, Adjusted Net Income, Free Cash Flow, revenue on a constant currency basis, and Net Debt are non-GAAP financial measures, while Adjusted EBITDA Margin, Adjusted Diluted EPS, revenue growth on a constant currency basis and Net Debt to Adjusted EBITDA Leverage Ratio are non-GAAP ratios.

Beginning in the three-month period ended March 31, 2024, we no longer exclude share-based compensation expense, changes in business combination-related provisions, and the tax effects of these items, as applicable, in our presentation of Adjusted Net Income, Adjusted Basic and Diluted EPS, and Adjusted EBITDA. We believe this presentation is more indicative of underlying business performance, and better aligns the presentation of these non-GAAP financial measures and ratios with comparable measures and ratios of TELUS Corporation, our parent company. All comparative financial information herein has been restated to conform to the current period presentation.

Adjusted EBITDA is commonly used by our industry peers and provides a measure for investors to compare and evaluate our relative operating performance. We use it to assess our ability to service existing and new debt facilities, and to fund accretive growth opportunities and acquisition targets. In addition, certain financial debt covenants associated with our credit facility, including Net Debt to Adjusted EBITDA Leverage Ratio, are based on Adjusted EBITDA, which requires us to monitor this non-GAAP financial measure in connection with our financial covenants. Adjusted EBITDA should not be considered an alternative to net income in measuring our financial performance, and it should not be used as a replacement measure of current and future operating cash flows. However, we believe a financial measure that presents net income adjusted for these items provides a more consistent measure for management to evaluate period-over-period performance and would enable an investor to better evaluate our underlying business trends, our operational performance and overall business strategy.

We exclude items from Adjusted Net Income and Adjusted EBITDA, such as acquisition, integration and other, foreign exchange gains or losses and, additionally, with respect to Adjusted Net Income, the interest accretion on written put options, amortization of purchased intangible assets, and the related tax effect of these adjustments. Full reconciliations of Adjusted EBITDA and Adjusted Net Income to the comparable GAAP measures are included at the end of this presentation.

We calculate Free Cash Flow by deducting capital expenditures from our cash provided by operating activities, as we believe capital expenditures are a necessary ongoing cost to maintain our existing productive capital assets and support our organic business operations. We use Free Cash Flow to evaluate the cash flows generated from our ongoing business operations that can be used to meet our financial obligations, service debt facilities, reinvest in our business, and to fund, in part, potential future acquisitions.

Adjusted EBITDA Margin is calculated by dividing Adjusted EBITDA by consolidated revenue. We regularly monitor Adjusted EBITDA Margin to evaluate our operating performance compared to established budgets, operational goals and the performance of industry peers.

Adjusted Diluted EPS is used by management to assess the profitability of our business operations on a per share basis. We regularly monitor Adjusted Diluted EPS as it provides a more consistent measure for management and investors to evaluate our period-over-period operating performance, to better understand our ability to manage operating costs and to generate profits. Adjusted Diluted EPS is calculated by dividing Adjusted Net Income by the weighted average number of diluted equity shares outstanding during the period.

Revenue on a constant currency basis is used by management to assess revenue, the most directly comparable GAAP measure, excluding the effect of foreign currency fluctuations. Revenue on a constant currency basis is calculated as current period revenue translated using average foreign exchange rates in the comparable prior period.

Revenue growth on a constant currency basis is used by management to assess the growth of revenue, the most directly comparable GAAP measure, excluding the effect of foreign currency fluctuations. Revenue growth on a constant currency basis is calculated as current period revenue growth translated using average foreign exchange rates in the comparable prior period.

Net Debt to Adjusted EBITDA Leverage Ratio as per our credit agreement is calculated based on Net Debt and Adjusted EBITDA, both as per our credit agreement. We seek to maintain a Net Debt to Adjusted EBITDA Leverage Ratio in the range of 2-3x. We may deviate from our target Net Debt to Adjusted EBITDA Leverage Ratio as per our credit agreement to pursue acquisitions and other strategic opportunities that may require us to borrow additional funds and, additionally, our ability to maintain this targeted ratio depends on our ability to continue to grow our business, general economic conditions, industry trends and other factors.

We have not provided a quantitative reconciliation of our full-year 2024 outlook for Adjusted EBITDA Margin and Adjusted Diluted EPS to our full-year 2024 outlook for net income margin and diluted EPS because we are unable, without making unreasonable efforts, to calculate certain reconciling items with confidence, which could materially affect the computation of these financial ratios and measures.

Revenue growth on a constant currency basis reconciliation

	Full Year	
(millions, except percentages)	2023	2022
Revenue, as reported	\$2,708	\$2,468
Foreign exchange impact on current period revenue using prior comparative period's rates	(12)	87
Revenue on a constant currency basis	\$2,696	\$2,555
<i>Revenue growth</i>	10%	12%
<i>Revenue growth on a constant currency basis</i>	9%	16%

Adjusted Net Income and Adjusted EPS reconciliation

(millions, except per share amounts)	2023	2022
Net income	\$54	\$183
Add back (deduct):		
Acquisition, integration and other	55	40
Real estate rationalization-related impairments	5	-
Amortization of purchased intangible assets	174	121
Interest accretion on written put options	13	-
Foreign exchange (gain) loss	-	(7)
Tax effect of the adjustments above	(53)	(31)
Adjusted Net Income	\$248	\$306
Basic EPS	\$0.20	\$0.69
Diluted EPS	\$0.18	\$0.68
Adjusted Basic EPS	\$0.91	\$1.15
Adjusted Diluted EPS	\$0.87	\$1.13
Total Weighted Average Shares Outstanding (millions)		
Basic	274	266
Diluted	286	270

Adjusted EBITDA reconciliation

(millions, except percentages)	2023	2022
Net income	\$54	\$183
Add back (deduct):		
Acquisition, integration and other	55	40
Depreciation and amortization	324	258
Interest expense	144	41
Foreign exchange (gain) loss	-	(7)
Income taxes	5	67
Adjusted EBITDA	\$582	\$582
<i>Net income margin</i>	<i>2.0%</i>	<i>7.4%</i>
<i>Adjusted EBITDA Margin</i>	<i>21.5%</i>	<i>23.6%</i>

Calculation of Net Debt to Adjusted EBITDA Leverage Ratio as per credit agreement

As at (millions, except for ratio)	March 31, 2024	December 31, 2023
Outstanding credit facility	\$1,436	\$1,463
Contingent facility utilization	7	7
Liability related to provisions for written put options ¹	57	68
Cash balance ²	(150)	(127)
Net Debt as per credit agreement	\$1,350	\$1,411
Adjusted EBITDA (trailing 12 months)	\$594	\$582
Adjustments required as per credit agreement	\$(129)	\$(84)
Net Debt to Adjusted EBITDA Leverage Ratio as per credit agreement	2.9	2.8

¹ Reflects the undiscounted amount payable in cash on the estimated provisions for written put options arising from our acquisition of WillowTree.

² Maximum cash balance permitted as a reduction to net debt, as per the credit agreement, is \$150 million.

Thank you!

Investor Relations Contact

Olena Lobach

Investor Relations

(604) 695-3455 | ir@telusinternational.com



 **TELUS**® International