



Investor Presentation

November 2023

 **TELUS**® International

Disclaimer

Forward-Looking Statements

This presentation contains forward-looking statements concerning our financial outlook for the full-year 2023 results, our business, operations and financial performance and condition, as well as statements relating to our ability to mitigate pressures on profitability with cost efficiency efforts and incremental automation platforms. We caution the reader that information provided in this presentation regarding our financial outlook for full-year 2023 results, as well as information regarding our objectives and expectations, is provided in order to give context to the nature of some of the company's future plans and may not be appropriate for other purposes. 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, the benefits, synergies and risks related to our acquisition of WillowTree, and the industry in which we operate and management's beliefs and assumptions, including assumptions underlying our financial outlook for full-year 2023 results, including the timing and success of our cost efficiency efforts and increased use of automation and generative AI enabled solutions, 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, 2023, as updated by our management's discussion and analysis for the three- and nine-month period ended September 30, 2023, which is filed on SEDAR+ and as Exhibit 99.2 to our Form 6-K filed on EDGAR.

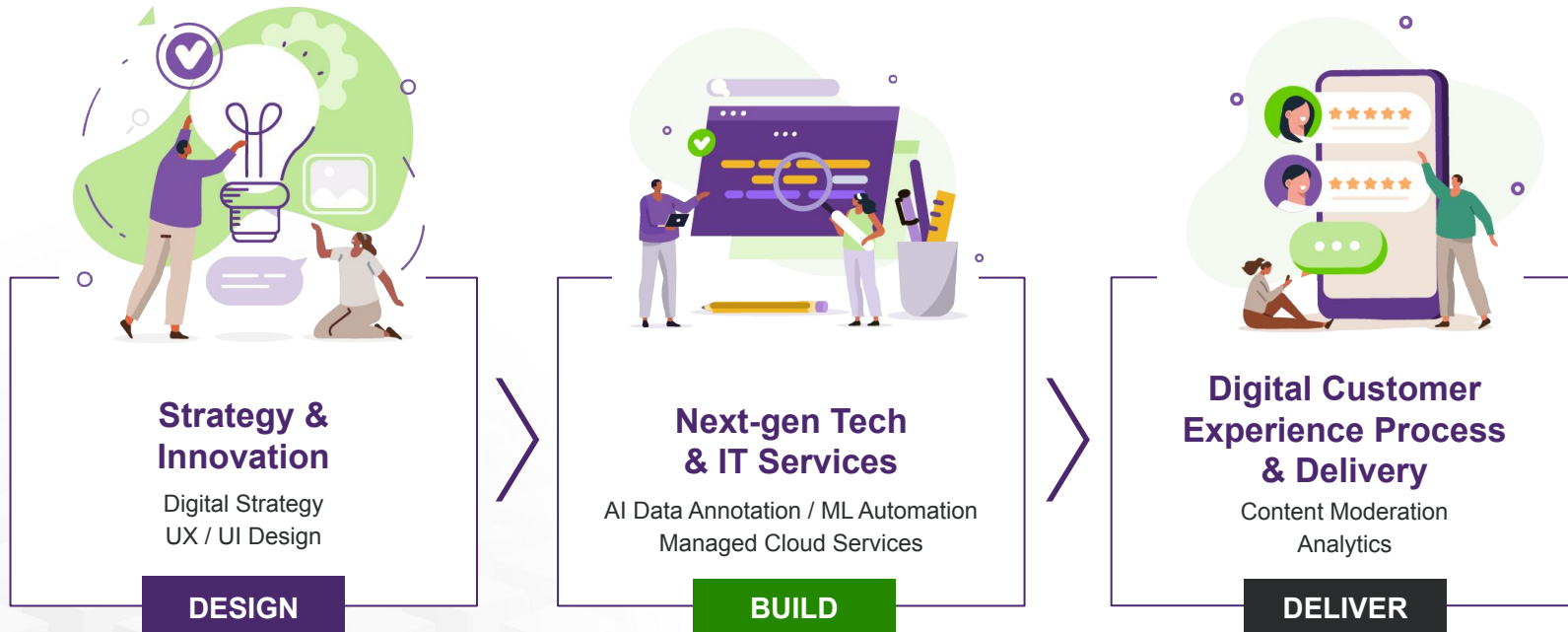
Non-GAAP Financial Measures

This presentation also contains certain non-GAAP financial measures, which are not measures of financial performance in accordance with GAAP and may exclude items that are significant in understanding and assessing our financial results. Therefore, these measures should not be considered in isolation or as an alternative to GAAP measures. You should be aware that our presentation of these measures may not be comparable to similarly-titled measures used by other companies, including companies in 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. For an explanation of these non-GAAP financial measures and a reconciliation to the most comparable GAAP measures, please see Non-GAAP section of this 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
80%	Engagement ³
70	Delivery locations
	<u>FY 2022</u> <u>2023 Outlook⁴</u>
Revenue	\$2.47B \$2.70 - 2.73B

Note: CX (Customer Experience).

¹ Total addressable market estimated by management as of 2022.

² Top 10 clients, excl. TELUS, as of December 31, 2022.

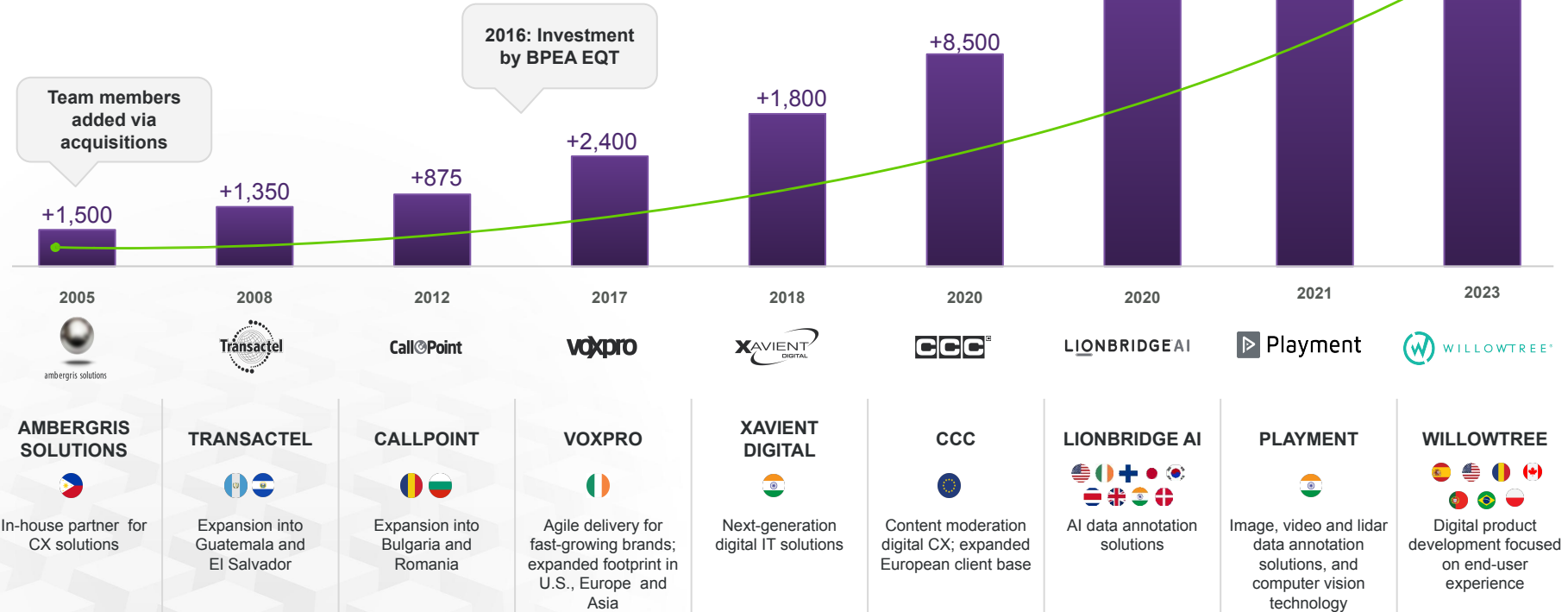
³ Employee engagement score by Kincentric, for the year ended December 31, 2022.

⁴ Outlook for full-year 2023, as disclosed on July 13 and reiterated on November 3, 2023.

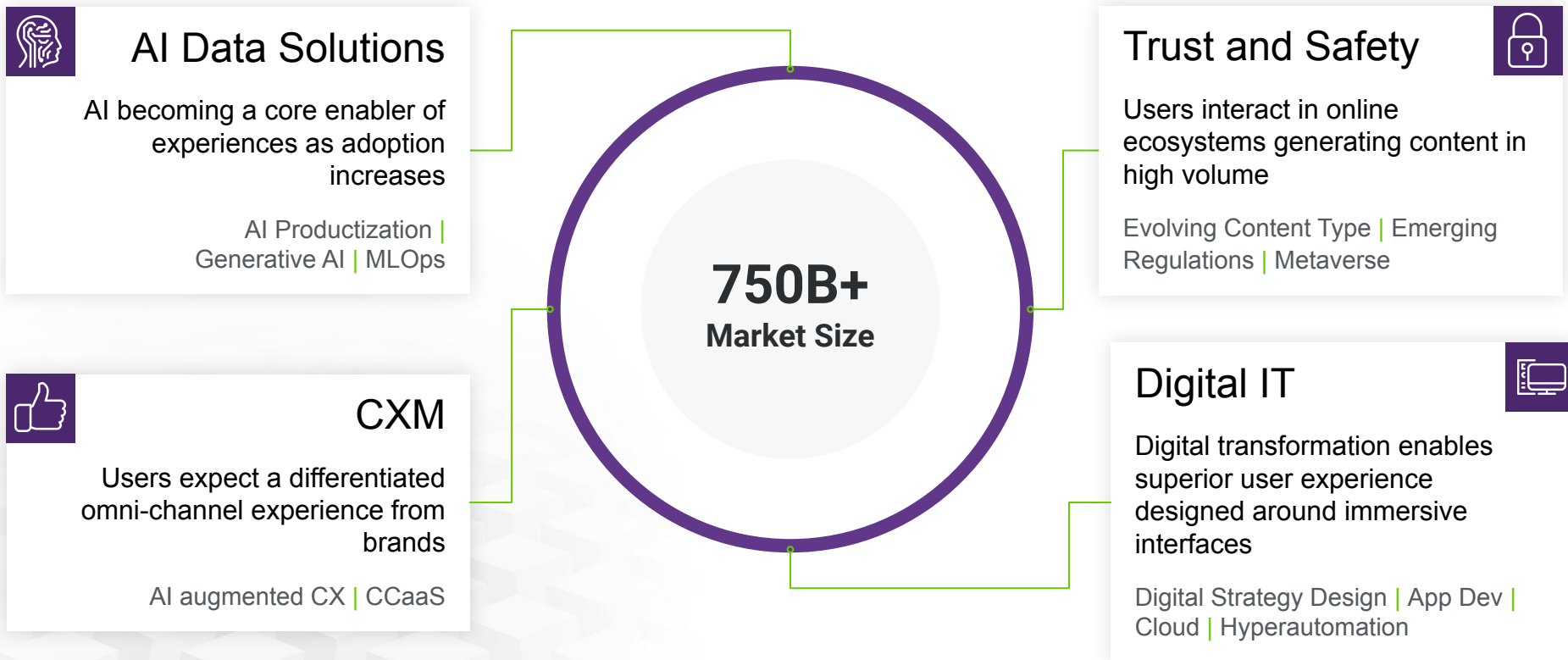
Our digital journey

70,000+
total team members

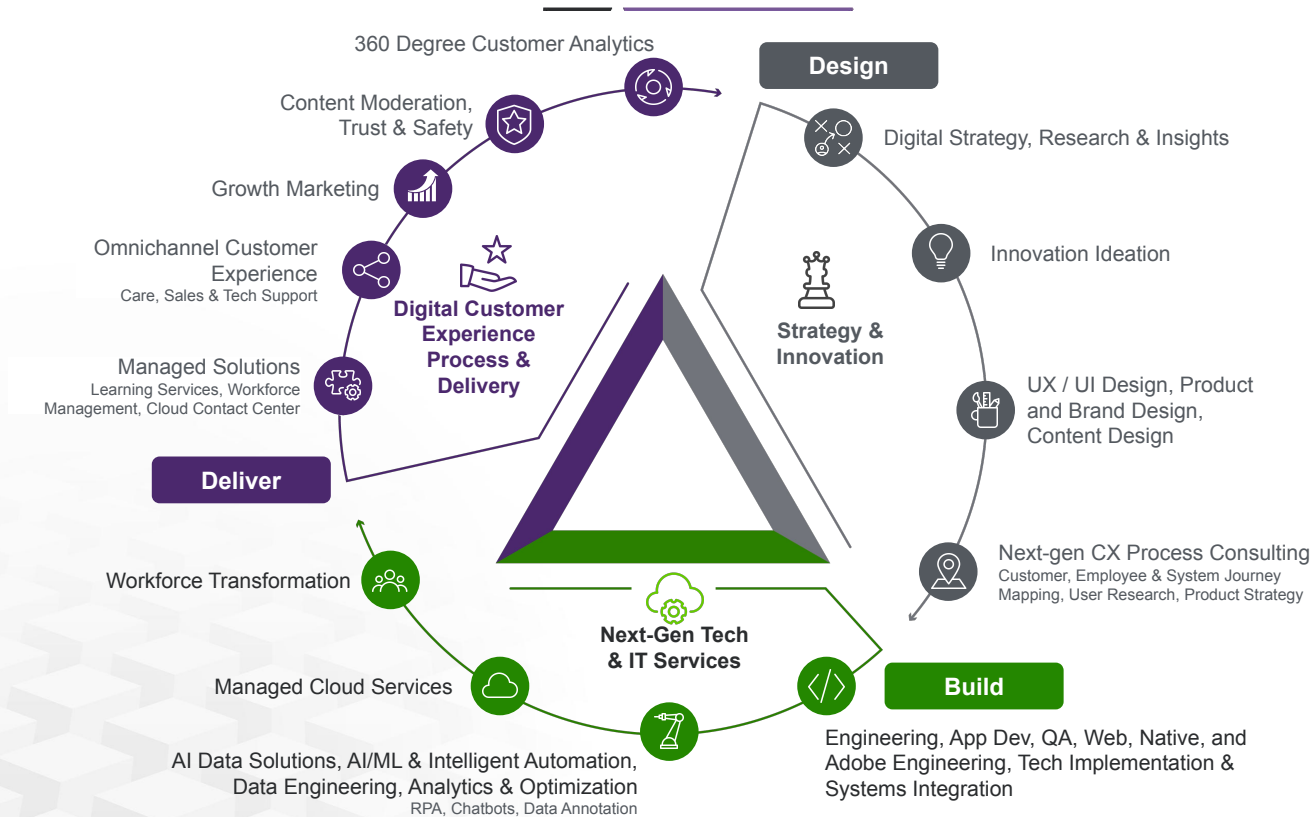
Evolution of capabilities,
client base and global scale



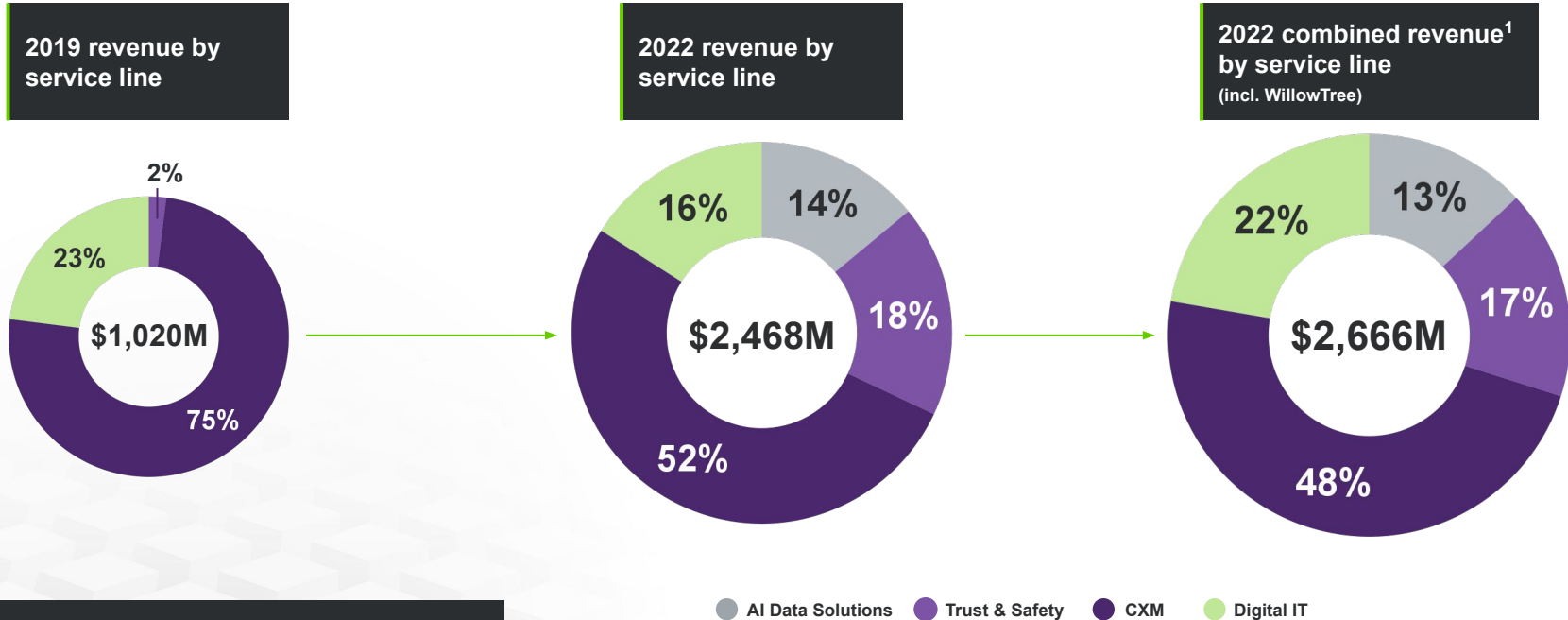
Significant market opportunity to design, build, and deliver premium digitally enabled experiences



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



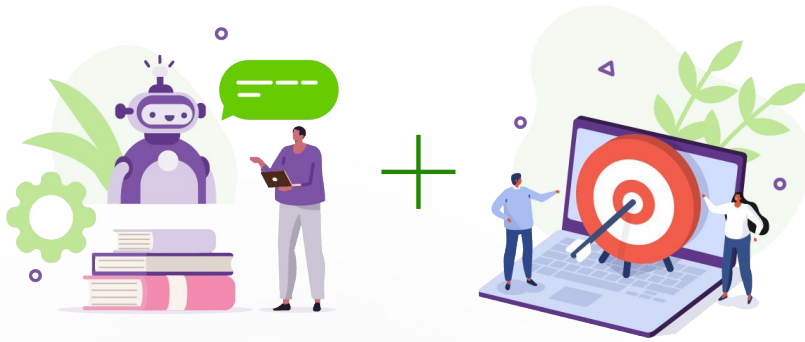
Evolution in service lines driving profitable growth



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

¹ Combined revenue is a non-GAAP financial measure, and includes TELUS International's reported revenue of \$2,468M and \$198M of revenue attributable to WillowTree.

Unique combination of new economy services



AI Data Solutions

- Data creation and collection
- Data annotation
- Linguistic annotation
- Data validation and relevance
- Computer vision

Content Moderation

- Channel and community mgmt
- User safety
- Localized compliance
- Social media next-gen CX
- Ad moderation
- Online marketplace protection
- Focus on team member wellness drives sustainability and quality



Increase in online user generated content (UGC) heightens the demand for efficient digital trust and safety services



Our AI Data Solutions and content moderation form an essential offering for a growing group of companies



Our AI Data Solutions help enable a robust trust and safety framework for our clients' digital businesses, in an age where personal information security is essential for user retention



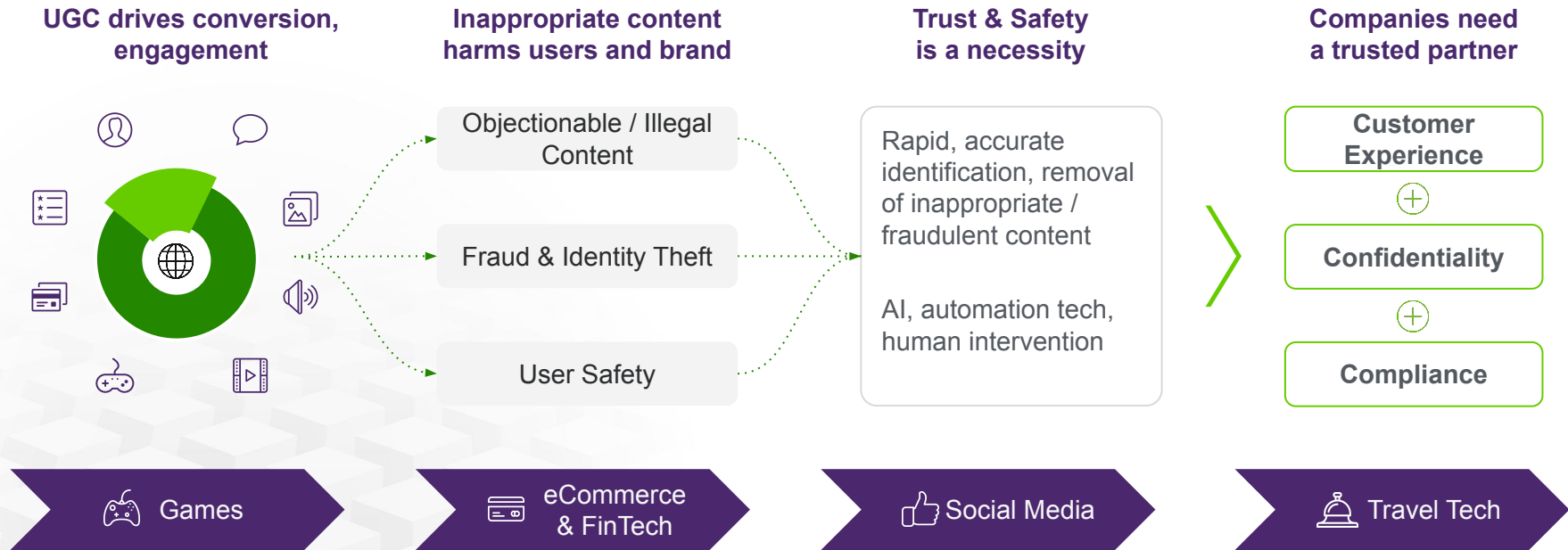
Effective AI solutions provide the first line of identification, while thoughtful, empathetic and caring human digital first responders are key to our content moderation services



Our AI Data Solutions provide us with additional cross-selling opportunities for content moderation services to both existing and new clients

Spotlight on: TELUS International Digital Trust & Safety solutions

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



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



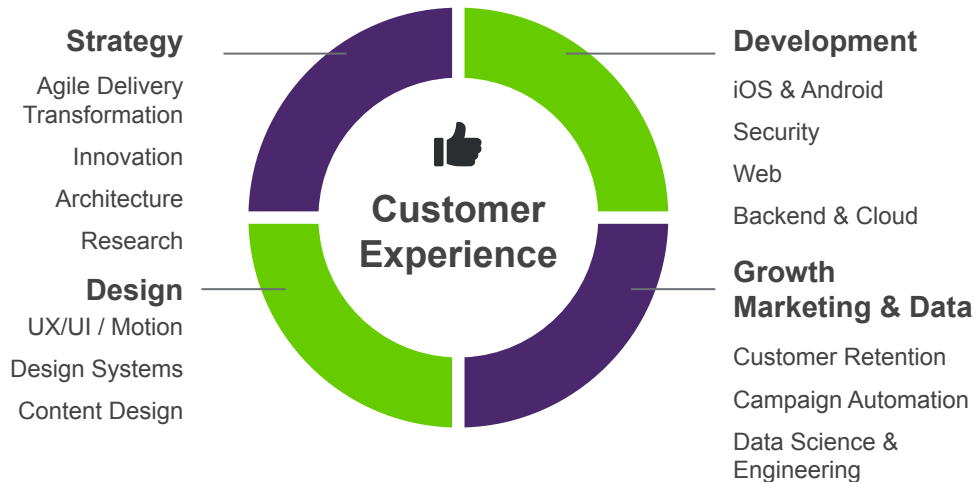
Linguistic Annotation

Spotlight on: WillowTree, a TELUS International Company



- A premier, full-service digital product provider focused on end user experiences
- Founded in Charlottesville, Virginia in 2008
- Over 1,100 highly engaged team members
- 13 global studios located in the United States, Canada, Brazil, Portugal, Spain, Poland and Romania

Turbocharging our end-to-end digital CX capabilities



WillowTree designs and builds digital products by fusing strategy, data, customer-centric design, and high-quality engineering that deliver amazing customer experiences that drive loyalty & engagement

Increasing 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

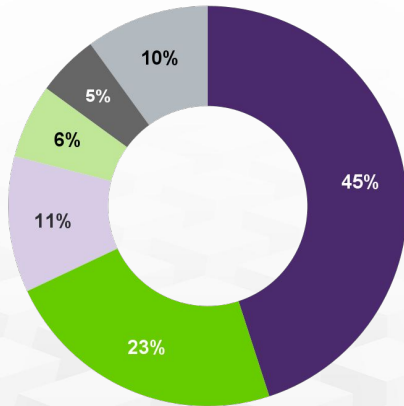


Mission-Critical
Partner, Driving
Revenue For Clients



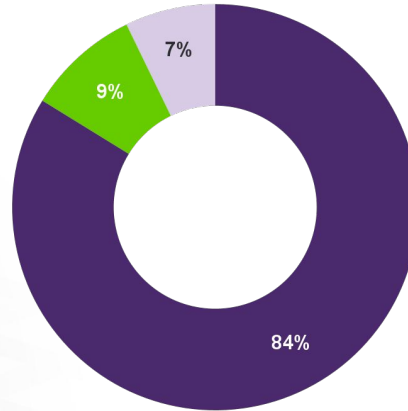
Shared
Cultural Values

By vertical (Q3'23)



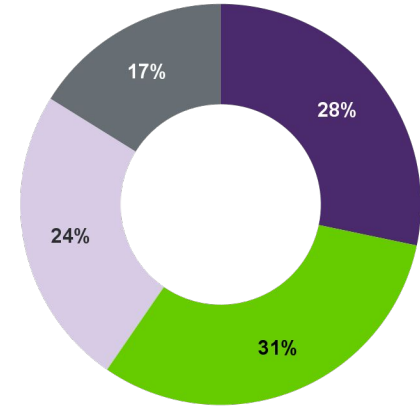
● Tech & Games
 ● Communications & Media
 ● eCommerce & Fintech
 ● Healthcare
 ● Banking, Fin. Services & Insurance
 ● Other

By client location (FY 2022)



● North America
 ● Europe
 ● Asia-Pacific

By geography (Q3'23)

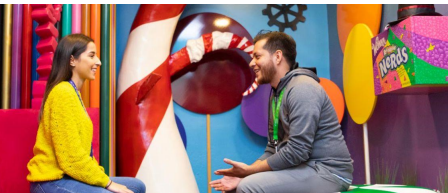


● North America
 ● Europe
 ● Asia-Pacific
 ● Central America and others

Top 10 client concentration:

- FY 2022: 65% | YTD Q3'23: 62%

Culture as a competitive differentiator



Talent Acquisition

- 755K candidates screened and 312 university partnerships¹
- ~55% referral-based hires²

¹ During the year ended December 31, 2022.

² Of new full time team members hired in 2022.

Training and Coaching

- Create thought leaders with deep industry acumen
- ~3,200 degrees completed through **TI University** globally in 2022

Diversity and Inclusion

- Women represent ~46%³ of our total workforce

³ As of September 30, 2023.

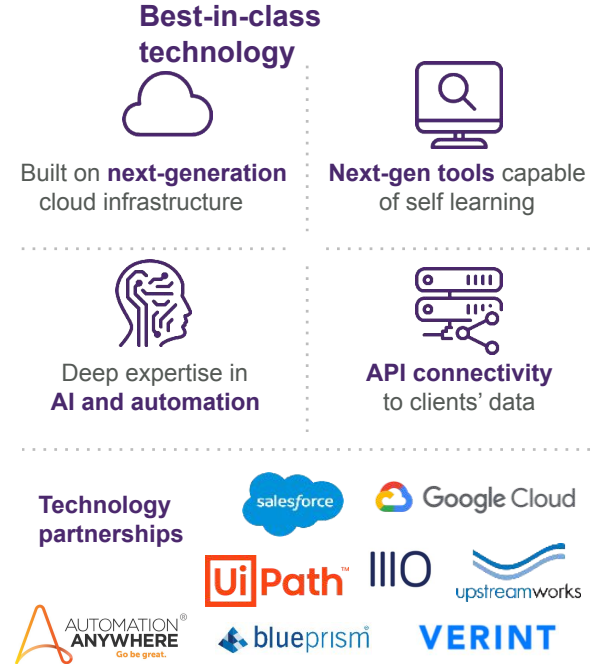
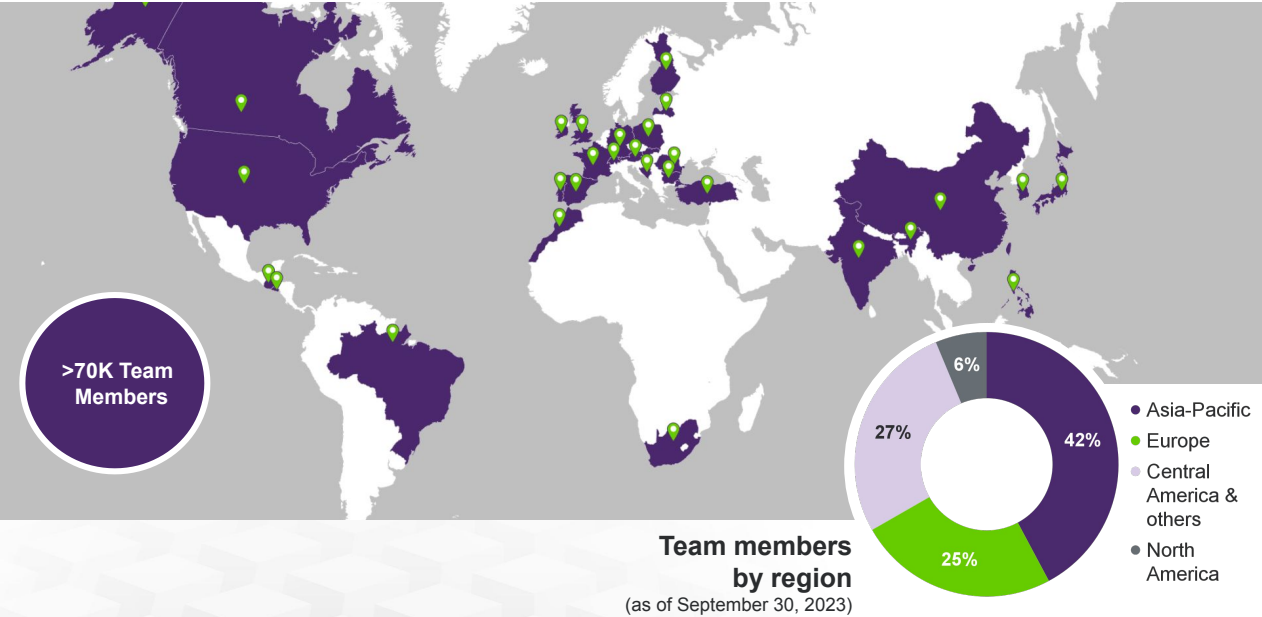
Corporate Social Responsibility

- ~\$5.4M distributed to local charities through TELUS International Community Boards since 2011
- TELUS International team members **volunteered 75,000 hours** in 2022

Culture of inclusion, diversity, and respect drives our success



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



Our executive leadership team



Jeffrey Puritt

President and
Chief Executive Officer



Vanessa Kanu

Chief Financial Officer



Michel Belec

Chief Legal Officer and
Corporate Secretary



Tobias Dengel

President of WillowTree,
a TELUS International Company

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



Jose-Luis Garcia

Chief Operating Officer



Beth Howen

Chief Transformation Officer



Maria Pardee

Chief Commercial 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



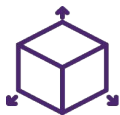
Drive efficiency
through
continuous
improvement



Expand
geographic
presence

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

Key strategic priorities



Augment
capabilities



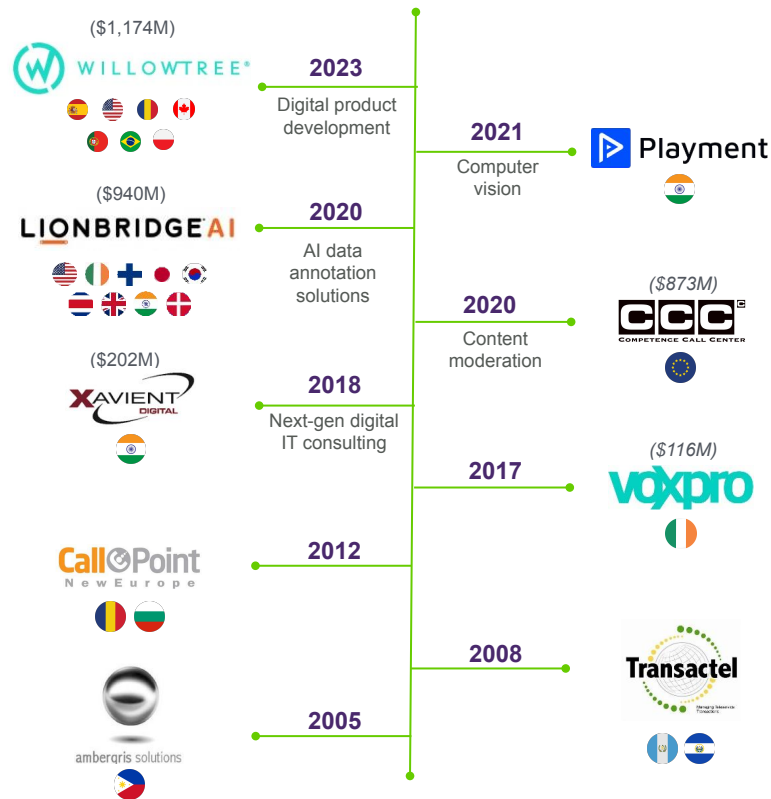
Add
scale



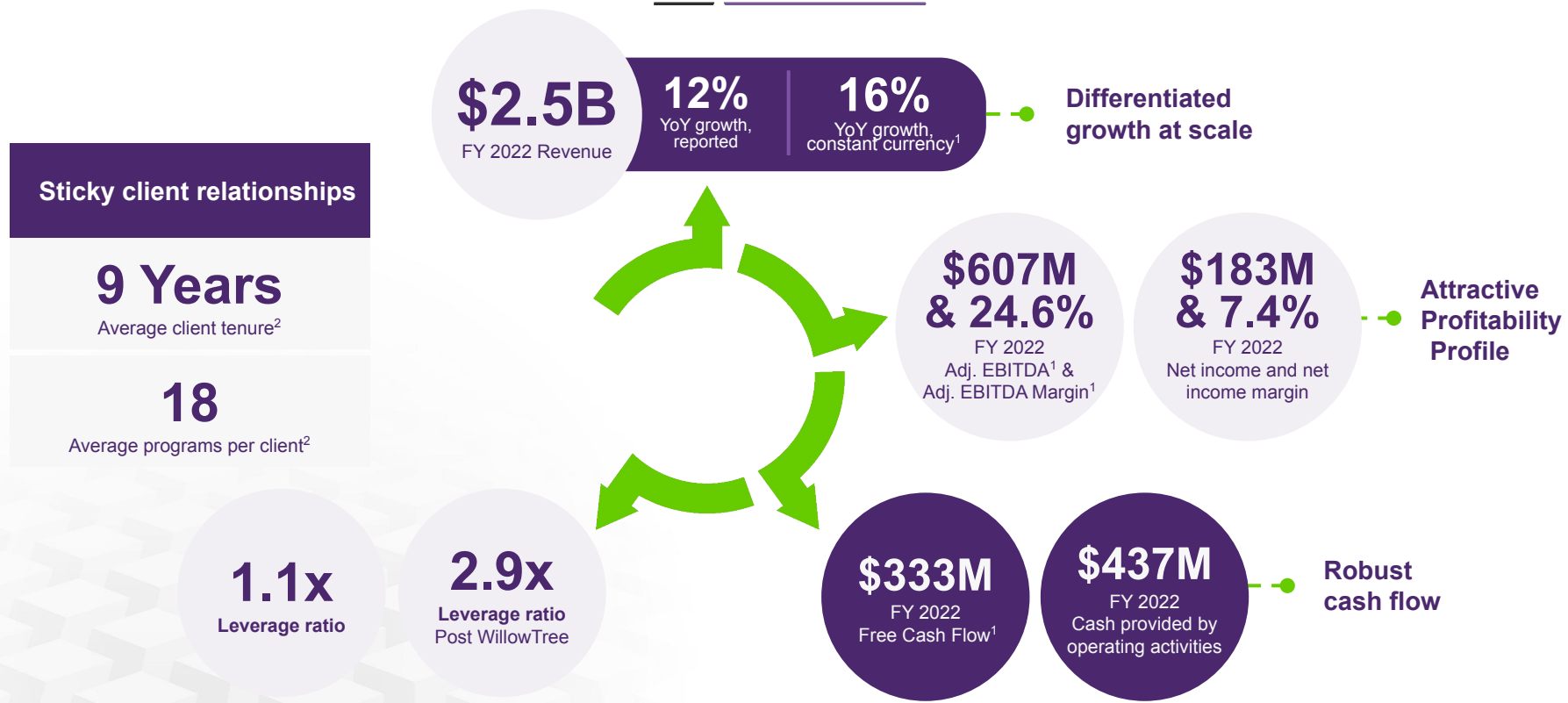
Diversify
geos & clients

Integration best-practices

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



Full-year 2022 | Financial highlights

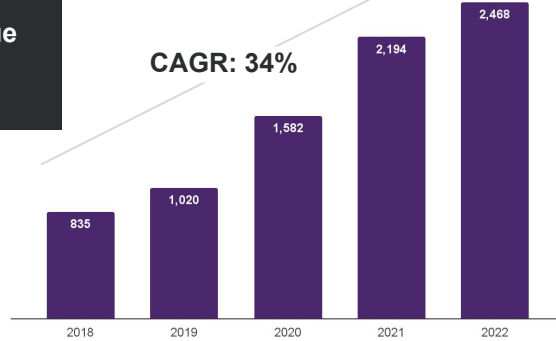


¹ Adjusted EBITDA and Free Cash Flow are non-GAAP financial measures, while revenue growth on a constant currency basis and Adjusted EBITDA Margin are non-GAAP ratios, which do not have a standardized meaning under IFRS and may not be comparable with similar measures presented by other issuers. For a description of the composition of revenue growth on a constant currency basis, Adjusted EBITDA, Adjusted EBITDA Margin, and Free Cash Flow, as well as an explanation of their uses and a reconciliation to the most comparable GAAP measures, see Non-GAAP section of this presentation. In FY 2021, net income was \$78M, net income margin was 3.6%, and cash provided by operating activities was \$311M.

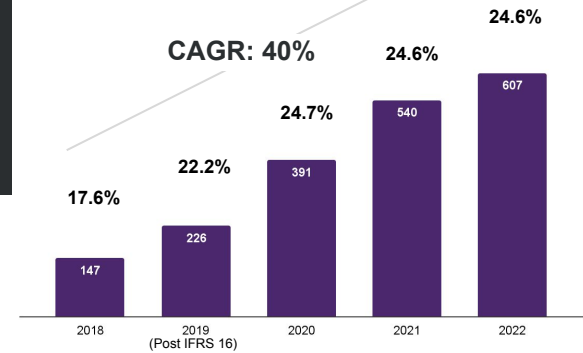
² Top 10 clients, excl. TELUS, as of December 31, 2022.

Track record of historical execution

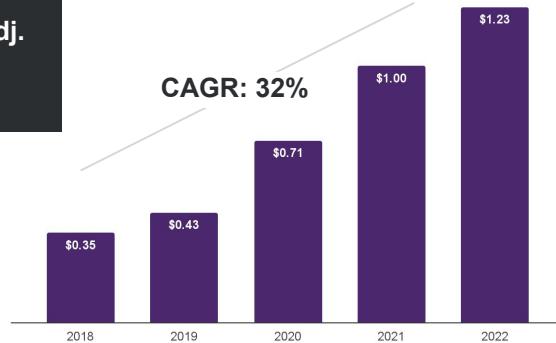
Strong revenue growth
(In millions)



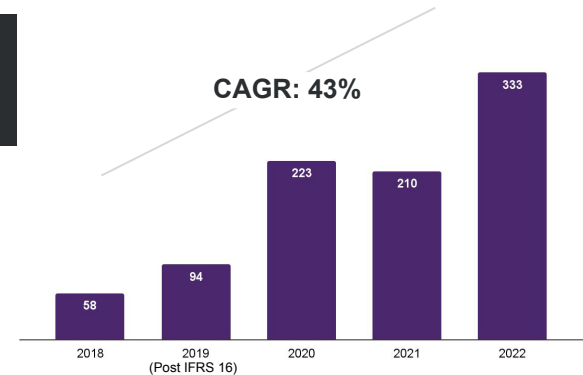
Leading Adj. EBITDA¹ and Adj. EBITDA Margin¹ profile
(In millions)



Bottom line Adj. Diluted EPS¹ flow through



Robust free cash flow¹
(In millions)



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; strategic partner to TELUS Corporation

Experienced management team

250+ 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

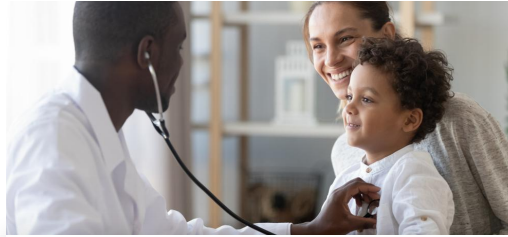
Industry
Specific

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 2023 outlook



Revenue¹

\$2,700 to \$2,730 million

9% to 11% YoY as reported

1% to 2% YoY excl. WillowTree



Adjusted EBITDA²

\$575 to \$600 million

Adjusted EBITDA Margin²

21.3% to 22.0%



Adjusted Diluted EPS²

\$0.90 to \$0.97

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

¹ Outlook assumes an average exchange rate of one euro to 1.08 U.S. dollars for 2023.

² 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.

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 EBITDA 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**

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

Strategic **geo expansion** for broader and diversified access to **talent**

Growth-oriented capital allocation to expand **capabilities & premium solutions**

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 on the following pages. We report certain non-GAAP measures used in the management analysis of our performance, but these do not have a 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 GAAP 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 and revenue on a constant currency basis are non-GAAP financial measures, while Adjusted EBITDA Margin, Adjusted EBITDA CAGR, Adjusted Diluted EPS, Adjusted Diluted EPS CAGR, Free Cash Flow CAGR and revenue growth on a constant currency basis are a non-GAAP ratios. CAGR is a compound annual growth rate over a time period noted for each measure.

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 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 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 as we believe they are driven by factors that are not indicative of our ongoing operating performance, including acquisition, integration and other, share-based compensation, with respect to Adjusted Net Income, the interest accretion on written put options entered into in connection with our acquisition of WillowTree, foreign exchange gains or losses and 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 measure 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 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 diluted total weighted average number of 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 fluctuation. 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 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.

Revenue growth on a constant currency basis reconciliation

	Full Year	
(millions, except percentages)	2022	2021
Revenue, as reported	\$2,468	\$2,194
Foreign exchange impact on current period revenue using prior comparative period's rates	87	(36)
Revenue on a constant currency basis	\$2,555	\$2,158
<i>Revenue growth</i>	12%	39%
<i>Revenue growth on a constant currency basis</i>	16%	36%

Adjusted Net Income and Adjusted EPS reconciliation

(\$ millions, except per share amounts)	2022	2021	2020	2019	2018	2017
Net income	\$183	\$78	\$103	\$69	\$47	\$43
Add back (deduct):						
Change in business combination-related provisions	-	-	(74)	(14)	(13)	-
Acquisition, integration and other	40	23	59	7	4	9
Share-based compensation	25	75	29	13	6	4
Foreign exchange (gain) loss	(7)	(1)	(2)	(3)	8	(1)
Amortization of purchased intangible assets	121	132	75	15	15	4
Tax effect of the adjustments above	(30)	(40)	(30)	(5)	(2)	(2)
Adjusted Net Income	\$332	\$267	\$160	\$82	\$65	\$57
Basic EPS	\$0.69	\$0.30	\$0.46	\$0.36	\$0.25	\$0.24
Diluted EPS	\$0.68	\$0.29	\$0.46	\$0.36	\$0.25	\$0.24
Adjusted Basic EPS	\$1.25	\$1.01	\$0.71	\$0.43	\$0.35	\$0.32
Adjusted Diluted EPS	\$1.23	\$1.00	\$0.71	\$0.43	\$0.35	\$0.31
<i>Diluted EPS 5-year CAGR</i>	23%					
<i>Adjusted Diluted EPS 5-year CAGR</i>	32%					
Total Weighted Average Shares Outstanding (millions)						
Basic	266	264	224	190	189	180
Diluted	270	267	226	190	189	180

Adjusted EBITDA reconciliation

(\$ millions, except percentages)	2022	2021	2020	2019	2018	2017
Net income	\$183	\$78	\$103	\$69	\$47	\$43
Add back (deduct):						
Change in business combination-related provisions	-	-	(74)	(14)	(13)	-
Acquisition, integration and other	40	23	59	7	4	9
Share-based compensation	25	75	29	13	6	4
Foreign exchange (gain) loss	(7)	(1)	(2)	(3)	8	(1)
Depreciation and amortization	258	257	182	92	50	32
Interest expense	41	44	46	36	23	10
Income taxes	67	64	48	26	22	16
Adjusted EBITDA	\$607	\$540	\$391	\$226	\$147	\$113
<i>Net income margin</i>	7.4%	3.6%	6.5%	6.8%	5.6%	7.5%
<i>Adjusted EBITDA Margin</i>	24.6%	24.6%	24.7%	22.1%	17.6%	19.9%
Net income 5-year CAGR	34%					
Adjusted EBITDA 5-year CAGR	40%					

Free Cash Flow reconciliation

(\$ millions)	2022	2021	2020	2019	2018	2017
Cash provided by operating activities	\$437	\$311	\$297	\$157	\$109	\$98
Less: capital expenditures	(104)	(101)	(74)	(63)	(51)	(42)
Free Cash Flow	\$333	\$210	\$223	\$94	\$58	\$56
<i>Cash provided by operating activities 5-year CAGR</i>	35%					
<i>Free Cash Flow 5-year CAGR</i>	43%					



Appendices

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

As at (millions, except for ratio)	December 31, 2022	December 31, 2021
Outstanding credit facility	\$742	\$941
Contingent facility utilization	7	7
Net derivative liabilities	1	19
Cash balance ¹	(125)	(100)
Net Debt as per credit agreement	\$625	\$867
Adjusted EBITDA (trailing 12 months)	\$607	\$540
Adjustments required as per credit agreement	(63)	(118)
Net Debt to Adjusted EBITDA Leverage Ratio as per credit agreement	1.1	2.1

¹ Maximum cash balance permitted as a reduction to net debt, as per the credit agreement, is \$150 million. Actual cash balance as of December 31, 2022 and December 31, 2021 was \$125 million and \$115 million, respectively. Maximum cash balance permitted as a reduction to net debt, as per the credit agreement, was \$150 million as at December 31, 2022 (December 31, 2021 - \$100 million); actual cash balance as of December 31, 2022 and December 31, 2021 was \$125 million and \$115 million, respectively.

Note, following the WillowTree acquisition close in early January 2023, Net Debt to Adjusted EBITDA Leverage Ratio as per credit agreement was 2.9x.

Thank you!

Investor Relations Contact

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Head of Investor Relations & Treasurer

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