



## Investor Presentation

July 2021

# Disclaimer

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## Forward Looking Statements

This presentation contains forward-looking statements concerning our expected financial results for full year 2021, 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. As a result, any or all of our forward-looking statements may turn out to be inaccurate. Factors that may cause actual results to differ materially from current expectations include, among other things, those factors listed under "Risk Factors" in our Annual Report on Form 20-F filed with the SEC on EDGAR and on SEDAR.

## Non-GAAP Financial Measures

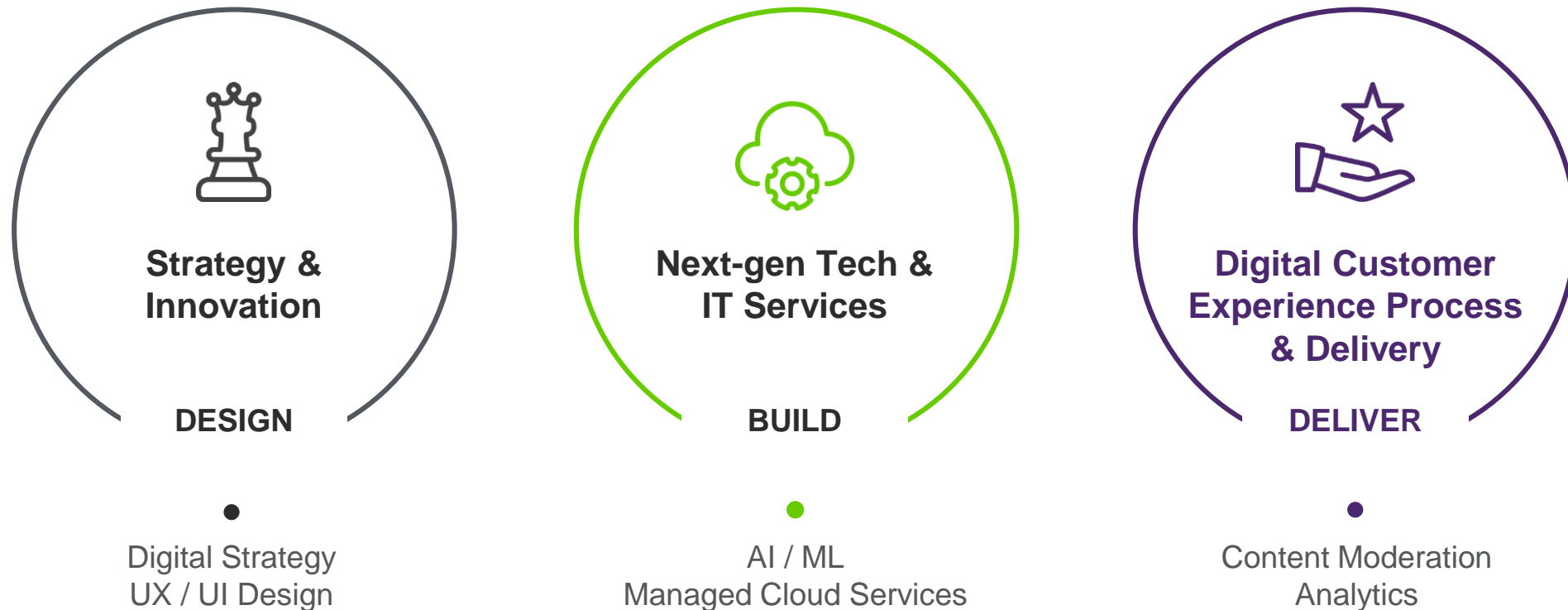
This Presentation also contains certain non-GAAP financial measures, which are not measures of financial performance in accordance with GAAP and may exclude items that are significant in understanding and assessing our financial results. Therefore, these measures should not be considered in isolation 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. 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, financial measures prepared in accordance with GAAP. For an explanation of these non-GAAP measures and a reconciliation to the most comparable GAAP measure, please see the appendices to this presentation and our full year 2020, as well as second quarter 2021, management's discussion and analysis of results of operations and financial condition, and financial statements and notes, on SEDAR and on Form 20-F and Form 6-K, respectively, on EDGAR with the SEC.

## 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

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# The TELUS International difference



~\$157B+		Total addressable market <sup>1</sup>
86%		Engagement
18+		Average programs per client <sup>2</sup>
600+		Clients
50		Delivery Centers
	2020 <sup>3</sup>	2021 Outlook <sup>4</sup>
Revenue	\$1.58B	\$2.17 - 2.21B
TI Adj. EBITDA <sup>5</sup>	\$391M	\$530 - 540M

Note: CX (Customer Experience). Employee engagement scores by Kincentric. All data as of December 31, 2020, unless noted otherwise.

<sup>1</sup> Total addressable market is an estimate based on industry reports, market surveys and our own knowledge of the industry.

<sup>2</sup> Top 10 clients, excl. TELUS.

<sup>3</sup> Full-year 2020 financials exclude TELUS International AI Data Solutions (formerly Lionbridge AI acquisition, which closed on December 31, 2020).

<sup>4</sup> Expected outlook for full-year 2021, as disclosed on July 30, 2021.

<sup>5</sup> Non-GAAP measures. See Appendices for a reconciliation of TI Adjusted EBITDA to Net Income.

# Continuous investment in our people



## Talent Acquisition

- **174k** candidates screened and **300** university partnerships<sup>1</sup>
- More than **48%** referral-based hires<sup>2</sup>

<sup>1</sup> Annually, in 2020.

<sup>2</sup> Of total new hires in 2020.

## Training and Coaching

- Create thought leaders with deep industry acumen
- **3,499** degrees completed through **TI University** globally

## Diversity and Inclusion

- Women represent **~47%**<sup>3</sup> of our total workforce<sup>4</sup>

<sup>3</sup> Excludes CCC and TELUS International AI Data Solutions (formerly Lionbridge AI).

<sup>4</sup> As of June 30, 2021.

## Corporate Social Responsibility

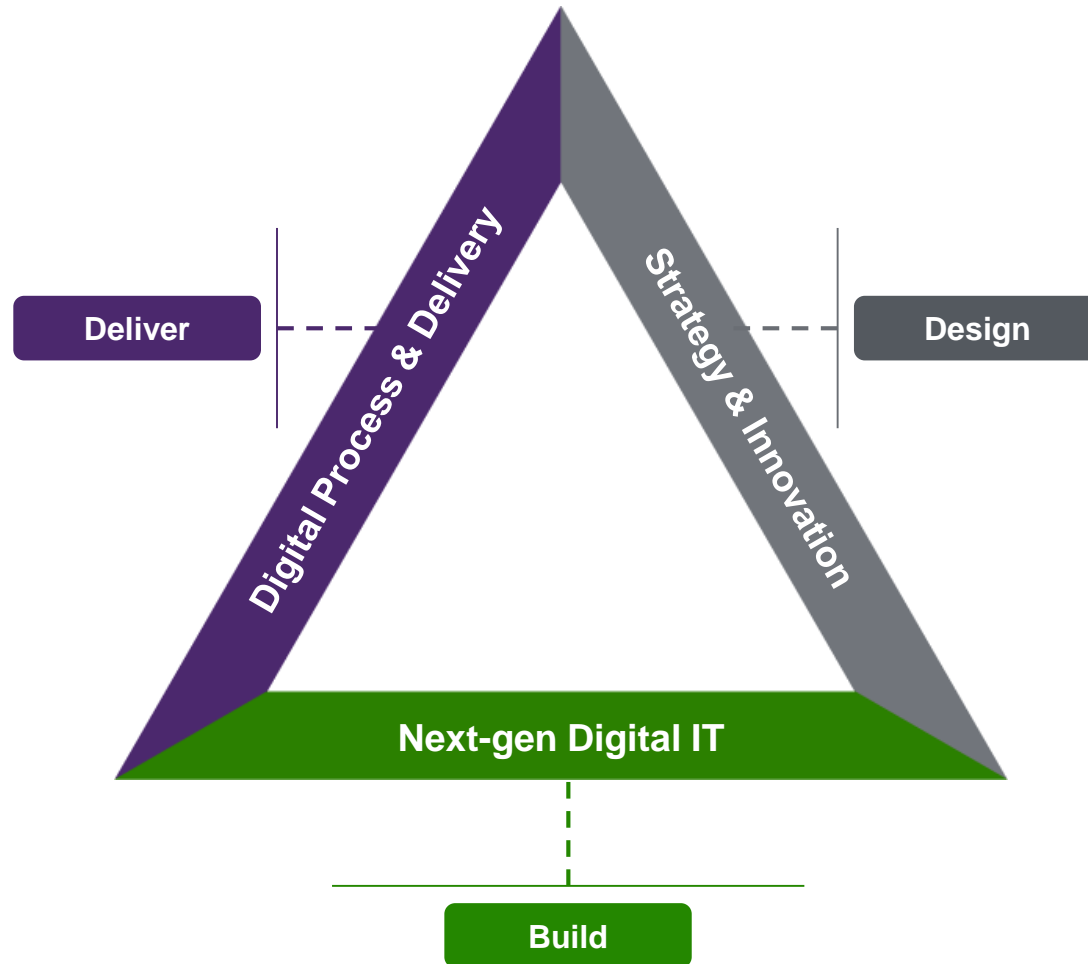
- **TELUS Days of Giving**
- Nearly **150k** lives impacted
- **Over \$2.5mm** donated through community boards since 2011

Culture of inclusion, diversity, and respect drives our success



# Category-defining value proposition for Digital Transformation and CX

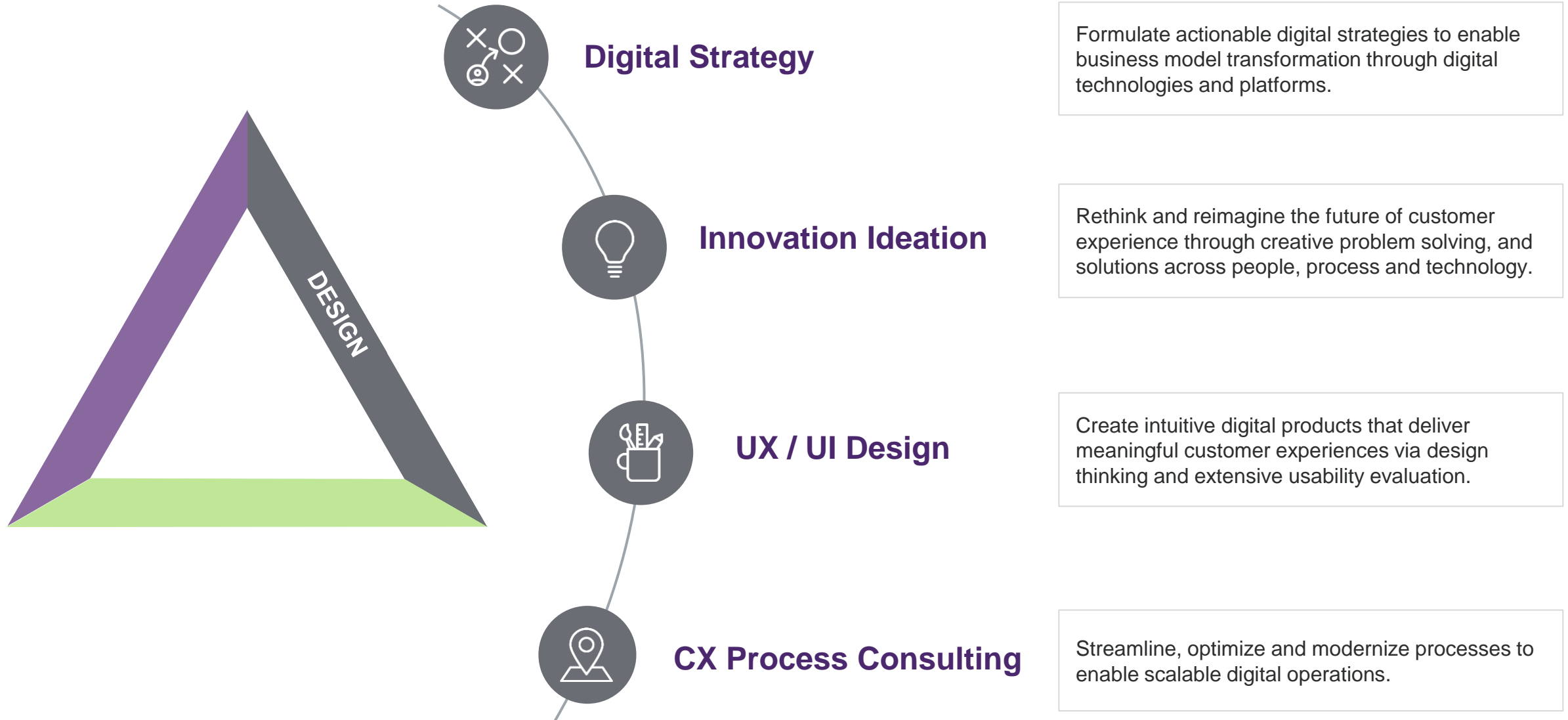
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- Differentiated portfolio of integrated digital IT and CX solutions spanning the design, build, deliver lifecycle
- Combine digital technologies with human talent to drive better outcomes
- Strategic partner to clients where CX differentiation is mission-critical

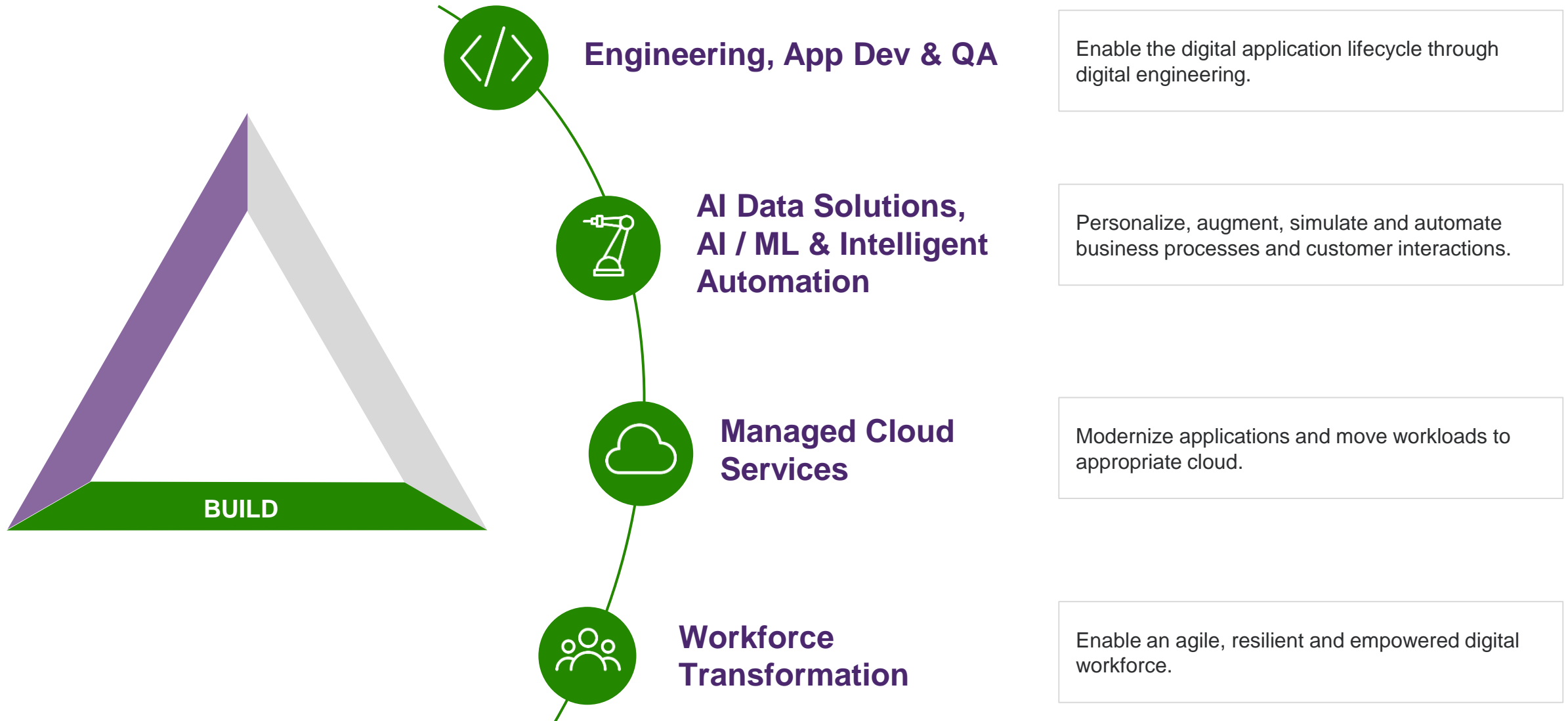
# Design strategy & innovation

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# Build next-generation technology & IT services

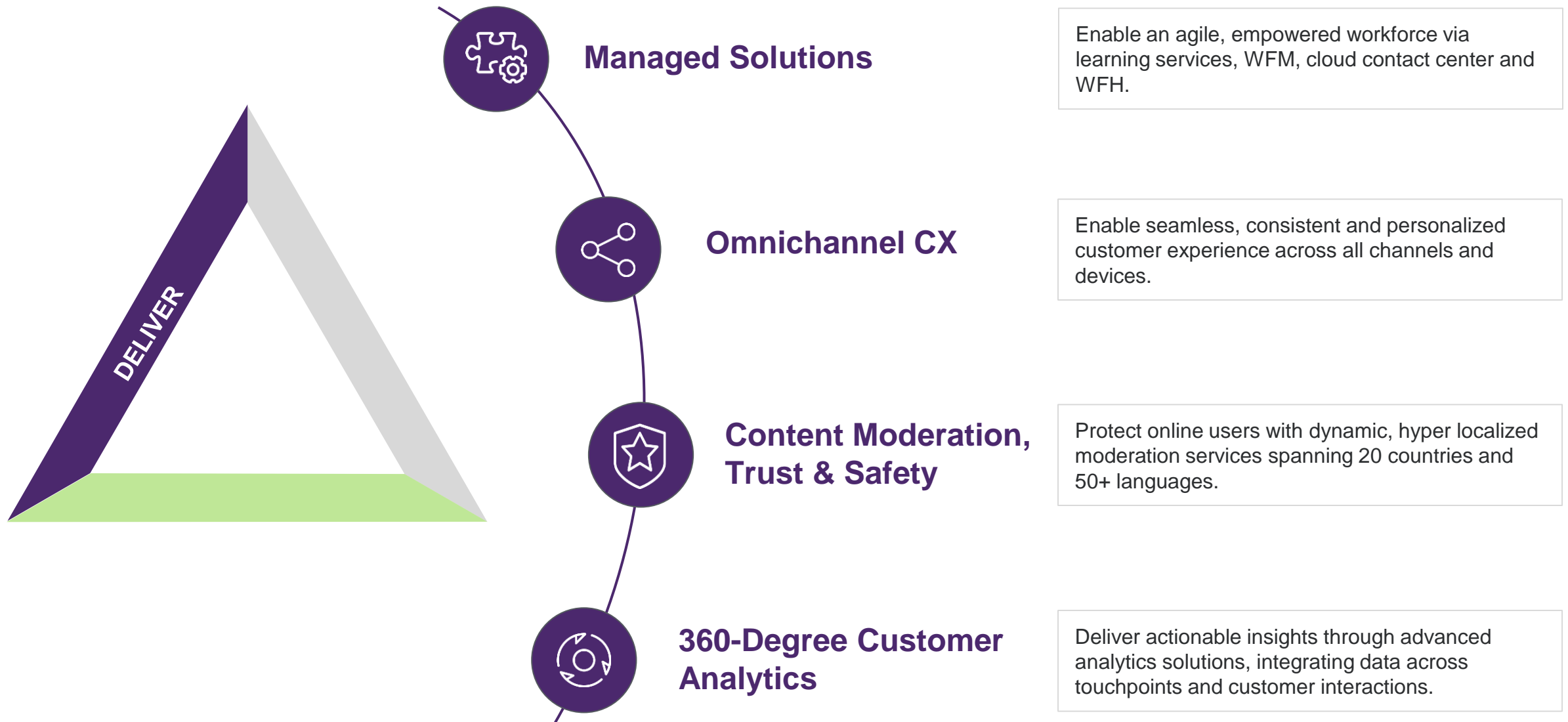
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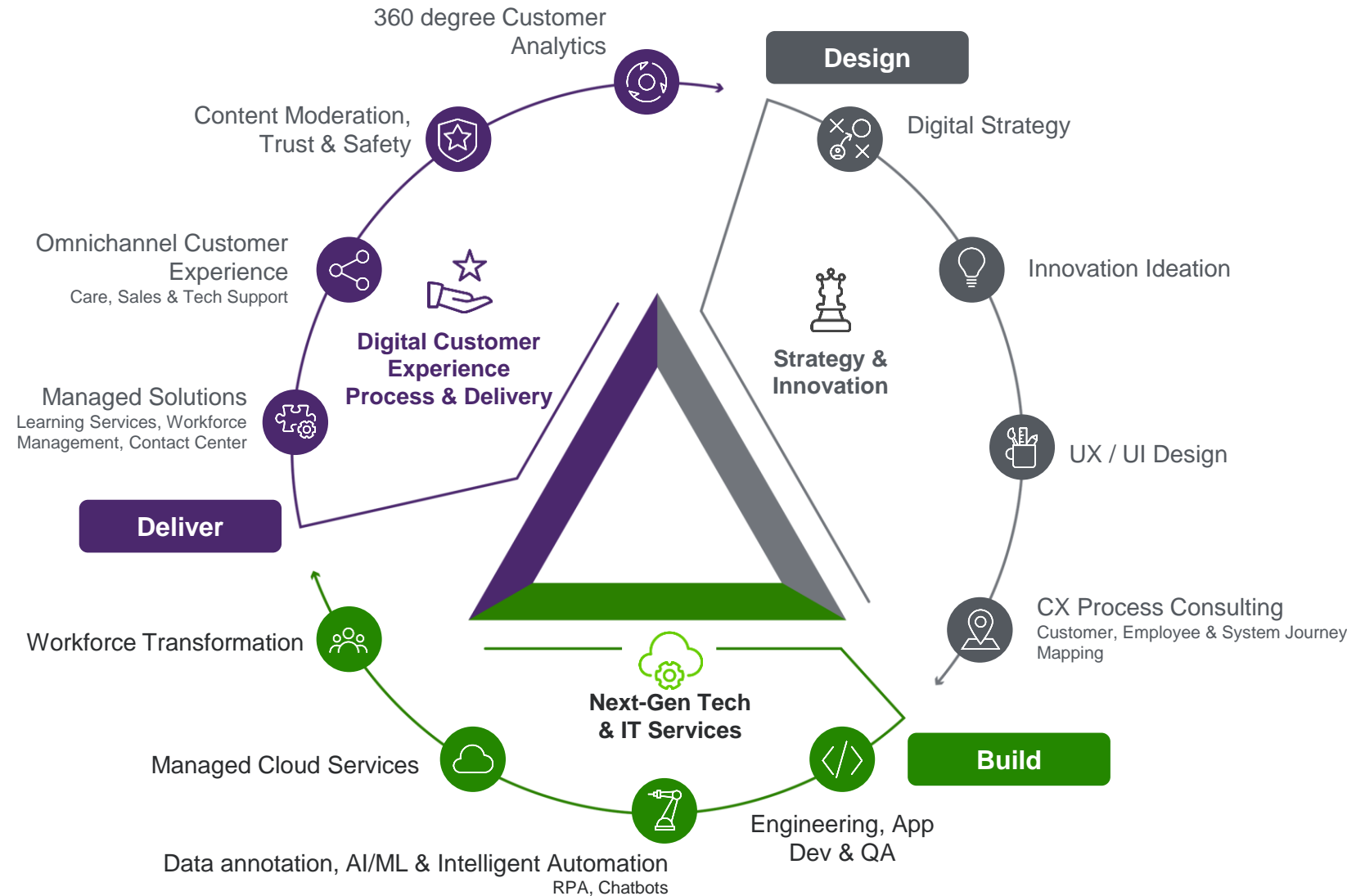


# Deliver digital CX process

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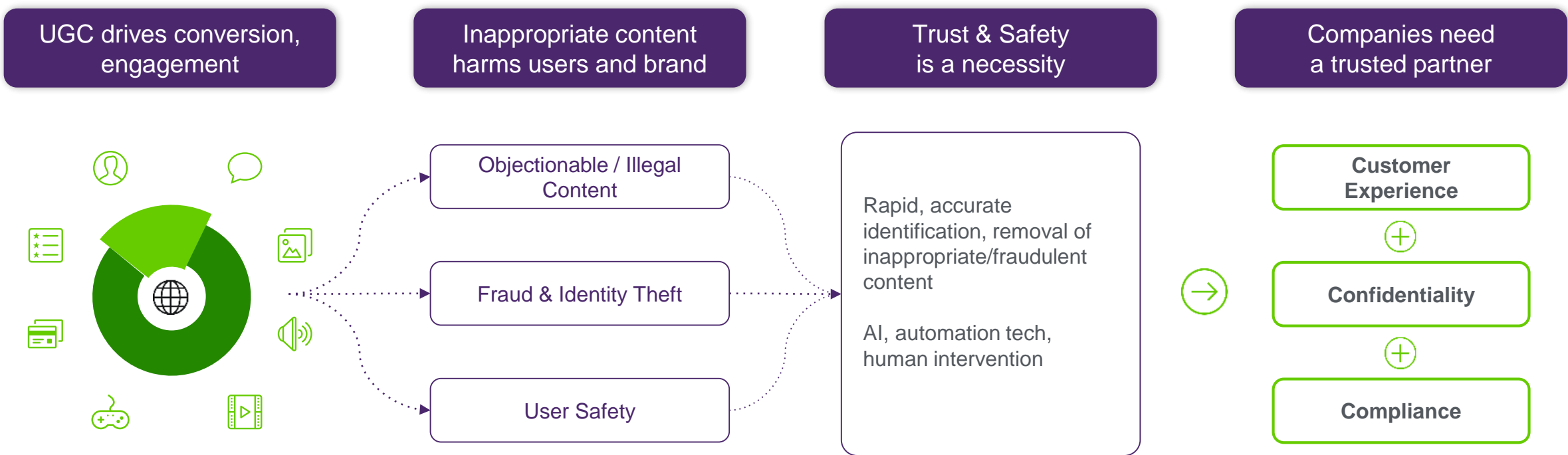


# Comprehensive, end-to-end capabilities with digital technology expertise



# Spotlight on: TELUS International Digital Trust & Safety solutions

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



Note: UGC (User-generated content).

# Trust & Safety: use cases

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## Games

### Client Need

- Minimize content infractions to preserve player base
- Enforce rules of conduct to maintain player safety

### Scope

- Player chat moderation
- Forum/community moderation
- Spam regulation



## eCommerce & FinTech

### Client Need

- Monitor merchant accounts and transactions
- Identify and remove fake reviews and products

### Scope

- Unauthorized transactions, stolen cards, chargebacks
- Phishing
- Identify verification
- Product/User review moderation
- Compliance screening



## Social Media

### Client Need

- Expand moderation scope to new languages
- Maximize moderation accuracy and speed
- Standardize moderation workflows

### Scope

- User generated content moderation (text, image, video)
- Ad moderation



## Travel Tech

### Client Need

- Foster safe guest experiences
- Protect platform integrity - brand and user community

### Scope

- Guest & Host safety
- Fraud prevention & Claims assessment
- Guest review moderation
- Identity verification



## Spotlight on: TELUS International AI Data Solutions

Human intelligence-enabled solutions to create and enhance the quality of global AI training data for machine learning



1 million+  
AI Community



Speed & accuracy of delivery



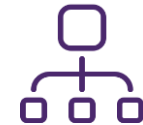
Proprietary AI platforms for  
community sourcing & project  
management



Secure onsite, nearsite, offsite  
capabilities



Data at scale - collection,  
creation, annotation, relevance



End-to-end project management  
& client workflow integration



500+ languages  
& dialects



Built-in quality assurance &  
system checks



AI data expertise serving the  
world's top brands

Data Creation / Collection

Data Annotation

Data Validation & Relevance

Linguistic Annotation

# Strategic positioning on the AI development value chain

Data labeling is an important step in the AI value chain that enables models to make the best possible predictions

80%

Data Collection & Labeling can represent about **80%** of the work on any given AI project

Data sourcing

Data engineering

Data labeling & annotation

Model building

Model deployment

Gather existing relevant data from internal & external data sources

Clean & transform the data to be suitable for AI/ML projects

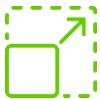
Label & annotate data to make it possible for AI/ML algorithms to learn

Build predictive AI/ML models out of data & labels

Make AI/ML models available to customers & monitor their performance

# Increasing revenue diversification: strategic partner to a diverse set of leading clients

**600+**  
**clients**



High-Growth  
End-Markets



Partner With  
Disruptors &  
Market Leaders



Long-Term,  
Entrenched  
Relationships

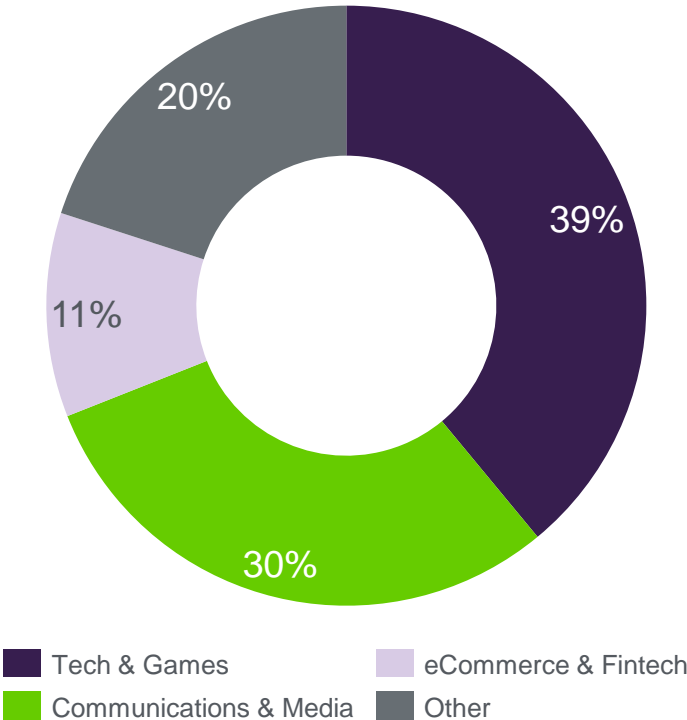


Mission-Critical  
Partner, Driving  
Revenue For  
Clients

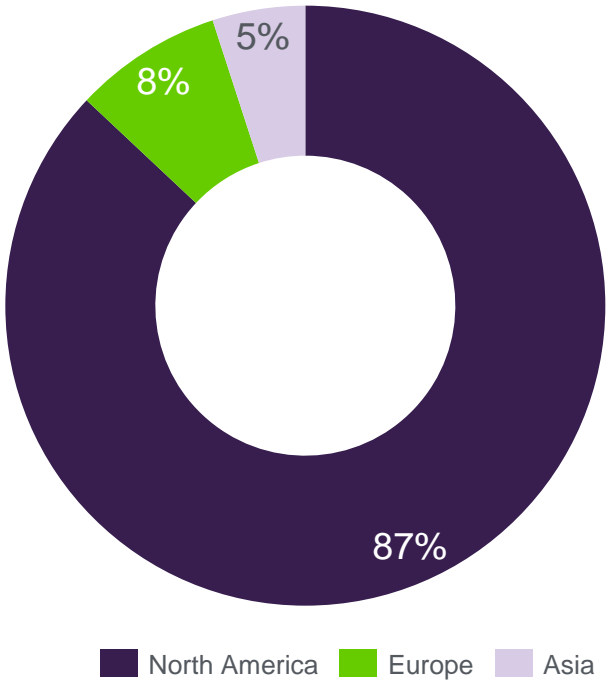


Shared  
Cultural Values

**By vertical (FY 2020)**

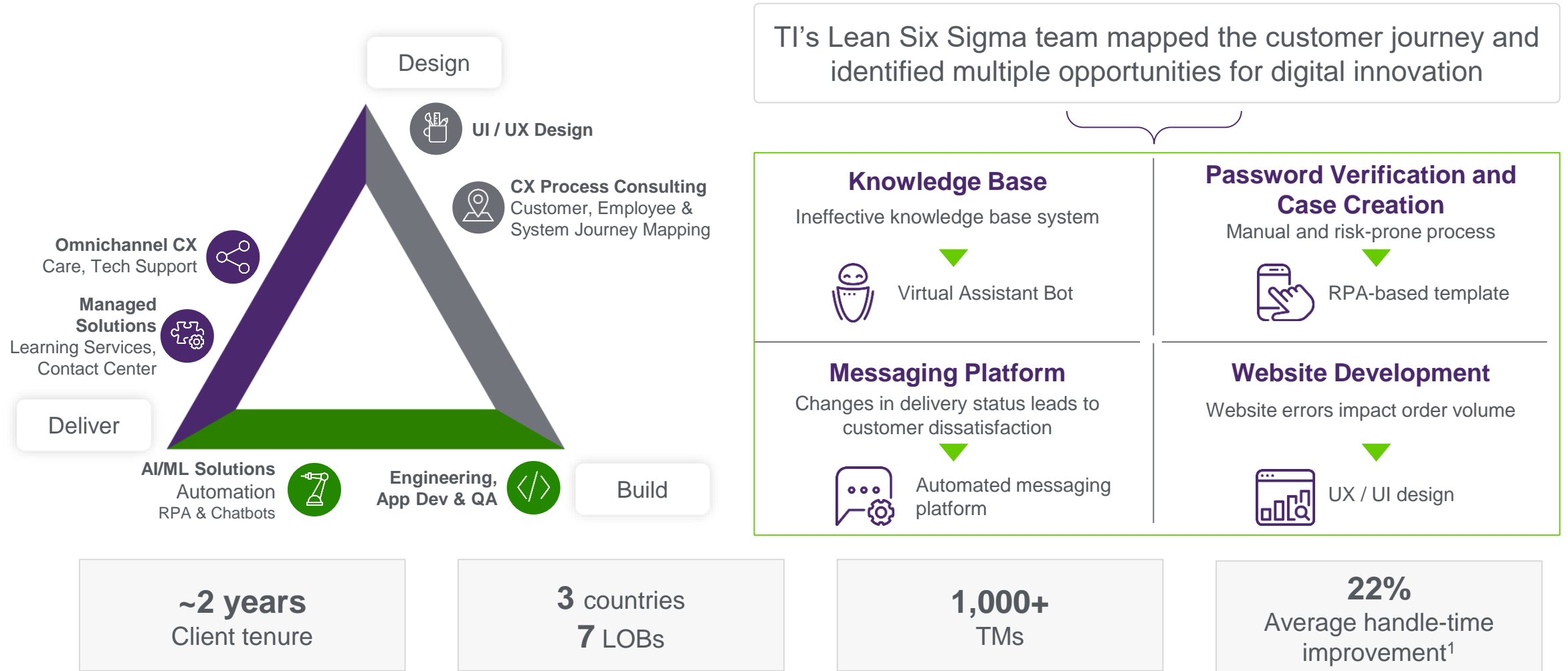


**By customer location (FY 2020)**



Note: All charts are shown on an as reported basis for full year 2020, excluding TELUS International AI Data Solutions (formerly Lionbridge AI acquisition, which closed on December 31, 2020).

# Client case study | Reducing customer effort through co-innovation and digital transformation



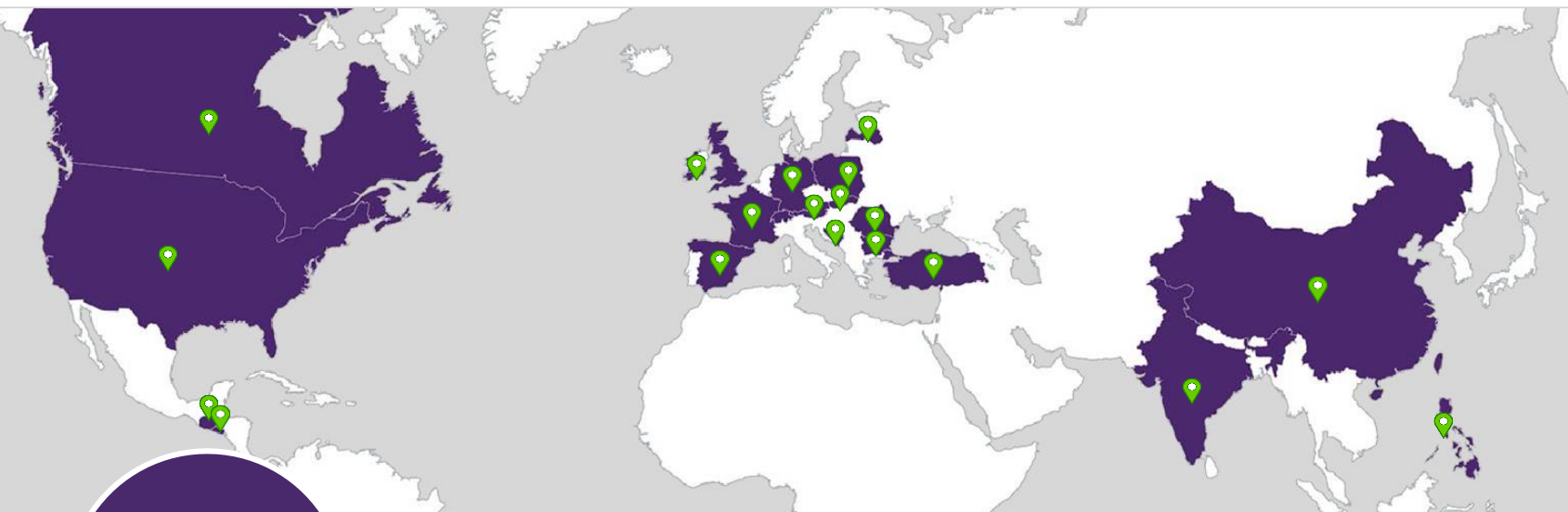
Chosen for our distinct, unique culture and ability to innovate

Note: TMs (Team members); LOBs (Lines of Business).

<sup>1</sup> Represents average handle time improvement for new hires participating in a pilot Agent Assist Bot initiative.

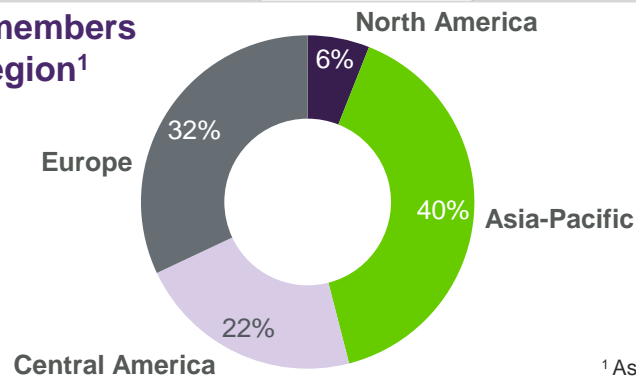


# Globally-scaled, agile delivery model, supported by best-in-class technology



>56k Team Members  
~80% WFH-enabled

Team members by region<sup>1</sup>



<sup>1</sup> As of June 30, 2021.

## Best-in-class technology



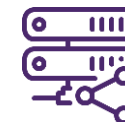
Built on **next-generation** cloud infrastructure



**Next-gen tools** capable of self learning



Deep expertise in **AI and automation**



**API connectivity** to clients' data

Technology partnerships



## Experienced senior leadership team with robust execution track record

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**Jeffrey Puritt**

President and  
Chief Executive Officer



**Vanessa Kanu**

Chief Financial Officer



**Michel Belec**

Chief Legal Officer and  
Corporate Secretary



**Ed Jay**

Senior Vice-President,  
AI Data Solutions



**Charles Koskovich**

Chief Operating Officer

Over **225 years** of combined experience, including extensive industry experience within **digital IT and customer experience management**



**Christian Legat**

Chief Executive Officer,  
CCC



**Maria Pardee**

Chief Commercial Officer



**James Radzicki**

Chief Technology Officer



**Mike Ringman**

Chief Information Officer



**Marilyn Tyfting**

Chief Corporate Officer

## Multiple levers of continued organic growth

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Expand volume and services with existing clients



Win new logos in core verticals



Leverage technology expertise to innovate new solutions



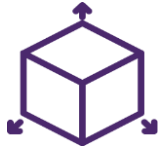
Drive efficiency through continuous improvement



Expand geographic presence

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

## Key strategic priorities



Augment  
capabilities



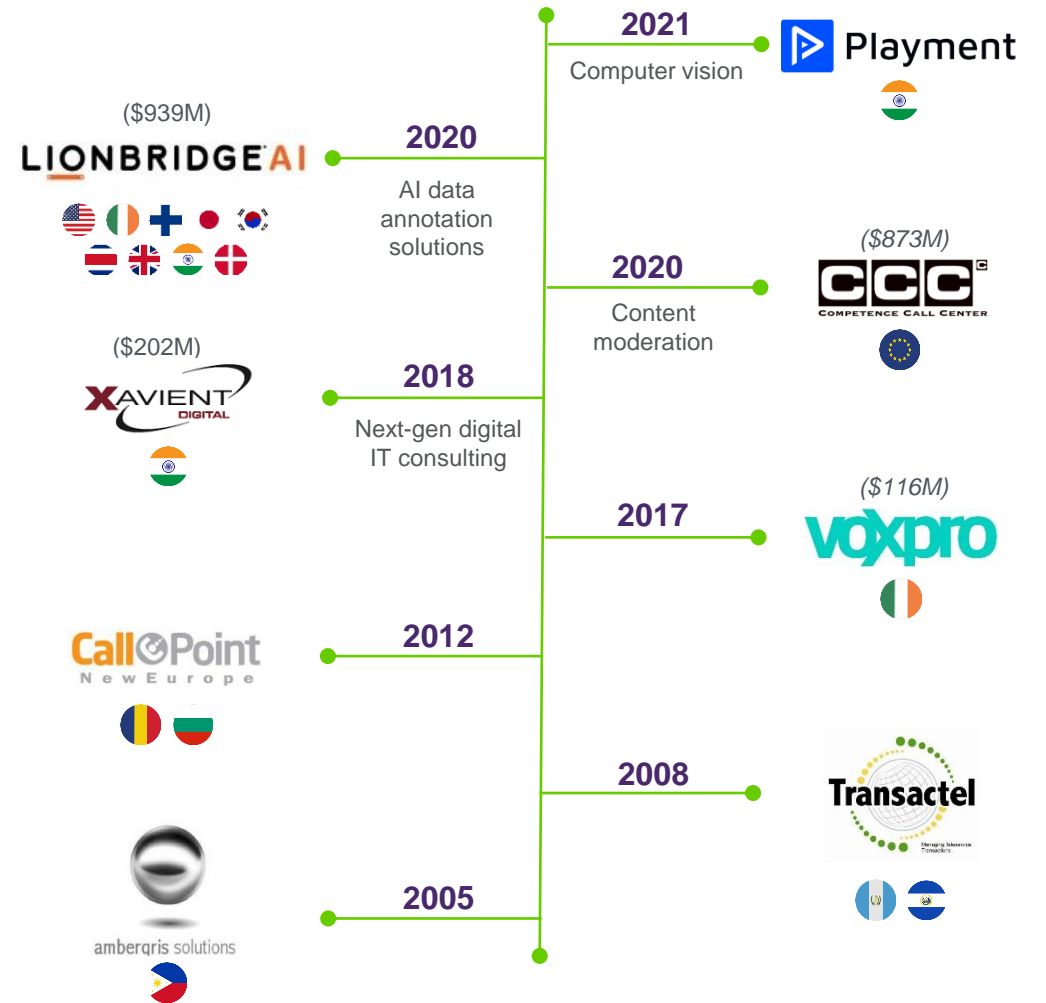
Add  
scale



Diversify  
geos & clients

## Integration best-practices

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



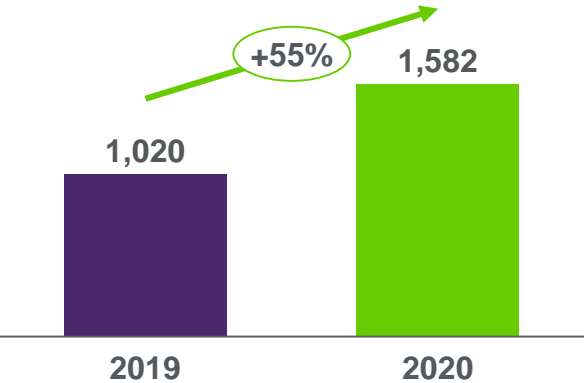
Proven track-record of value creation



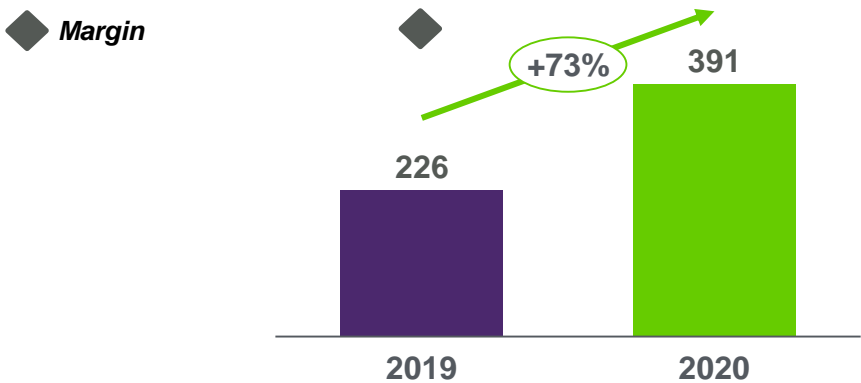
# Full-year 2020 financial highlights

Strategic acquisitions and continued operating momentum drove revenue growth and profitability, supporting strong free cash flow generation

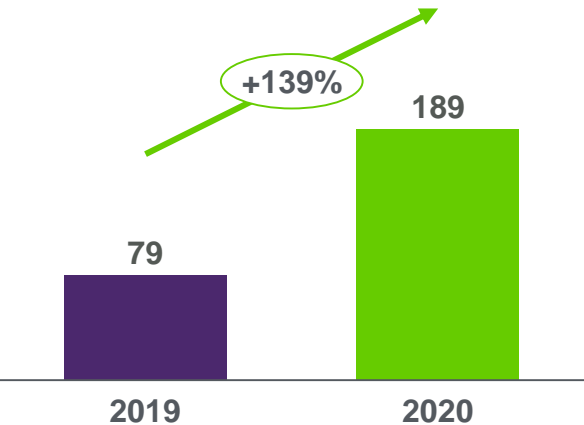
## Revenue (\$ millions)



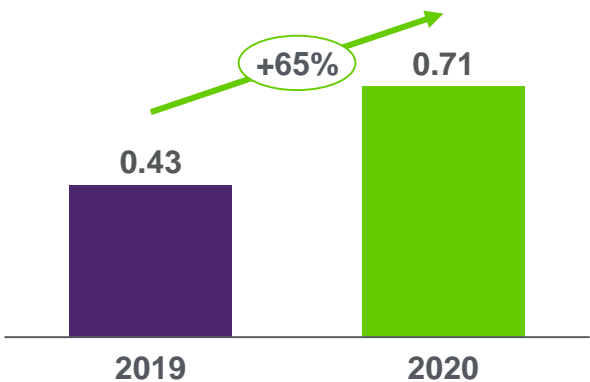
## TI Adjusted EBITDA<sup>1</sup> (\$ millions)



## TI Free Cash Flow<sup>2</sup> (\$ millions)



## TI Adjusted Diluted EPS<sup>3</sup> (\$)



Note: Excluding TELUS International AI Data Solutions (formerly Lionbridge AI acquisition, which closed on December 31, 2020).

<sup>1</sup> TI Adjusted EBITDA and TI Adjusted EBITDA Margin are non-GAAP financial measures. See Appendices for a reconciliation of TI Adjusted EBITDA to Net Income and TI Adjusted EBITDA Margin to Net Income Margin.

<sup>2</sup> TI Free Cash Flow is a non-GAAP financial measure. See Appendices for a reconciliation of TI Free Cash Flow to Cash provided by operating activities.

<sup>3</sup> TI Adjusted Diluted EPS is a non-GAAP financial measure. See Appendices for a reconciliation of TI Adjusted Net Income to Net Income.

## Q2 2021 | Strong operating momentum

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Organic growth and acquisitions drive higher revenue and profitability



Digital and higher-value engagements translate into accretive client mix



Robust free cash flow generation and further reduction in leverage



Outlook raised for full-year 2021 on business momentum achieved in the quarter



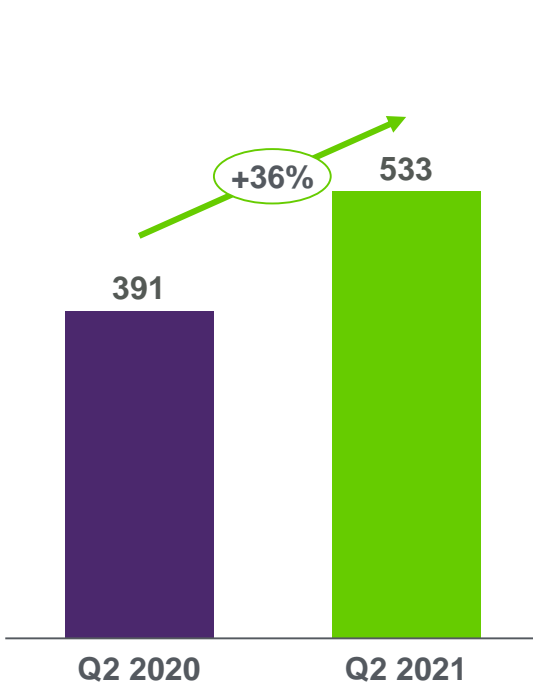
Focus on unique opportunity of content moderation & AI in broader digital CX



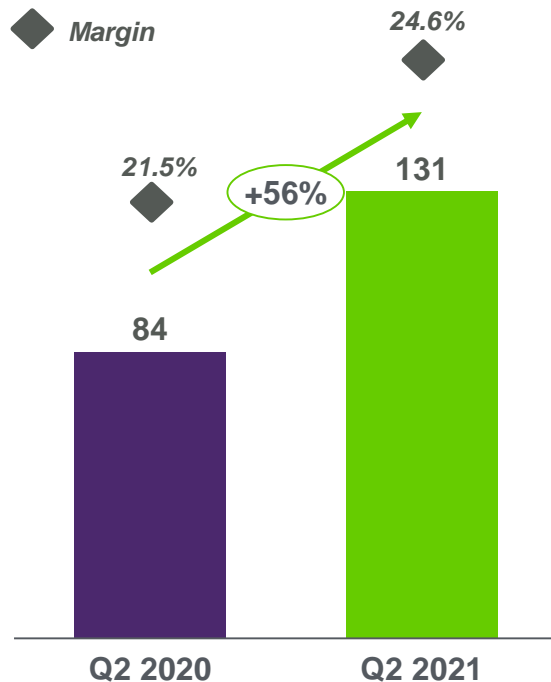
Playment acquisition expands leadership in scaled data annotation capabilities

## Q2 2021 financial highlights

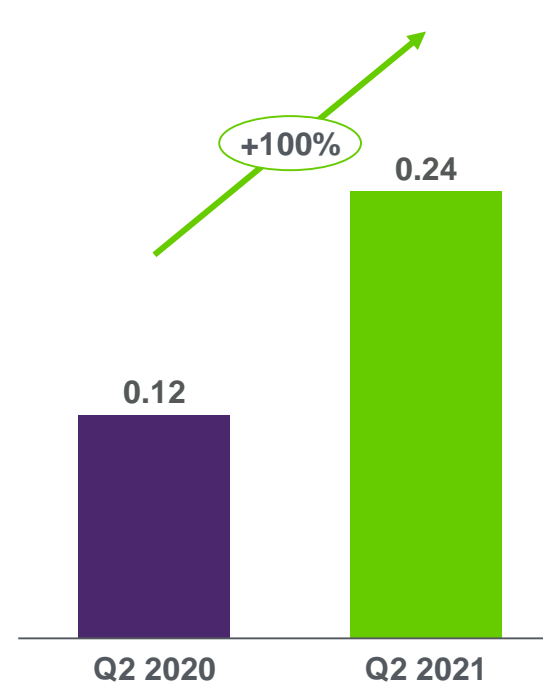
### Revenue (\$ millions)



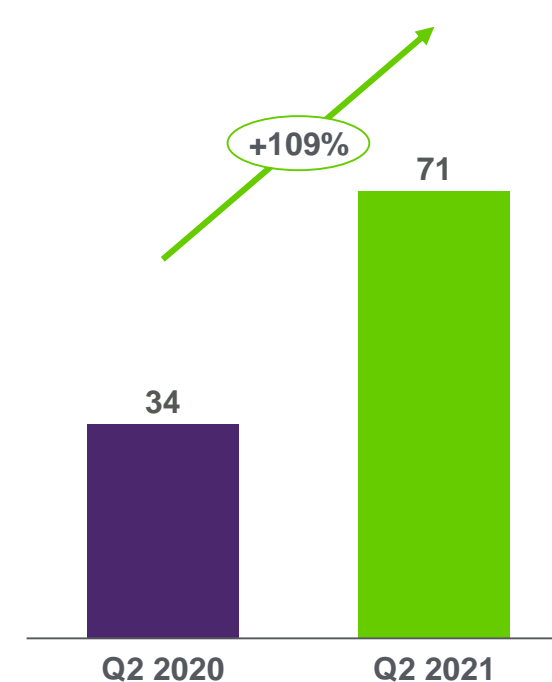
### TI Adjusted EBITDA<sup>1</sup> (\$ millions)



### TI Adjusted Diluted EPS<sup>2</sup> (\$)



### TI Free Cash Flow<sup>3</sup> (\$)



	December 31, 2020	June 30, 2021
Net Debt to Adjusted EBITDA Leverage Ratio as per credit agreement <sup>4</sup>	4.1x	2.3x

<sup>1</sup> TI Adjusted EBITDA and TI Adjusted EBITDA Margin are non-GAAP financial measures. See Appendices for a reconciliation of TI Adjusted EBITDA to Net Income and TI Adjusted EBITDA Margin to Net Income Margin.

<sup>2</sup> TI Adjusted Diluted EPS is a non-GAAP financial measure. See Appendices for a reconciliation of TI Adjusted Net Income to Net Income.

<sup>3</sup> TI Free Cash Flow is a non-GAAP financial measure. See Appendices for a reconciliation of TI Free Cash Flow to Cash provided by operating activities.

<sup>4</sup> Net Debt to Adjusted EBITDA Leverage Ratio as per credit agreement is a non-GAAP financial measure, calculated by dividing Net Debt as per credit agreement by Adjusted EBITDA (trailing 12 months) and other adjustments required as per credit agreement. See Appendices for a calculation of Net Debt to Adjusted EBITDA Leverage Ratio as per credit agreement and a reconciliation of TI Adjusted EBITDA to Net Income. Net Debt to Adjusted EBITDA Leverage Ratio as per credit agreement target range excludes the impact of potential future acquisitions.

## Outlook | Continued momentum in 2021

*Outlook raised due to strong overall business performance in Q2 2021*

### Full-Year 2021 Outlook

	FY2020 Reported	Outlook	<i>Implied growth in 2021</i>
Revenue (millions)	\$1,582	\$2,170 – 2,210 	37% to 40%
TI Adjusted EBITDA <sup>1</sup> (millions)	\$391	\$530 – 540 	36% to 38%
TI Adjusted Diluted EPS <sup>2</sup>	\$0.71	\$0.92 – 0.97 	30% to 37%

<sup>1</sup> TI Adjusted EBITDA is a non-GAAP financial measure. See Appendices for a reconciliation of TI Adjusted EBITDA to Net Income.

<sup>2</sup> TI Adjusted Diluted EPS is a non-GAAP financial measure. See Appendices for a reconciliation of TI Adjusted Net Income to Net Income.



# On track to deliver sustainable and growing shareholder value

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## Growth and operating leverage

- Revenue growth
- Operating leverage / margin expansion
- Investment for growth



## Optimized capital structure

- Target Net Debt to Adjusted EBITDA Leverage Ratio as per credit agreement<sup>1</sup> of 2-3x
- Flexibility to increase debt, if needed
- Opportunistic M&A



<sup>1</sup> Net Debt to Adjusted EBITDA Leverage Ratio as per credit agreement is a non-GAAP financial measure, calculated by dividing Net Debt as per credit agreement by Adjusted EBITDA (trailing 12 months) and other adjustments required as per credit agreement. See Appendices for a calculation of Net Debt to Adjusted EBITDA Leverage Ratio as per credit agreement and a reconciliation of TI Adjusted EBITDA to Net Income. Net Debt to Adjusted EBITDA Leverage Ratio as per credit agreement target range excludes the impact of potential future acquisitions.

An abstract graphic on the left side of the page. It features a dark blue, curved shape resembling a globe or a section of a sphere. Overlaid on this shape is a complex network of thin, light blue lines connecting small dots, creating a mesh-like structure. Within this network, there are several bright, glowing orange and yellow clusters, suggesting data points or active nodes. A bright, white, curved light source is visible along the lower edge of the globe-like shape, creating a lens flare effect.

# Appendices

## TI Adjusted Net Income reconciliation

(unaudited)	Second Quarter		Full Year	
(US\$, in millions except earnings per share)	2021	2020	2020	2019
<b>Net income</b>	<b>\$16</b>	<b>\$43</b>	<b>\$103</b>	<b>\$69</b>
Add back (deduct):				
Changes in business combination-related provisions	--	(51)	(74)	(14)
Acquisition, integration and other	7	7	59	7
Share-based compensation	19	10	29	13
Foreign exchange (gain) loss	(1)	3	(2)	(3)
Amortization of purchased intangible assets	34	21	75	15
Tax effect of the adjustments above	(12)	(7)	(30)	(5)
<b>TI Adjusted Net income</b>	<b>\$63</b>	<b>\$26</b>	<b>\$160</b>	<b>\$82</b>
Basic EPS	\$0.06	\$0.19	\$0.46	\$0.36
Diluted EPS	\$0.06	\$0.19	\$0.46	\$0.36
TI Adjusted Basic EPS	\$0.24	\$0.12	\$0.71	\$0.43
TI Adjusted Diluted EPS	\$0.24	\$0.12	\$0.71	\$0.43
<b>Total Weighted Average Shares Outstanding (millions)</b>				
Basic	266	226	224	190
Diluted	268	228	226	190

## TI Adjusted EBITDA reconciliation

(unaudited)	Second Quarter		Full Year	
(US\$ millions, except margin percentages)	2021	2020	2020	2019
<b>Net income</b>	<b>\$16</b>	<b>\$43</b>	<b>\$103</b>	<b>\$69</b>
Add back (deduct):				
Changes in business combination-related provisions	--	(51)	(74)	(14)
Acquisition, integration and other	7	7	59	7
Share-based compensation	19	10	29	13
Foreign exchange (gain) loss	(1)	3	(2)	(3)
Depreciation and amortization	65	50	182	92
Interest expense	12	12	46	36
Income taxes	13	10	48	26
<b>TI Adjusted EBITDA</b>	<b>\$131</b>	<b>\$84</b>	<b>\$391</b>	<b>\$226</b>
Net income margin	3.0%	11.0%	6.5%	6.8%
TI Adjusted EBITDA margin	24.6%	21.5%	24.7%	22.1%

## TI Free Cash Flow reconciliation

(unaudited)	Second Quarter		Full Year	
(US\$ millions)	2021	2020	2020	2019
Cash provided by operating activities	\$96	\$50	\$263	\$142
Less: Capital expenditures	(25)	(16)	(74)	(63)
<b>TI Free Cash Flow</b>	<b>\$71</b>	<b>\$34</b>	<b>\$189</b>	<b>\$79</b>

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

(unaudited)	June 30, 2021	December 31, 2020
As at (US\$ millions except for ratio)		
Outstanding credit facility	\$983	\$1,568
Contingent facility utilization	7	7
Net derivative	39	56
Cash balance <sup>1</sup>	(100)	(100)
<b>Net Debt as per credit agreement</b>	<b>\$929</b>	<b>\$1,531</b>
<b>TI Adjusted EBITDA (trailing 12 months)</b>	<b>\$499</b>	<b>\$391</b>
Adjustments required as per credit agreement	\$(97)	\$(20)
<b>Net Debt to Adjusted EBITDA Leverage Ratio as per credit agreement</b>	<b>2.3</b>	<b>4.1</b>

<sup>1</sup> Maximum cash balance of \$100 million is used in accordance with the credit agreement, cash balance as of June 30, 2021 and December 31, 2020 was \$119 million and \$153 million, respectively.





## Investor Relations Contact

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