

# Investor Presentation



# | 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 13, 2025.

## **Non-GAAP Financial Measures**

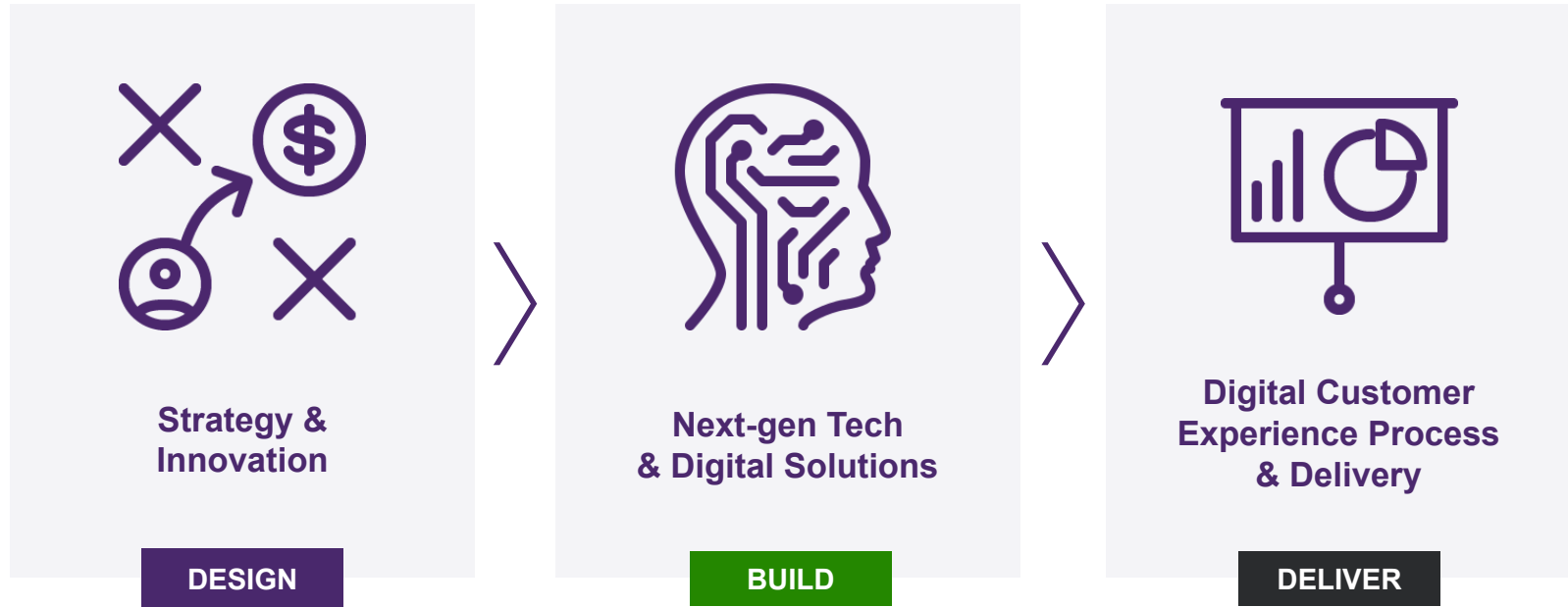
This presentation also contains non-GAAP financial information, with reconciliation to GAAP measures presented at the end of this presentation. We report certain non-GAAP measures used in the management analysis of our performance, but these do not have standardized meanings under International Financial Reporting Standards, as issued by the International Accounting Standards Board (IFRS® Accounting Standards). 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.

In this presentation and related disclosure we refer to TELUS International (Cda) Inc. as TELUS Digital. TELUS Corporation (TSX: T, NYSE: TU) is the controlling shareholder of TELUS Digital.

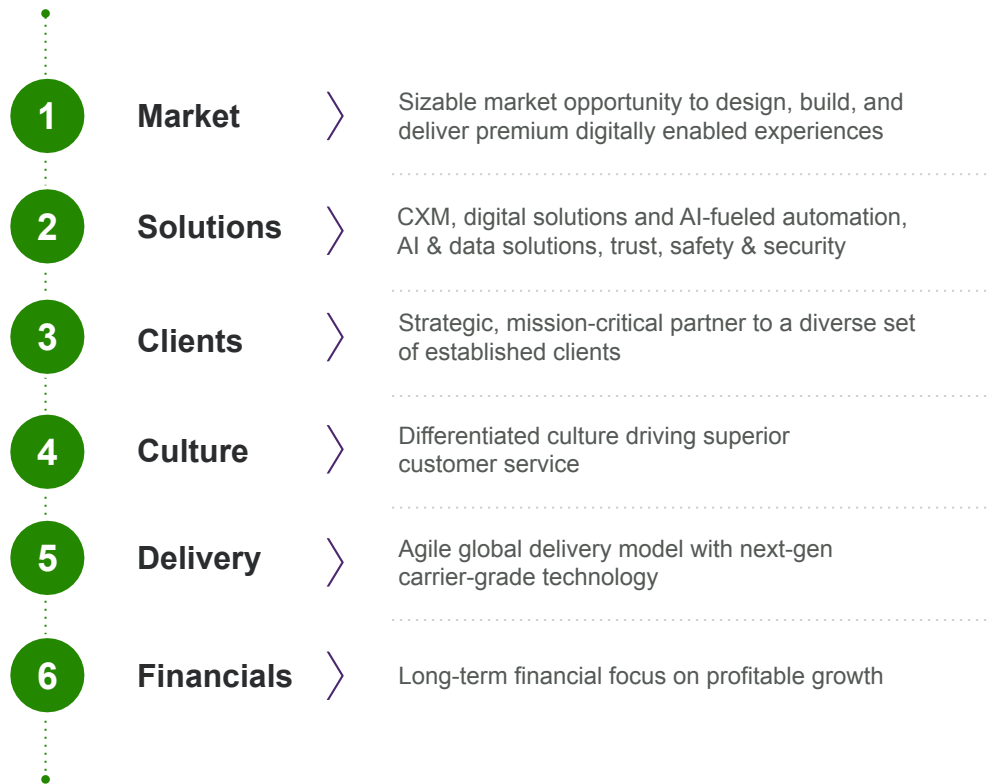
## **Currency**

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

| Dedicated to crafting lasting customer experiences through data, technology, and a human-centric approach



# | The TELUS Digital difference



<b>\$750B+</b>	Total addressable market <sup>1</sup>
<b>650+</b>	Clients
<b>78%</b>	Global top quartile engagement <sup>2</sup>
<b>67</b>	Delivery locations
<b>Revenue</b>	<u>2025 Outlook</u> <sup>3</sup> <b>~\$2.7B</b>

Note: CXM (Customer Experience Management).

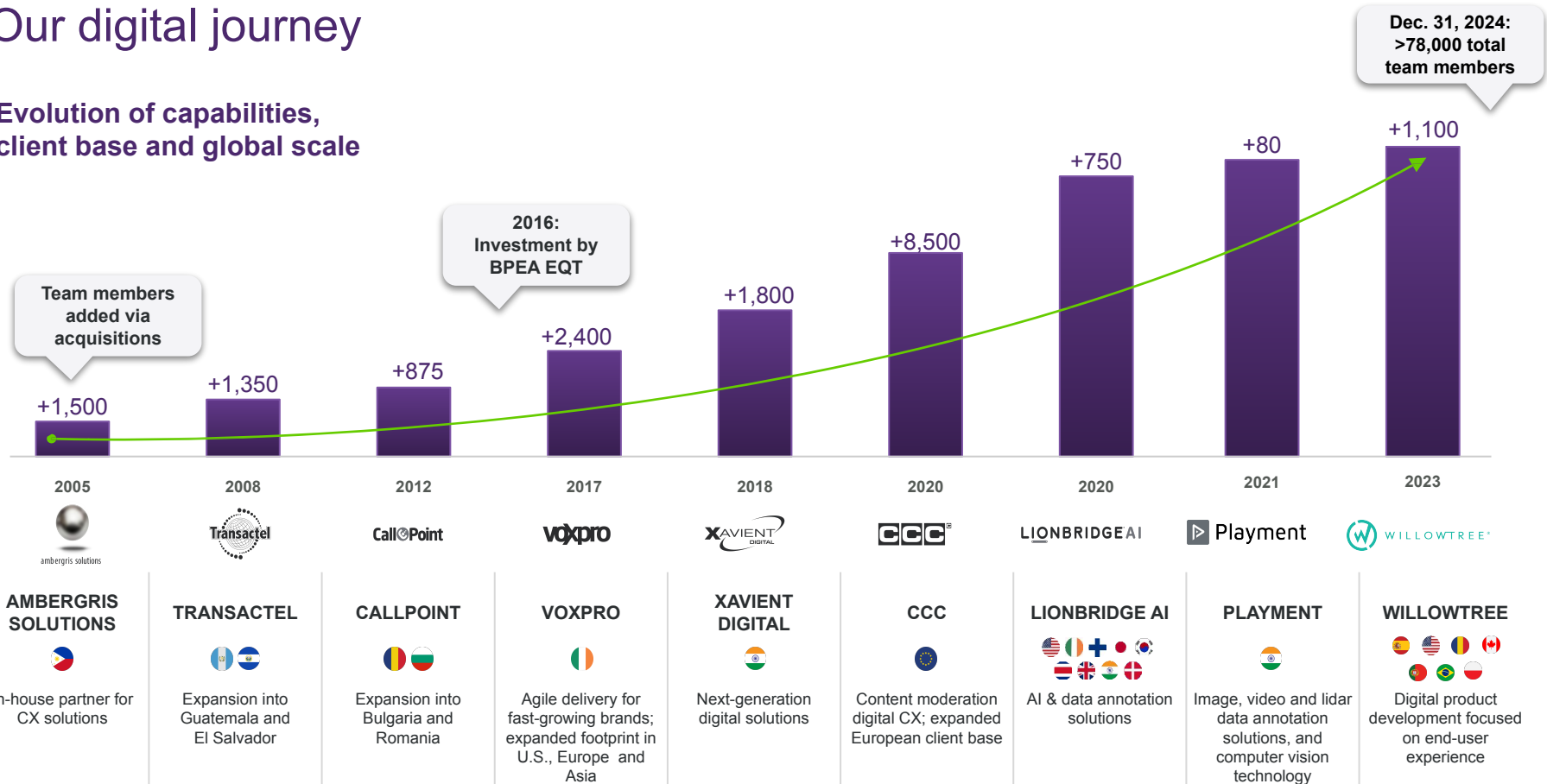
<sup>1</sup> Total addressable market estimated by management as of 2024.

<sup>2</sup> Employee engagement score by Kincentric, for the year ended December 31, 2024.

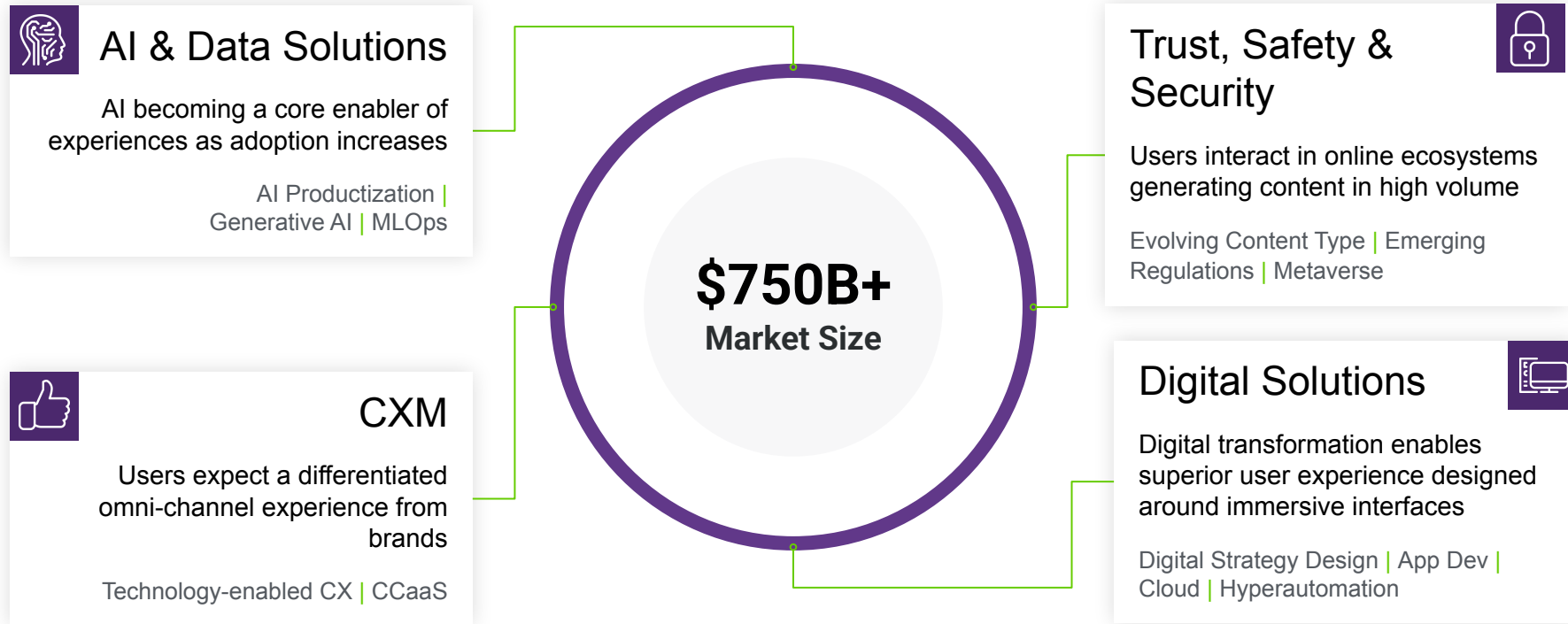
<sup>3</sup> Outlook for full-year 2025, as disclosed on February 13, 2025.

# Our digital journey

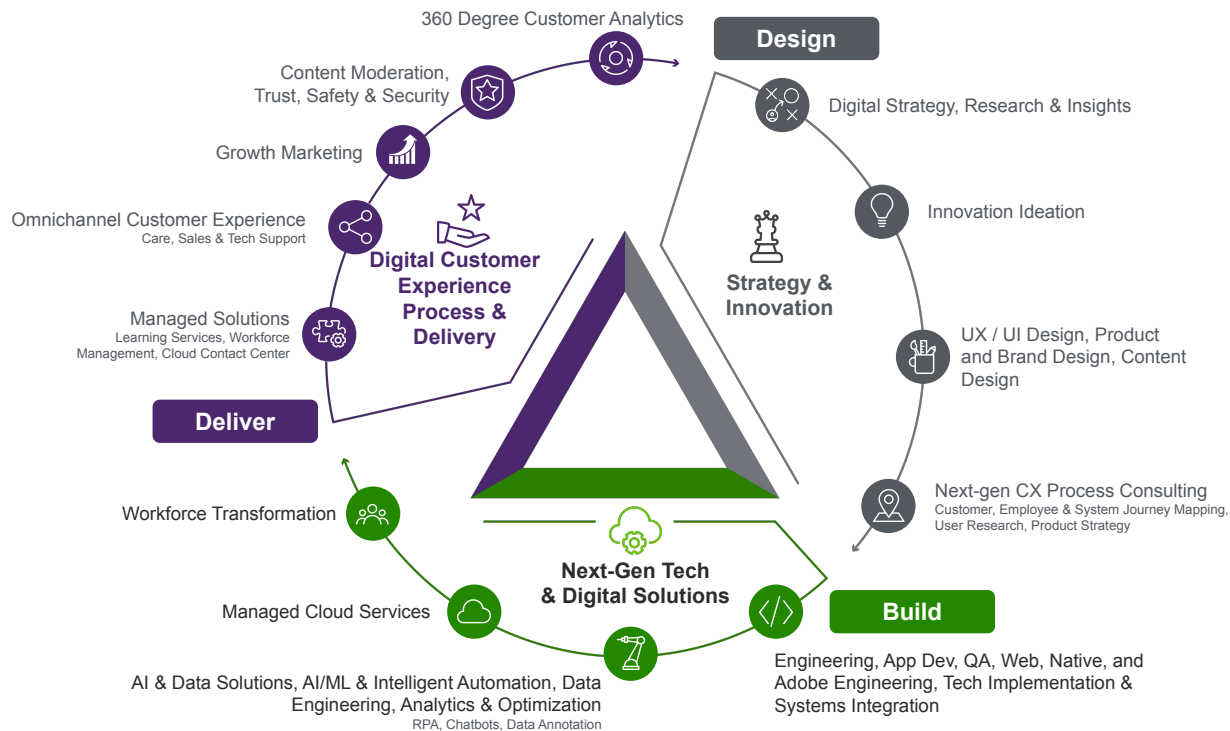
Evolution of capabilities,  
client base and global scale



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



# End-to-end digital solutions, customer experience and adjacent capabilities



Domain Expertise | iLabs | Digital CoEs | Vertical Solutions | Tech Partnerships | Global Delivery

# | Revenue diversification: strategic partner to a diverse set of clients

**650+**  
**clients**



High-Growth  
End-Markets



Partner With  
Market Leaders



Long-Term  
Relationships

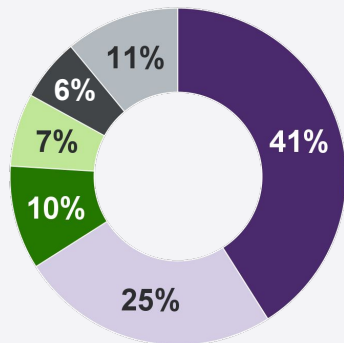


Mission-Critical  
Partner for Clients



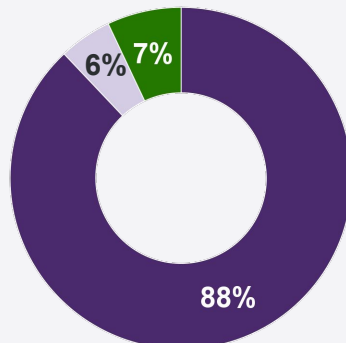
Shared  
Cultural Values

**By vertical (FY 2024)**



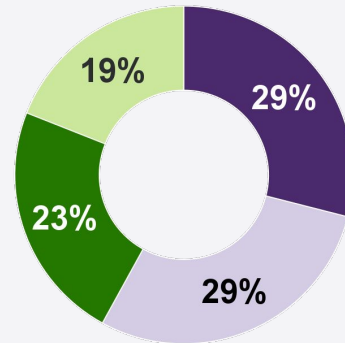
● Tech & Games ● Communications & Media ● eCommerce & Fintech  
● Healthcare ● Banking, Fin. Services & Insurance ● Other

**By client location (FY 2024)**



● North America ● Europe ● Asia-Pacific

**By geography (FY 2024)**

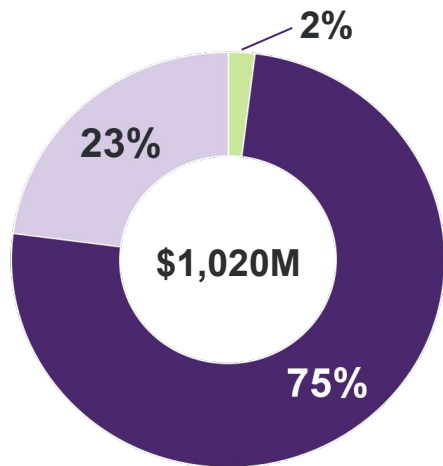


● North America ● Europe ● Asia-Pacific  
● Central America and others

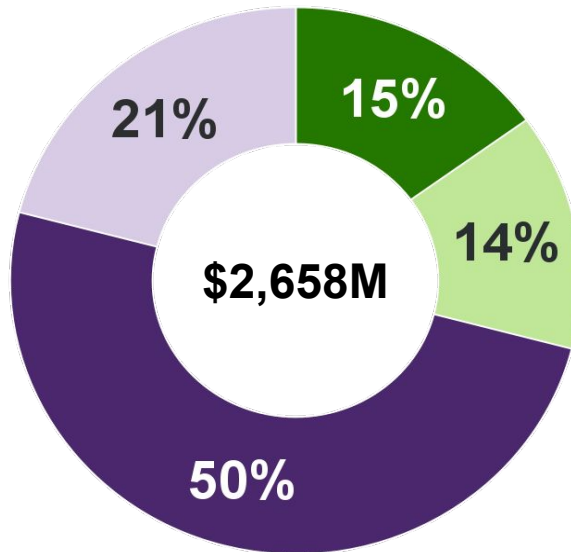


## | Diversification across service lines, evolution to technology-centric model

2019 revenue by service line



2024 revenue by service line



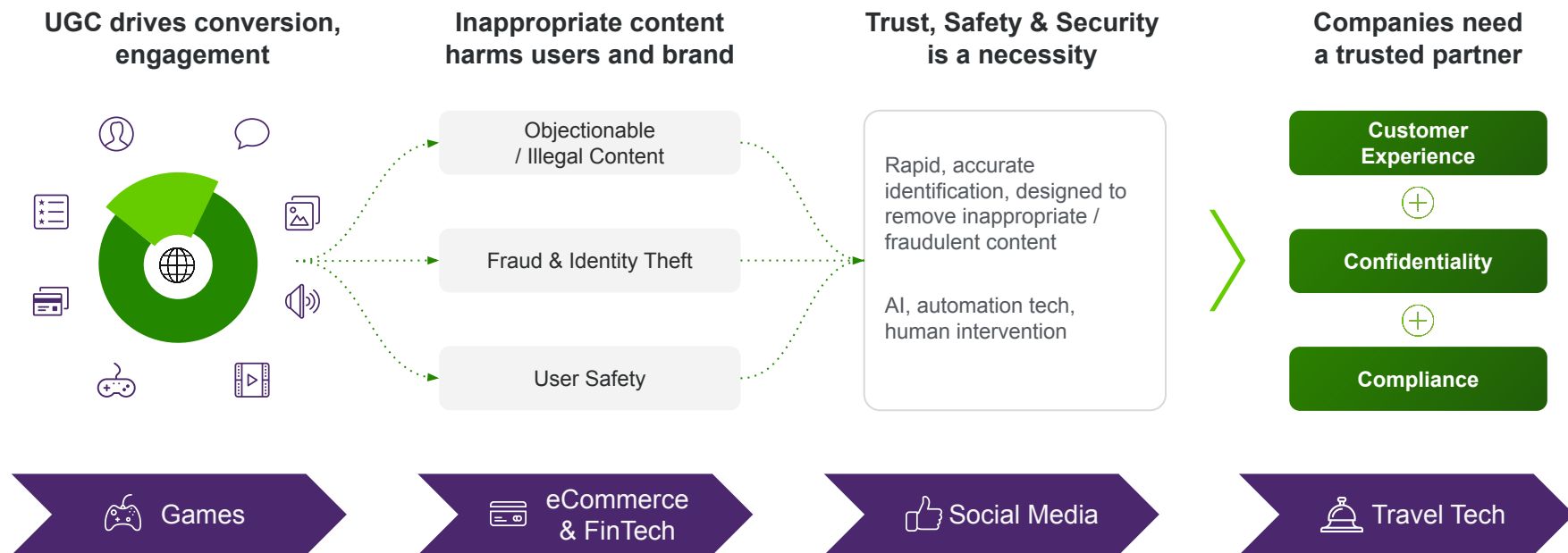
### Trust, Safety & Security

- Moderation of content e.g. criminal activity, fraud, deception, abuse, hate, bullying, graphic content, violence, terrorism, etc.
- Channel and community management
- User trust & safety
- Know Your Client and identification verification
- Fraud detection

● AI & Data Solutions   ● Trust, Safety & Security   ● CXM   ● Digital Solutions

# | Spotlight on: TELUS Digital Trust, Safety & Security

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



Note: UGC (User-generated content).



Enterprise grade technology-driven intelligent experiences

## Fuel iX™ Core

Common management backbone



Administration



Observation



Integration



Routing

Scalable enterprise tools



RAGaaS



Guardrails as a service



Orchestration

## Fuel iX™ Apps

Turn-key apps and use cases



Agent Copilot  
Agent Trainer



Fortify



Copilots



Custom apps

Channels

Partners



turbopuffer

LLM Integrations



ANTHROPIC

Enterprise  
Infrastructure



Apps



Services



Data

Third-Party  
Services

Foundation  
models



Cloud hosting



# | Spotlight on: TELUS Digital 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)



1 million+ Community speaking 500+ languages and dialects



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



Proprietary 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



GenAI LLM support services: dataset engineering, model validation & tuning, software engineering, policy/guardrails



Serving leading providers of digital assistants, search engines and advertising networks

Data Creation / Collection



Data Annotation



Computer Vision

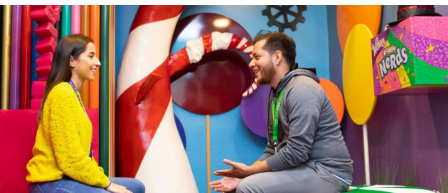


Content Relevance



Linguistic Annotation

# Culture as a competitive differentiator



## Talent Acquisition

- **980K** candidates screened and **180** university partnerships<sup>1</sup>
- **~44%** referral-based hires<sup>2</sup>

<sup>1</sup> During the year ended December 31, 2024.

<sup>2</sup> Of new full time team members hired in 2024.

## Training and Coaching

- Create thought leaders with deep industry acumen
- **~3,400** degrees & programs completed at **TELUS Digital University** since 2009

## Diversity and Inclusion

- Women represent **~46%**<sup>3</sup> of our total workforce

<sup>3</sup> As of December 31, 2024.

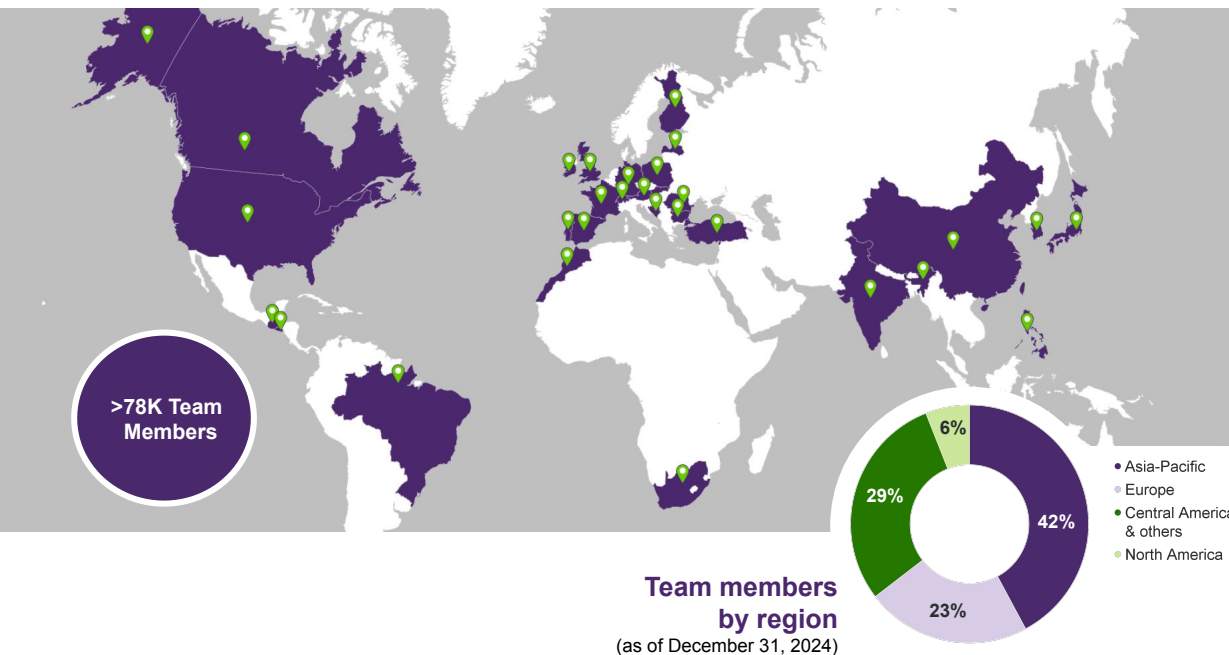
## Corporate Social Responsibility

- **~\$6.1M** distributed to local charities through TELUS Digital Community Boards since 2011
- TELUS Digital team members **volunteered 106,000 hours** in 2024

Culture of inclusion, diversity, and respect drives our success



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



## Technology partnerships



# | Our executive leadership team



**Jason Macdonnell**

Acting CEO, COO and President,  
Customer Experience



**Tobias Dengel**

President of  
Digital Solutions



**Gopi Chande**

Chief Financial Officer



**Michel Belec**

Chief Legal Officer and  
Corporate Secretary

Extensive industry track record within  
**digital solutions and customer experience management**



**Andrea Clayton**

Chief Human Resources  
Officer



**Monty Hamilton**

Chief Product and Marketing  
Officer



**Brian Hannon**

Chief Growth Officer



**Mike Ringman**

Chief Information Officer

## | Multiple levers of long-term organic growth



Expand volume  
and services with  
existing clients



Win new logos in  
core verticals



Leverage  
technology  
expertise to  
innovate new  
solutions



Drive efficiency  
through  
continuous  
improvement



Expand  
geographic  
presence



# Inorganic growth: proven, disciplined approach to M&A

## Key strategic priorities



Augment capabilities



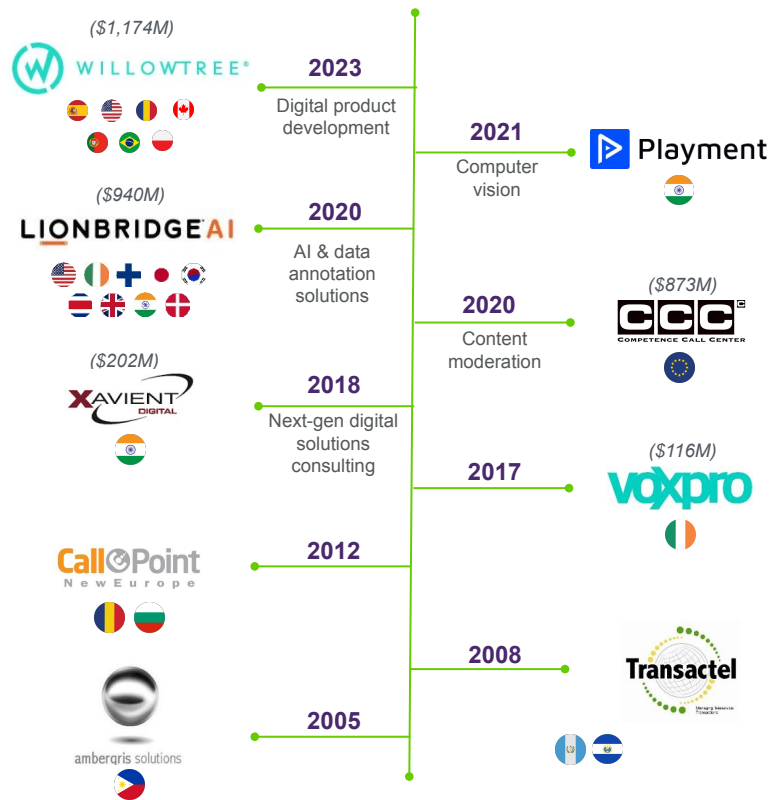
Add scale



Diversify geos & clients

## Integration best-practices

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



# | Navigating a challenging macroeconomic environment

## Industry Specific

### Continued investment in hyperautomation

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

### Value for money in focus

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

### Vendor consolidation

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

## TELUS Digital Specific

### 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; strategic partner to TELUS

### Experienced management team

Extensive industry track record and senior management experience

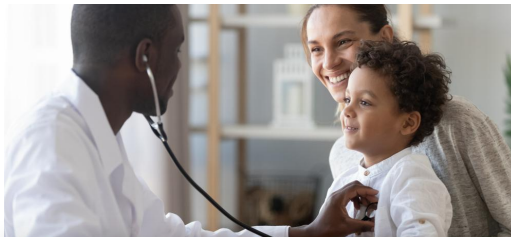
### Growth-oriented financial profile

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

# 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. TELUS is a real-world lab for our digital innovations



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



Enabling efficient, sustainable, traceable production from farm to fork, leveraging digital solutions to help improve food safety and quality for end consumers

Our digital solutions amplify opportunities with TELUS

# | Full-year 2025 outlook



## Revenue

**~2% growth on an organic basis**



## Adjusted EBITDA<sup>1</sup>

**~\$400 million**



## Adjusted Diluted EPS<sup>1</sup>

**~\$0.32**

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

<sup>1</sup> Adjusted EBITDA is a non-GAAP measure, while Adjusted Diluted EPS is a non-GAAP ratio, 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 and Adjusted Diluted EPS see non-GAAP section of this presentation.

# | Capital allocation strategy geared toward 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



## Manage leverage

- Manage leverage to support growth and optimize cost of capital, with strong cash flows enabling debt repayment
- Over the long-term, target steady-state Net Debt to Adjusted EBITDA<sup>1</sup> of 2-3x

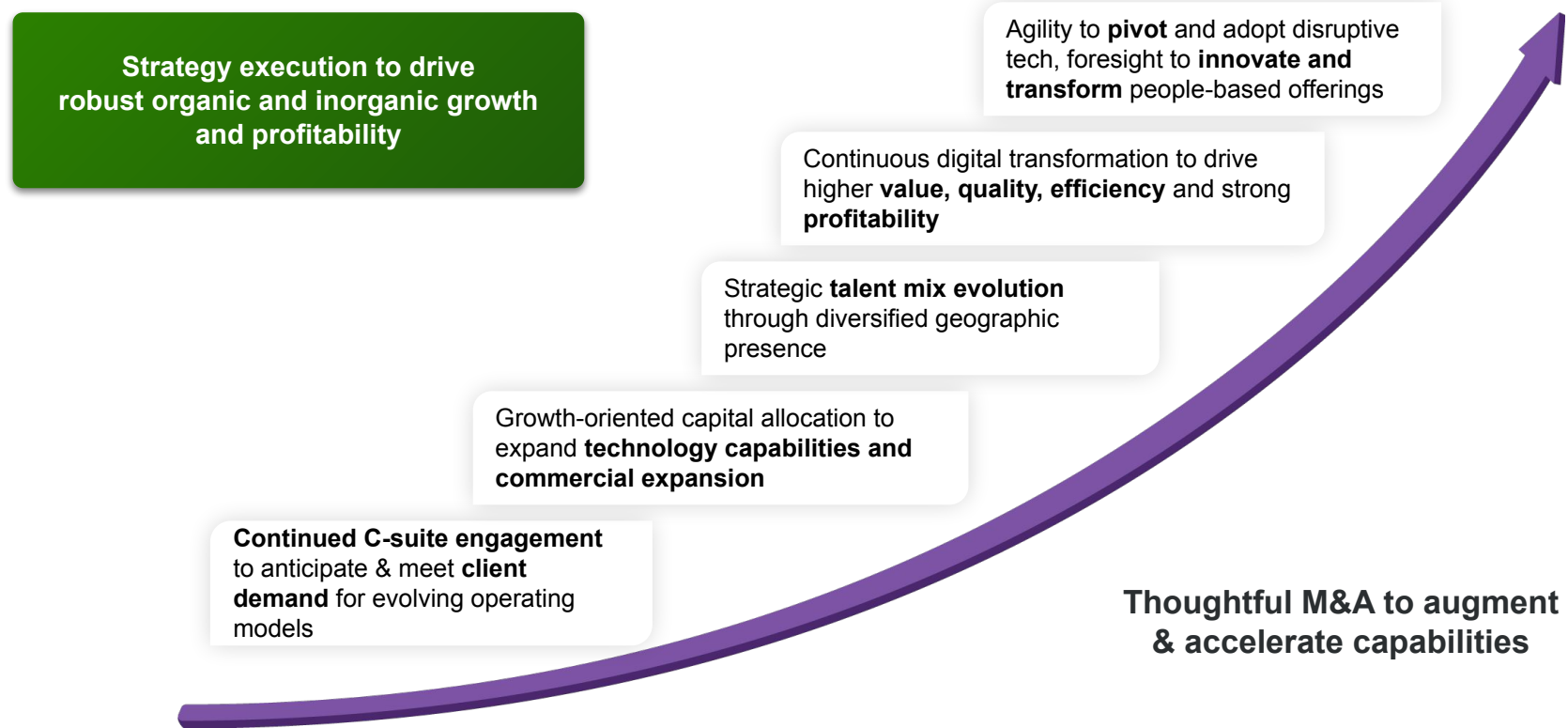


## Disciplined M&A

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

<sup>1</sup> Net Debt to Adjusted EBITDA Leverage Ratio as per our credit agreement is a non-GAAP ratio, calculated based on Net Debt and Adjusted EBITDA, both as per our credit agreement, with other adjustments required as per credit agreement; see Non-GAAP section of this presentation. Net Debt to Adjusted EBITDA Leverage Ratio as per our credit agreement target range excludes the impact of potential future acquisitions.

# | Key strategic priorities to drive long-term value creation



# | Focus on creating value for 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

## Healthier Communities

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

## Engaged Team Members

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

## Shareholders

- Growth-oriented capital allocation
- Experienced management team
- Smart acquirer
- Strong governance



# Non-GAAP



# | Non-GAAP

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Adjusted EBITDA, Adjusted Net Income (Loss), 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.

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 (Loss) and Adjusted EBITDA, such as acquisition, integration and other, foreign exchange gains or losses and, additionally, with respect to Adjusted Net Income (Loss), 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 (Loss) 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 (Loss) 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. Over the long term, 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 2025 outlook for Adjusted EBITDA and Adjusted Diluted EPS to our full-year 2025 outlook for net income 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

(millions, except percentages)	2024	2023
<b>Revenue, as reported</b>	<b>\$2,658</b>	<b>\$2,708</b>
Foreign exchange impact on current period revenue using prior comparative period's rates	2	(12)
<b>Revenue on a constant currency basis</b>	<b>\$2,660</b>	<b>\$2,696</b>
<i>Revenue growth</i>	<i>(2)%</i>	<i>10%</i>
<i>Revenue growth on a constant currency basis</i>	<i>(2)%</i>	<i>9%</i>

# Adjusted Net Income and Adjusted EPS reconciliation

(millions, except per share amounts)	2024	2023
<b>Net (loss) income</b>	<b>\$(61)</b>	<b>\$54</b>
Add back (deduct):		
Acquisition, integration and other	45	55
Real estate rationalization-related impairments	2	5
Amortization of purchased intangible assets	170	174
Interest accretion on written put options	10	13
Foreign exchange (gain) loss	(4)	-
Tax effect of the adjustments above	(46)	(53)
<b>Adjusted Net Income</b>	<b>\$116</b>	<b>\$248</b>
Basic EPS	\$(0.22)	\$0.20
Diluted EPS	\$(0.34)	\$0.18
Adjusted Basic EPS	\$0.42	\$0.91
Adjusted Diluted EPS	\$0.39	\$0.87
<b>Total Weighted Average Shares Outstanding (millions)</b>		
Basic	275	274
Diluted	297	286

# I Adjusted EBITDA reconciliation

(millions, except percentages)	2024	2023
<b>Net (loss) income</b>	<b>\$(61)</b>	<b>\$54</b>
Add back (deduct):		
Acquisition, integration and other	45	55
Depreciation and amortization	324	324
Interest expense	138	144
Foreign exchange (gain) loss	(4)	-
Income taxes	39	5
<b>Adjusted EBITDA</b>	<b>\$481</b>	<b>\$582</b>
<i>Net (loss) income margin</i>	<i>(2.3)%</i>	<i>2.0%</i>
<i>Adjusted EBITDA Margin</i>	<i>18.1%</i>	<i>21.5%</i>

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

As at (millions, except for ratio)	December 31, 2024	December 31, 2023
Outstanding credit facility	\$1,284	\$1,463
Contingent facility utilization	7	7
Liability related to provisions for written put options <sup>1</sup>	-	68
Net derivative liabilities	2	-
Cash balance <sup>2</sup>	(150)	(127)
<b>Net Debt as per credit agreement</b>	<b>\$1,143</b>	<b>\$1,411</b>
<b>Adjusted EBITDA (trailing 12 months)</b>	<b>\$481</b>	<b>\$582</b>
Adjustments required as per credit agreement	\$(124)	\$(84)
<b>Net Debt to Adjusted EBITDA Leverage Ratio as per credit agreement</b>	<b>3.2</b>	<b>2.8</b>

<sup>1</sup> Reflects the undiscounted amount payable in cash on the estimated provisions for written put options arising from our acquisition of WillowTree. During the second quarter of 2024, we amended the provisions for written put options and eliminated the requirement to settle a portion in cash. See Note 15—Provisions in the notes to the audited consolidated financial statements as at and for the year ended December 31, 2024, included in the Annual Report.

<sup>2</sup> Maximum cash balance permitted as a reduction to net debt, as per the credit agreement, was \$150 million as at December 31, 2024 and 2023.

Investor Relations

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Thank you!