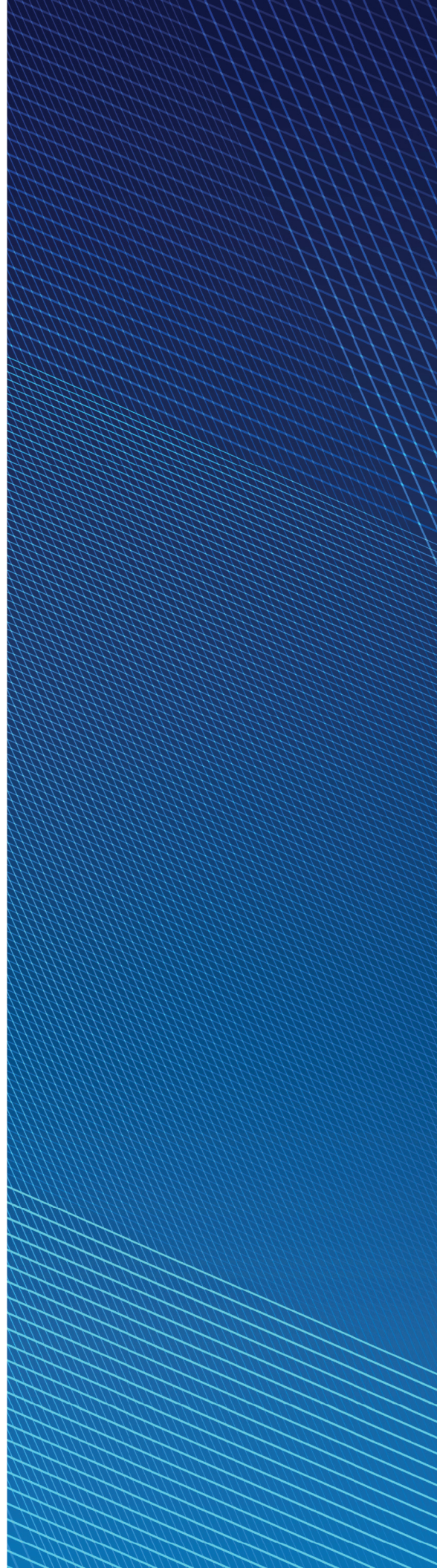


TELEPERFORMANCE RECEIVES THE 2023 COMPETITIVE STRATEGY LEADERSHIP AWARD

*Identified as best in class in the global debt collections
services industry*



Best Practices Criteria for World-Class Performance

Frost & Sullivan applies a rigorous analytical process to evaluate multiple nominees for each Award category before determining the final Award recipient. The process involves a detailed evaluation of best practices criteria across two dimensions for each nominated company. Teleperformance excels in many of the criteria in the debt collections services space.

AWARD CRITERIA	
<i>Strategy Innovation</i>	<i>Customer Impact</i>
Strategy Effectiveness	Price/Performance Value
Strategy Execution	Customer Purchase Experience
Competitive Differentiation	Customer Ownership Experience
Executive Team Alignment	Customer Service Experience
Stakeholder Integration	Brand Equity

Strategic Leadership: An Empathy and Secure Approach

Founded in 1978 and headquartered in Paris, France, Teleperformance is a provider of digital business services and solutions. Teleperformance has been experiencing significant growth in the debt collection horizontal with TP Collect, its solution specifically built for this segment.

With a robust global footprint, TP Collect stands out in the debt collections services market, delivering best-in-class technology that combines automation and predictive models with human touch while meeting privacy and cybersecurity standards. The team dedicated to collecting outstanding debts consists of over 10,000 skilled professionals who together handle a monthly volume of \$2.7 million in debt collected.¹ Collectors face an evolving and challenging landscape involving decreased consumer savings, rising interest rates, and inflation. The global lending market has grown exponentially since the COVID-19 pandemic, raking in \$18.8 billion in revenue in 2022 and a 2.6% average annual growth between 2017 and 2022.² Likewise, the United States (US) household debt in March 2023 hit \$17 trillion, marking a new record.³ Teleperformance recognizes that it is imperative to identify and fulfill client needs from its inception. Therefore, the company strives to deliver an end-to-end platform by addressing clients' demands, improving existing services, and paving its debt collections roadmap.

¹ <https://www.teleperformance.com/en-us/services/specialized-services/collections-services/>. Accessed July 2023.

² <https://www.capitalrecovery.net/blog/important-debt-collection-statistics-to-know-in-2022/>. Accessed July 2023.

³ <https://www.newyorkfed.org/microeconomics/hhdc>. Accessed July 2023.

With a high focus on innovation and empathy, Teleperformance leverages an omnichannel digital collection embedded with data analytics, artificial intelligence (AI), robotic process automation, machine learning (ML), and chatbot capabilities. The company has an extensive global reach offering various options for onshore, nearshore, and offshore services. It boasts a solid and established infrastructure, with operational sites specializing in specific market segments and portfolio areas. The company provides first-party and third-party services, leveraging domestic and international labor markets to deliver cost-effective and flexible solutions. Surrounded by a customer-centric panorama, digital communication and

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- Sebastian Menutti
Industry Principal

hyper-personalization are critical to a successful strategy. Teleperformance uses predictive analytic models to identify consumer affordability and vulnerability, estimate the propensity for consumers to pay off outstanding debt, and customize payment plans according to specific requirements, leading to more effective engagement and outreach. Hence, the company’s advanced technologies and consumer profiling features enable it to streamline operations with minimal agent intervention. When a situation becomes complex or sensitive, an agent intervenes to achieve resolution, allowing clients to allocate human resources better.

Frost & Sullivan commends Teleperformance for its ongoing excellence and pioneering leadership role in addressing today’s demands and is exceptionally positioned for tomorrow’s needs.

Real-world Scenarios Driving Continual Technology Enhancements

Unlike many traditional debt collection agencies that account for the majority of this market, Teleperformance acknowledges that it must understand customers’ characteristics and payment patterns to deploy a debt collection strategy successfully. Combining data science and AI, the company developed several proprietary technology solutions to simplify the debt collection process, making it faster and safer. TP Recommender is an advanced predictive platform based on an algorithm that forecasts customers’ propensity to pay, the best contact time and preferred method (e.g., short message service [SMS], WhatsApp, email, voice bot, and phone call) based on customer segmentation.⁴ This approach provides an interface creating an accurate strategy for each customer. For example, the client can send SMS triggers for low-risk customers or opt for voice bot calls for absent-minded customers. TP Recommender is an efficient solution to build prosperous collection strategies and improve debt, with solid client benefits such as a 10% improvement in collection rate. Furthermore, Teleperformance developed TP Interact, a tool that, along with sentiment analysis, recollects data from multiple channels (e.g., calls, emails, surveys, and social media) that provide accurate actionable insights on areas of risk and compliance, customer experience, and collections efficiency and effectiveness. Applying these capabilities, clients experienced a 30% improvement in average payment size through process excellence.⁵

⁴ <https://www.teleperformance.com/en-us/services/specialized-services/collections-services/>. Accessed July 2023.

⁵ Ibid.

Data security is increasingly becoming a prime concern for customers. Teleperformance has invested in stress testing and ethical hackers to prevent fraud while working closely with regulators to implement a governing framework incorporating technological breakthroughs. Thus, the company ensures strict compliance with relevant laws and requirements as the regulatory environment changes. In fact,

“Driven by a customer-centric approach, the company emphasizes putting people and empathy at the center of the customer experience. Reflected in its hiring, training, and retention practices, Teleperformance prioritizes top talent and specializes in training employees on active listening, acknowledgment, and empathetic communication during interactions.”

- Valentina Barcia
Best Practices Research Analyst

Teleperformance was one of the first 50 companies worldwide to qualify for the International Organization for Standardization 27701 privacy certification globally. In the European Union, the company complies with Binding Corporate Rules, holding a controller and processor status. Moreover, Teleperformance aligns with industry-related controls, best practices, and certifications such as Security Operations Center Type I and Type II, Health Insurance Portability and Accountability Act, General Data Protection Regulation, Payment Card Industry Data Security Standard, and the National Institute of Standards and Technology.

The company’s value proposition for debt collections closes existing performance gaps. Its customized solution uniquely combines high technology with a distinctive human touch, promotes enhanced customer experience, and meets operational goals across various stakeholders.

“Over the past four years, Teleperformance has been a great business partner and has consistently met or exceeded all key performance indicators, especially our quality assurance compliance goals. The team has been very flexible amidst all the changes and has delivered all expectations.”

- Navient⁶

“We are very grateful to have Teleperformance as our collections ally. It has stood out for its innovative process, its added-value services, and its use of technology as a tool for achieving goals. It has a great team of professionals, and a business perspective has allowed us to have very significant achievements since the beginning of the collections project for Bancolombia in 2020.”

- Bancolombia⁷

These client testimonials highlight Teleperformance’s ability to address critical challenges and leverage significant benefits, leading the company to succeed in the debt collections services market.

Transforming Traditional Collections into Customer-centric Collections

Teleperformance serves clients across various industry verticals, including banking and financial services, healthcare, travel, government, entertainment, gas and energy, retail, and buy-now-pay-later services. The company helps more than 110 of the world’s most well-known companies and brands, providing exceptional 24/7 customer service through its dedicated team of client success experts that support customers in building a tailor-made strategy with best-in-class technology to improve their debt collection

⁶ Ibid.

⁷ Ibid.

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Proven success cases of clients from various industries and regions testify to the Teleperformance track record:

Case Study 1. A retail brand in the U.S. aimed to enhance bank-issued credit card liquidation and collections rates. By collaborating with Teleperformance, leveraging AI and ML, the client determined a customer's payment probability based on their debt age, resulting in a 13% increase in liquidation rate and a 30% increase in collections.

Case Study 2. A multinational United Kingdom-based public limited energy company partnered with Teleperformance to improve the cash collection numbers. By thoroughly analyzing the collection process value chain, Teleperformance implemented TP Interact, identified potential gaps, and built over 50 categories to pinpoint collection opportunities. This strategy led to substantial results, increasing the client's cash collection by 54%.

Case Study 3. A leading Indian banking and financial services company partnered with Teleperformance to leverage TP Recommender to automatically score customer data and determine their payment likelihood, helping automate contact points and boost digital collections. This effective strategy resulted in a significant 53% reduction in collection costs, a 14% increase in customer contact, and a 3.8% increase in resolution.

Case Study 4. Teleperformance engaged with a well-known financial institution in Colombia to support three types of collections (loans, mortgages, and credit cards). The collections program Teleperformance implements predicted probability, opportunity, and productivity while aligning contact timing with customers' salary cycles. The result: a 4% improvement in late-stage recovery.

Teleperformance uses client feedback and industry trend monitoring to guide its product roadmap and continuously evolve its solutions to maintain its innovative edge. Its dynamic service portfolio with several applications demonstrates the company's ability to catalyze competitive strategies based on market trends and consumer needs.

Growth Potential

Debt collectors must reconsider their approach in a fragmented and competitive market with lower savings rates, inflation, higher revolving credit, and increasing interest rates. With a solid strategy and value proposition, Teleperformance carved out a name for itself in the debt collections services market by consistently delivering robust client benefits and increasing operational efficiency and customer satisfaction.

The company's experienced team propels its unique combination of high-tech and human touch. In 2023, Great Place to Work® has certified Teleperformance operations in 72 countries, an increase of eight

countries from 2022, covering 99% of the company's employees.⁸ Teleperformance revenue has been consistently increasing, and it has a promising growth plan for the future. In 2022, Teleperformance generated €8,154 million in annual revenue, a 14.6% increase from 2021.⁹ Frost & Sullivan believes the company is well-positioned to drive the debt collections services space into its next growth phase, capturing market share and sustaining its leadership in the coming years.

Conclusion

Teleperformance excels in strategy effectiveness and execution by constantly meeting clients' evolving demands. With a global footprint, offering onshore, nearshore, and offshore services, the company delivers a comprehensive service portfolio with outstanding automated capabilities such as its proprietary tools, TP Recommender and TP Interact. Driven by a customer-centric approach, the company leverages empathy in every customer interaction. It creates a tailor-made payment plan, increasing satisfaction and building long-lasting relationships with its partners. Teleperformance combines state-of-the-art technology with a dedicated human experience while complying with data security certificates.

Prominent worldwide clients trust Teleperformance as a provider to outsource debt collection services, with significant results and improvements in collection rates. The company develops and implements its strategy with its clients in mind, securing its position as a trusted partner and market leader.

With its strong overall performance, Teleperformance earns Frost & Sullivan's 2023 Global Competitive Strategy Leadership Award in the debt collections services industry.

⁸ <https://www.teleperformance.com/en-us/investors/publications-and-events/financial-publications/>. Accessed July 2023.

⁹ <https://www.teleperformance.com/media/godgx4lf/teleperformance-presentation-fy-2022-rs-vdef.pdf>. Accessed July 2023.

What You Need to Know about the Competitive Strategy Leadership Recognition

Frost & Sullivan's Competitive Strategy Leadership Award recognizes the company with a stand-out approach to achieving top-line growth and a superior customer experience.

Best Practices Award Analysis

For the Competitive Strategy Leadership Award, Frost & Sullivan analysts independently evaluated the criteria listed below.

Strategy Innovation

Strategy Effectiveness: Effective strategy balances short-term performance needs with long-term aspirations and overall company vision

Strategy Execution: Company strategy utilizes Best Practices to support consistent and efficient processes

Competitive Differentiation: Solutions or products articulate and display unique competitive advantages

Executive Team Alignment: Executive team focuses on staying ahead of key competitors via a unified execution of its organization's mission, vision, and strategy

Stakeholder Integration: Company strategy reflects the needs or circumstances of all industry stakeholders, including competitors, customers, investors, and employees

Customer Impact

Price/Performance Value: Products or services provide the best value for the price compared to similar market offerings

Customer Purchase Experience: Quality of the purchase experience assures customers that they are buying the optimal solution for addressing their unique needs and constraints

Customer Ownership Experience: Customers proudly own the company's product or service and have a positive experience throughout the life of the product or service

Customer Service Experience: Customer service is accessible, fast, stress-free, and high quality

Brand Equity: Customers perceive the brand positively and exhibit high brand loyalty

