

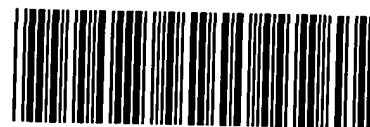
Teleperformance Limited

Annual Report & Financial Statements

Registered Number 02060289

31 December 2023

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Company Information

Directors	Gary Slade Karl Wise
Registered number	02060289
Registered office	Spectrum House Bond Street Bristol BS1 3LG
Independent auditor	Constantin Chartered Accountant and Statutory Auditor 25 Hosier Lane London EC1A 9LQ
Bankers	HSBC Holdings Plc 8 Canada Place Canary Wharf London E14 5HQ

Strategic Report

The directors present their strategic report for the year ended 31 December 2023.

Principal activities

Teleperformance Limited provides services to many of the most respected brands in the UK and across the globe by providing customer care, technical support, customer acquisition, digital solutions, analytics, back-office and other specialized services to ensure consistently positive customer interactions. Within our contact centres and cloud campus network of highly skilled employees, Teleperformance interacts with clients' customers through a wide variety of channels including voice, e-mail, SMS, web-chat and social media. The company strategy of transitioning from a customer service provider to a digitally-integrated customer and business support provider is now advanced with 'non-voice' revenues climbing steeply each year.

The Company is a subsidiary of the largest outsourced omnichannel customer experience management service organisation in the world, Teleperformance S.E. Group.

Review of business & future developments

Business focus

In 2023, the primary focus of the Directors has been to continue to deliver excellent service to our wide portfolio of clients while keeping our employees engaged and delivering a portfolio of business improvement projects.

The priorities of the Directors throughout 2023 are summarised in the following statements:

- Ensuring our operating model changes made as a result of the pandemic (primarily a large shift to work-at-home or hybrid working) continue in a structured way and meet the changing needs of our clients – this was achieved through continued deployment of technology, a 'people first' strategy where a material amount of our employees continued to operate in a work-at-home solution, and both pace and amazing efforts from all teams within our organisation
- Delivering market leading colleague engagement practises and culture to drive significant levels of employee engagement and continued focus on people strategies relating to diversity, well-being and reward. In 2023 Teleperformance Limited was re-accredited as a 'Great Place to Work' (large organisations) and as a 'Best Place to Work for Women' (super-large organisations)
- Enhancing our transformation capabilities with key investment in people and digital technology to provide advanced and innovative solutions for our clients
- Continuing focus on driving growth, efficiency and strong governance throughout the business

In addition to the priorities set out above, we also continued to support increasing levels of offshore transition with our South Africa business (which remains a 100% owned subsidiary of Teleperformance Limited). Following material growth in 2021/22, sales in South Africa continued to grow at levels way in advance of the market. The majority of contracts in 2023 remain Teleperformance existing UK clients who want to benefit from the efficiencies and the similar levels of service our Teleperformance teams in South Africa can deliver. In addition, we also see more companies moving their UK in-house operation directly to Teleperformance South Africa as a result of those same benefits and trust we can deliver these types of transitions seamlessly.

The business continues to focus on its core business offering high quality, strategic solutions on behalf of major public and private sector clients. It is firmly established as one of the largest outsourced customer management providers in the UK market. The Company is frequently nominated for and wins various industry specific awards and has an excellent reputation in the industry. The Company is fully committed to delivering the best practice in standards, policies, security and procedures of the wider global Teleperformance S.E. Group.

Strategic Report *(continued)*

Review of business & future developments *(continued)*

Capital investment

Following material capital investment in 2020-2022 which was heavily focussed on procurement of assets to enable both material growth in our business and also to enable over 5,000 of our UK employees to continue to work from home, a further £1.2m facilities and IT investment was committed in 2023.

In addition to the UK capital investment above, Teleperformance Limited also enabled material investment in its South Africa subsidiary, most notably investing £2.4m in further expansion of existing facilities in Cape Town which offers an unrivalled space for our employees and our clients.

In addition to capital investment, we progressed with our cloud strategy which included continued investment in IT and telephony systems – enabling the Company to keep up to date with the latest technologies and drive through improvements in the business IT infrastructure. This category is accounted for primarily as an operating expense rather than capital investment.

Security

The global Teleperformance S.E. Group recognise the ongoing risks pertaining to data protection, fraud and physical security and has rolled out the delivery of increased control through the “Global Essential Compliance and Security Policies” (GECSP) programme. Teleperformance Limited and its subsidiaries follow the same GECSP programme across all of its locations across the world in order to further protect the Company, its clients and employees from potential threats in these areas. This will be achieved by improving policies, enhancing procedures and tightening controls and in doing so, ensure that it continues to lead the market by helping to mitigate the associated risks.

The Company continues to embrace the GDPR standard and has successfully implemented the complex requirements that this legislation covers

Financial results

At a total reported level, turnover stayed stable at £242.3m for 2023 (from £243.3m in 2022). In 2022 there was still a residual amount of ‘covid related contract’ revenue. Core revenue in 2022 was £218.2m, therefore resulting in a core revenue increase in 2023 of £24.1m (11%). Revenue continues to be derived primarily from UK based clients. The increase in the ‘core’ year on year revenues was attributable to a number of factors, primarily:

- Revenues from existing client volume growth across a number of sectors as we work more closely with clients to expand their services and capabilities
- Revenues from new business wins secured in 2022 and early 2023
- Strong growth in financial services, technology and public sector services in which there were multiple contract wins and renewals in 2023.

The business delivered an operating profit in 2023 of £9.1m (3.8%) compared to £5.1m (1.8%) in 2022. This excludes the profits delivered from our overseas subsidiaries. Operating profit (including the impacts of COVID related contracts delivered in 2022 but not 2023) increased by 79% year on year.

Strategic Report *(continued)*

Review of business & future developments *(continued)*

Other

The business has significant fixed assets, the value of which it is confident of realising through future trading activity. In addition, the company has recovered its trade debtor and accrued income balances since the year end so no impairment of any amounts is anticipated. The business will continue to invest to support ongoing activities.

Management use Key Performance Indicators (KPIs) to monitor the results of the business. The detail of the KPIs has not been published in this review due to their sensitivity, but include client service levels and business outcomes, employee satisfaction and a range of both operational and financial performance metrics.

Continued significant investment in the IT infrastructure and security protection environment will ensure quality and resilience of the service provision. Investment and operating strategies will be continually reviewed and amended to match client needs.

Going concern

Accounting standards (in particular IAS 1.25 and 1.26) require the Directors to make an assessment of an entity's ability to continue as a going concern, taking into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. Management's going concern assessment must be updated to consider all relevant information available up to the date the financial statements are authorised for issue.

These financial statements have been prepared on a going concern business which the Directors consider to be appropriate for the following reasons:

- The Directors have prepared cash flow forecasts through to the end of 2025 which indicate that the Company will have sufficient funds to meet its liabilities, as they fall due for that period
- The Company's available cash position remains strong at £34.3m, made up of £7.5m cash at bank and £26.8m held centrally by Group (see Note below)

Note: On two Teleperformance bank accounts, the balance is swept each night to £8m/€1m each night, with the positive or negative balance being transferred to a central Group cash pooling account held by Teleperformance S.E. Group. Cash can be still be drawn down easily at any point by Teleperformance Limited and as such Teleperformance Limited does not have or require any local overdraft facility. At 31 December 2023, Teleperformance Limited's cash pooling balance was £25.8m. Teleperformance S.E. Group's available liquidity as reported in the 2023 Full Year financial statements was over €4.6bn.

The final 2024 budget commitment was submitted to, and signed off by, Teleperformance S.E. Group in January 2024. As at the end of H1 2024 Teleperformance Limited was tracking in line with its budget commitments on all key metrics.

Consequently, the Directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis. The Company continues to trade profitably, generate positive cash-flow and has no non-group debt.

Strategic Report *(continued)*

Section 172 statement

In accordance with the Companies Act 2006 (the “Act”), the directors provide this statement describing how they have had regard to the matters set out in Section 172 of the Act, when performing their duty to promote the success of the company, under Section 172.

Teleperformance Limited is a wholly owned subsidiary of its ultimate parent company Teleperformance S.E. Group. Teleperformance S.E. Group is listed on the Paris Stock Exchange (Euronext Paris) and its shares included in the CAC40. Many common policies and practices are applied throughout the group of companies headed by Teleperformance S.E. Group via divisional management teams and a common governance framework, however as the Section 172 requirement applies to UK companies, the following disclosure describes how the directors of Teleperformance Limited have had regard to the matters set out in section 172(1a) to (f) and forms the directors’ statement required under section 414 of the Act.

This statement also provides details of how the directors have engaged with and have regard to the interest of our key stakeholder groups:

- 1) Clients/Customers
- 2) Shareholders
- 3) Colleagues (Employees)
- 4) Regulators & Government
- 5) Suppliers
- 6) Communities & Environment

Strategic Report *(continued)*

Section 172 statement *(continued)*

Clients/Customers

As one of the world's leading customer management companies, we understand that long term success is only possible with a customer centric business model, and therefore both understanding and delivering for our clients and our clients' customers is critical to all Board decisions. With over 50 key clients in the UK serving millions of our clients' customers, we strive to deliver exceptional customer service, treat customers fairly and to create customer outcomes aligned to our clients' business models and objectives – every senior management decision has this focus in mind.

The Board truly understand the changing needs of our clients and their customers, the governance of which is summarised in the matrix below:

Stakeholder Group	Strategic Objectives	Board Engagement	Business Outcomes
Clients/Customers	<p>Long Term Strategic Relationships with a diverse client base</p> <p>Exceptional Service Delivery to our clients' customers</p> <p>Investment plans linked directly to delivering service improvement and innovation for our clients and their customers</p>	<p>Client Satisfaction Survey (KSAT) and account plan review</p> <p>Formal Board review of client sentiment / heat map, customers KPI's and customer satisfaction (CSAT)</p> <p>Direct attendance at client review meetings plus one-to-one meetings with client directors</p> <p>Regular operational site visits by the Board where end customer activity is observed and improvement ideas supported</p>	<p>Long term contractual relationships with clients that deliver success for our clients and results for their customers</p> <p>NPS and KPI delivery for our clients in line with their own business objectives and our contractual obligations</p> <p>Adherence to Teleperformance Limited and Client operational procedures and policies</p>

Strategic Report *(continued)*

Section 172 statement *(continued)*

Shareholders

Teleperformance reports to its group parent Teleperformance S.E. Group which has accountability to shareholders both retail and corporate as part of its listing on the Paris Stock Exchange (Euronext Paris). Teleperformance S.E. Group undertakes a comprehensive shareholder engagement programme including both institutional and retail shareholders with regular feedback to management and the Board.

Teleperformance Limited strives to consider all shareholder groups evenly when making key decisions for the UK entity and therefore the Teleperformance S.E. Group.

Stakeholder Group	Strategic Objectives	Board Engagement	Business Outcomes
Shareholders	Delivery of Teleperformance S.E. Group strategic objectives: Year-on-year sustainable sales growth Consistent profit levels with superior shareholder returns Strong liquidity and cash-flow management Responsible sustainable business model	Regular review and direct decision making regarding financial performance and profitability analytics Board-level input into key pricing and contractual decisions Regular review of growth opportunities and input into strategy	Profitable contracts across all sectors Deliver of long term sustainable growth strategy

Strategic Report *(continued)*

Section 172 statement *(continued)*

Colleagues *(Employees)*

The company has over 6,500 colleagues who take pride in working for an inclusive and diverse organisation and with their support, we are building a culture where everyone feels included, empowered and inspired to do the right thing for our clients and their customers. Through our strategy we have and will continue to invest in colleagues to ensure that we continue to attract, develop and retain these key skills and capabilities.

The Teleperformance S.E. Group globally abides by both a customer- and value-led culture, represented by five values, each of which, the UK Management team promote as values within Teleperformance:

Cosmos – symbolising **Integrity**, Earth – symbolising **Respect**, Metal – symbolising **Professionalism**, Air – symbolising **Innovation**, Fire – symbolising **Commitment**.

Our focus on colleagues as an equal stakeholder group within Teleperformance Limited aims to achieve the following outcomes as priorities:

- 1) Improved employee engagement
- 2) Fair and competitive pay and remuneration structure
- 3) Championing diversity and equality
- 4) Enabling work-at-home (WAH) opportunities post COVID-19 in addition to providing high quality, safe and secure on-site facilities
- 5) Promoting a fun culture with a balance of life and work for our colleagues

Stakeholder Group	Strategic Objectives	Board Engagement	Business Outcomes
Colleagues (Employees)	<p>Improved employee engagement</p> <p>Fair and competitive pay and remuneration structure</p> <p>To be the leading UK BPO for diversity and equality</p> <p>Enabling work-at-home (WAH) opportunities post COVID-19 in addition to providing high quality, safe and secure on-site facilities</p> <p>Promoting a fun culture with a balance of life and work for our colleagues</p>	<p>Formal Board review of key people/HR trends, KPI's and matters</p> <p>Annual Employee Survey (ESAT) with quarterly 'checks'</p> <p>Independent employee sentiment survey (E.g. 'Great Place to Work')</p> <p>Direct engagement of colleague at all levels by the Board including site visits, 'town hall' events, floor-walking and welcoming direct feedback</p> <p>Gender Pay Gap Reporting, analytics and action plans</p> <p>Direct involvement in business investment decisions relating to employee facilities, infrastructure and training</p>	<p>Improved Employee Engagement</p> <p>Improved colleague retention</p> <p>Improved attractiveness and a place to work</p> <p>Application of Teleperformance culture, policy and process to customer outcomes</p> <p>Demonstration of Teleperformance values in how employees treat their own colleagues and strive to improve the business</p>

Strategic Report *(continued)*

Section 172 statement *(continued)*

Regulators & Government

Around 7% of Teleperformance Limited's core business is directly regulated by the Financial Conduct Authority, and Teleperformance Limited is accordingly authorised and regulated by the Financial Conduct Authority. In addition to this we operate on behalf of many clients who themselves operate in a regulated industry and require Teleperformance Limited to deliver to the required standards.

The UK government is a key stakeholder of Teleperformance Limited in two ways, firstly in terms of adherence to laws, policy, taxation and governance requirements but additionally in the fact that more than 30% of Teleperformance Limited's revenues are created in delivering a wide variety of services to the government and its associated organisations such as HMPO and the NHS.

Both regulators and the government are therefore a critical stakeholder group to Teleperformance Limited and the Board takes all its obligations seriously and conducts its business in a robust and professional way to satisfy all such requirements:

Stakeholder Group	Strategic Objectives	Board Engagement	Business Outcomes
Regulators & Government	Adherence to all regulatory requirements and metrics for Teleperformance Limited or on behalf of our clients	Direct Board involvement in structured regulatory governance frameworks Board chairing of Risk & Regulatory committees	Structured and robust risk and regulatory governance framework with proactive management and oversight
	Accurate and timely filing of a business documentation and requirements	Review and formal sign off of all key filings – regulatory and governance	Adherence to all required filings for regulatory or the government
	Accurate calculation and payment of all applicable taxes	Board membership in Teleperformance Limited Tax Committee Governance	Payment of all required taxes
	Proactive involvement in helping shape strategy or policy where applicable	Board-approved publication of mandatory UK Tax Strategy	Robust delivery of services to the government and associated organisations
	Robust delivery of business services that directly support the government	Input into government 'Decision Maker' forums	

Strategic Report *(continued)*

Section 172 statement *(continued)*

Suppliers

In turn with Teleperformance Limited being a supplier/partner to our clients, we strive to treat all of our supplier as partners and trust them to be an integral part of our supply chain to deliver for our business and ultimately our clients.

The Board promotes the building of strong relationships with key suppliers and that they are treated fairly as we would expect to be treated from our clients.

Stakeholder Group	Strategic Objectives	Board Engagement	Business Outcomes
Suppliers	<p>Long term strategic partnerships with key suppliers</p> <p>Fair pricing and terms offered to supply chain, reflective of our client contracts where applicable</p> <p>Strong business continuity, flexibility and minimised risk from supply chain</p> <p>Encourage innovation from suppliers</p> <p>Fair payment practise</p>	<p>Direct involvement in key supplier decisions and terms</p> <p>Board attendance at 'Purchasing Committee' as set out in Teleperformance S.E. Group governance</p> <p>Regular review of payment analysis and any suppliers beyond terms where a fully approved invoice exists</p> <p>Promotion of local and SME selection where no apparent variation on quality of price to other suppliers</p> <p>Attendance or updates on supplier review meetings for key supplier partners</p> <p>Group wide policy on supplier risk assessment (including, but not limited to: credit risk, related party checks, sanctions checks and adherence to Teleperformance policies and ethics</p>	<p>Strong supplier arrangements, zero disputes, long-term win-win relationships</p> <p>Supplier partnerships that add value in the supply chain to our clients and their customers</p>

Strategic Report *(continued)*

Section 172 statement *(continued)*

Communities & Environment

Teleperformance Limited plays an active role in the community. With over 10 UK locations we have employees in many parts of the UK and each one is encouraged to take an active role supporting the local community in addition to national support.

In line with our parent company, Teleperformance S.E. Group, we are committed to improving our environment. The Board of Teleperformance see this active role in supporting the community and our environment as extremely important in supporting the areas we conduct our business from and helping the world we all live in.

Stakeholder Group	Strategic Objectives	Board Engagement	Business Outcomes
Communities & Environment	<p>Proactive support for UK communities, particularly those local to our facilities and close to our employees</p> <p>Reduce carbon footprint of TPUK and support Group wide objective of 49% carbon reduction by 2026, using science based targets</p>	<p>Teleperformance S.E. Group established responsible business strategy</p> <p>Direct review of the Citizen of the World (COTW) tracker – a Teleperformance S.E. Group initiative to track and encourage community and charitable support – both in terms of fundraising and volunteer days</p> <p>Direct involvement in fundraising policies and strategy (e.g. “3000+ days” volunteering initiative)</p> <p>Board-level promotion of paperless and reduced carbon working practises and strategy</p>	<p>Support for local and national good causes and charities</p> <p>Reduced carbon footprint</p>

Strategic Report *(continued)*

Corporate Governance code

As a subsidiary of Teleperformance S.E. Group, Teleperformance Limited falls under the group corporate governance structure. Teleperformance S.E. Group adheres to the corporate governance code of listed companies of the AFEP and the MEDEF, and sets out in its public results and on the corporate website its governance framework.

The corporate governance framework of Teleperformance S.E. Group is structured as follows:

- The **Board of Directors** (in the form of a Conseil d'administration). It sets the strategic guidelines for Teleperformance's activities and oversees their implementation. The Board considers all matters regarding the operations of the Group and, through its deliberations, settles any issues arising. It is composed of a majority of independent members
- The **Executive Management**. The governance structure set up in October 2017 is based on a Chairman and Chief Executive Officer, a Deputy Chief Executive Officer and, since September 2019, an expanded Management Committee in terms of skills, experiences and expertise including the Executive Committee. The combination of the functions of Chairman of the Board and Chief Executive Officer and the appointment of a Deputy Chief Executive Officer enables the Group to assert a more transparent, rectilinear and, above all, flexible management organization structure in order to encourage the acceleration of the strategic decision-making process and decision-making circuits so that decisions can be implemented more quickly to meet the Group's current and future challenges
- The **Executive Committee**. The Executive Committee is responsible for the Group's operational management. It meets at least twice per month. It implements the strategic orientations, ensures the coherence of the actions undertaken by all of the subsidiaries and discusses the major operational initiatives necessary to the development of the Group and to its performance

In the performance of its missions and duties, **the Board is assisted by two specialised Committees: the Remuneration & Appointments Committee and the Audit & Compliance Committee.**

The works performed by the Committees, which report on their work after each of their meetings, assist the Board of Directors in its discussions and decision making. The Board Committees work on assignments entrusted to them by the Board. They actively prepare their works and inform the Board of all points which appear to raise an issue or require a decision, thus facilitating its deliberations. They also provide any advice and recommendation to the Board as falls within their remit, but have no power of decision, subject to the decisions that the Audit & Compliance Committee may adopt pursuant to applicable legal and regulatory provisions, under the responsibility of the Board.

The **Remuneration & Appointments Committee** issues opinions and recommendations regarding:

- the determination of the remuneration policy and of the benefits granted to executive officers, including determining the variable portion by assessing the definition of the rules for setting this variable portion and the annual application of these rules;
- the overall policy for granting performance shares, together with the conditions attached to the final vesting of these shares;
- the global amount and rules of allocation of directors' fees;
- the succession plans; and
- the candidates for membership of the Board of Directors, their status as independents, and annual review of such quality in accordance with the criteria defined by the AFEP-MEDEF code and/or the renewal of terms of office of directors

Strategic Report *(continued)*

Corporate Governance code *(continued)*

The **Audit & Compliance Committee's** overall remit is to monitor issues relating to the preparation and control of financial and accounting information. It prepares the background work for the Board's approval of the annual (parent company and consolidated) financial statements and its review of the half-yearly financial statements, at least two days prior to the relevant Board meeting.

As part of its specific remit, the Committee is primarily responsible for monitoring:

- the financial information preparation process;
- the effectiveness of the internal control and risk management systems;
- the statutory audit of the parent company and consolidated accounts performed by the statutory auditors; and
- the independence of the statutory auditors

The purpose of this statutory assignment is to prepare and facilitate the oversight work of the Board of Directors, anticipate potential problems, identify all risks, notify the Board of those risks and issue appropriate recommendations to the Board.

This report was approved by the board on 27 September 2024 and signed on its behalf by:



G Slade
Director

Spectrum House
Bond Street
Bristol
BS1 3LG

Directors' Report

The Directors present their report with the accounts of the Company for the year ended 31 December 2023.

Dividends

The total distributions of dividends for the year ended 31 December 2023 was £16,774,000 (2021: £12,700,000).

Directors

The directors who served during the period and up to the date of approval of these financial statements were:

G Slade
K Wise

Political and charitable donations

No political contributions were made during the period (2022: £nil). Contributions for charitable purposes amounted to £nil (2022: £nil). Teleperformance Limited takes pride in enabling employees to contribute to their own charitable causes, whilst any larger donations are facilitated by Teleperformance S.E.

People with disabilities

It is the policy of the Company to encourage the employment and development of suitable people with disabilities. No unnecessary limitations are placed on the type of work that they perform and the policy ensures that in appropriate cases consideration is given to modifications to equipment or premises and to adjustments in working practices. Full and fair consideration will be given to applicants with disabilities for employment and existing employees who become disabled will have the opportunity to retrain and continue in employment.

Employee involvement

Health and safety of the Company's employees continues to be an immediate priority for those employees continuing to work at Company offices. Over 5,000 employees continue to work from home with appropriate IT support.

The HR team introduced a number of forums and initiatives during the pandemic to enable employees to keep in touch, both professionally and socially, and to help employees who may be struggling with mental health issues. These remain in place in the 'post-COVID' environment.

The Company is committed to informing and consulting with its employees. There are dedicated forums on each of the sites which directly encourage employee involvement in the performance of the Company. Periodic internal 'town hall' meetings raise awareness of the financial and economic factors which the Company faces.

In 2023 Teleperformance Limited was re-accredited as a 'Great Place to Work' (large organisations) and as a 'Best Place to Work for Women' (super-large organisations) and 'Best Workplace for Wellbeing'.

The Company's aim for all members of staff and applicants for employment is to fit the qualifications, aptitude and ability of each individual to the appropriate job and to provide equal opportunity regardless of sex, religion and ethnic origin.

Business relationships with suppliers, customers and others

Information that is relevant to this report in relation to business relationships with suppliers, customers and others can be found in the Section 172 statement in the Strategic Report.

Corporate governance arrangements

Information that is relevant to this report in relation to corporate governance arrangements can be found in the Section 172 statement in the Strategic Report.

Financial instruments

The Company's financial risk management policies and the exposure to credit risk, liquidity risk and market risk are disclosed in Note 20.

Directors' Report *(continued)*

Going concern approach

Management's going concern assessment was based on modelling different scenarios and considering different factors when preparing future cash flow forecasts over 2024 and 2025, as follows:

- Variable forecasts based on key client volumes, particularly those clients whose business is expected to grow further and clients whose business could contract due to the current cost of living crisis and economic outlook (such as retail clients)
- Variable forecasts based on key client volumes, where volumes are expected to move offshore to enable clients to deliver large cost savings (whether to Teleperformance Limited 100% owner subsidiary in South Africa or to other Teleperformance SE Group operations in countries such as India and the Philippines)
- Retention of key clients; the vast majority of the Company's key clients have been able to continue trading during the pandemic period of 2020 to 2022 and continue to trade well in 2023 and 2024
- As the restrictions in the UK ended, some clients signalled their preference for a return to office based working for Teleperformance staff, whilst others confirmed their preference to continue with home based working, particularly with the new home working processes and policies that have been rolled out through the Teleperformance 'Cloud Campus' programme
- Different assumptions regarding reductions in capital expenditure, other investments and overheads, partly due to this new work at home model, meant that a new and evolving approach to the Company's estate, property, and other costs was taken in 2023 and this has continued for 2024 and 2025 planning

The view of the Directors following this assessment was that the Company is in a strong position and will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements. The Company has a healthy balance sheet, no non-group debt, a strong sales pipeline, and continues to trade profitably and generate positive cash flows. Therefore, the Directors have prepared these financial statements on a going concern basis.

Streamlined energy and carbon report (SECR)

Effective from accounting periods starting on or after 1 April 2019, The Companies and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 introduced the requirement for annual energy and carbon reporting. This is the fourth year of reporting.

Teleperformance Limited recognises that our business operations have a direct impact on the environment due to the consumption of natural resources like energy and water and generation of waste.

As part of Teleperformance S.E. group, Teleperformance Limited commits to comply with relevant compliance obligations to which the organisation subscribes; whilst also seeking to continually improve the environmental systems in place to minimize the environmental impacts of our operations.

This global policy is integrated within the Corporate Governance framework for Teleperformance S.E. The policy on environmental protection forms part of the group's business management system. The Corporate Social Responsibility (CSR) committee is responsible for ensuring that the policy is implemented, and sufficient resources are available to meet the objectives and targets of this policy. Country Managing Directors through the local Environmental Committee are responsible for the practical implementation and control of their environmental system, and all employees are responsible for meeting the aims and objectives within their respective areas.

Teleperformance S.E. has set the following core objectives in order to meet the group's environmental and sustainable goals, which Teleperformance Limited has adopted:

- Create awareness among all our employees on the environment protection through various employee engagement programs, trainings and awareness campaigns
- Conserve natural resources by improving resource efficiency - energy & water

Directors' Report *(continued)*

Streamlined energy and carbon report (SECR) *(continued)*

- Identify energy saving initiatives within our operations to reduce the Group's energy consumption and related GHG emissions
- Reduce our carbon footprint (CF) per employee across all country operations and track the performance on regular basis
- Reduction of travel (air and local) across all our country operations by encouraging virtual meeting platforms, use of public transportation and recommend carpooling
- Reduce the environmental footprint of our IT infrastructure and operations including data centres through Green IT Initiatives
- Adopt the principle of circularity for sustainable waste management in our business operations through waste minimisation, recycling and eco-friendly disposal as per the regulatory requirements and/or industry best practices
- Integrate environmental considerations as a criterion while selecting the new office infrastructure
- Strive towards Green Procurement of all the products we purchase for our business operations
- Engage vendors and contractors on environment sustainability through trainings and awareness campaigns; develop pre-qualification criteria and integrate the environmental considerations in the contractual conditions to collaboratively achieve our objectives of greening supply chain
- Country Operations are to set, monitor, benchmark and review the performance of the objectives and targets on regular basis to ensure the Groups' environmental objectives are being met
- Communicate the environment policy to all the employees, customer, contractors and business partners and make sure it is available to public
- Conduct the group management reviews to evaluate the environmental performance of the country operations on annual basis
- Review the environmental policy periodically to ensure its continuing applicability and relevance in our business operations.

Teleperformance S.E. is dedicated to setting the best standards and adhering to sustainable practices in order to make a positive impact on the planet and therefore, strive to fulfil its environmental commitments as a truly responsible global corporate citizen.

The Teleperformance environmental initiative, Citizen of the Planet (COTP), is fully sponsored and supported by the Chairman of the Board of Teleperformance S.E. group. COTP is a global corporate initiative implemented in 2008, aimed at ensuring that Teleperformance operates in an environmentally friendly and responsible manner. In a combined effort, Teleperformance commits to helping our planet by improving facilities to create sustainable sites (i.e., water, paper, and other waste reductions) and strive for paperless environments, as well as recycling and incentivizing energy and atmosphere improvements. Teleperformance encourages its sites to continuously improve their impact on their local habitats. See <https://www.teleperformance.com/en-us/about/citizen-of-the-planet> for further details.

Following the adoption by 196 parties of the Paris Agreement on climate change on 23 September 2022, Teleperformance S.E. has set carbon reduction targets through the Science Based Targets initiative (SBTi). This is part of the organisation's overall strategy to put it on course for a net-zero decarbonisation trajectory by 2040, ten years ahead of the Paris Agreement commitment. Teleperformance S.E. has committed to reduce Scope 1 (direct emissions from owned or controlled sources) and Scope 2 (indirect emissions from the power generation) GHG emissions by 49% per employee by 2026 from a 2019 base year, and has also pledged to reduce scope 3 carbon emissions from purchased goods and services, and employee commuting by 38% per employee by 2026 from a 2019 base year.

Directors' Report *(continued)*

Streamlined energy and carbon report (SECR) *(continued)*

Energy and emissions report

Teleperformance Limited submits Environmental reporting to the group CSR department three times a year. Data reported is verified internally by the department and also by the Group Reporting and Consolidation team to ensure consistency. It is then audited at group level by externally appointed CSR specialists.

For 2023, environmental data provided to the CSR department was as follows:

- Electricity usage (in kWh)
- Air travel (in km)
- Paper consumption (in metric tonnes)
- Water consumption (in cubic metres)

Environmental data submitted for the year ending 31 December 2023 across an average of 10 Teleperformance sites was:

	2023 usage	Associated Greenhouse gas emissions (tonnes CO ₂ e equivalent)	Intensity ratio
Electricity usage	3,951,555 kWh	818,264	24.38 tonnes CO ₂ e per square metre
Air travel	3,851,901 km	716,145	90.54 tonnes CO ₂ e per employee
Paper consumption	5.04 metric tonnes	4,589	0.58 tonnes CO ₂ e per employee
Water consumption	15,310 cubic metres	2,710	0.34 tonnes CO ₂ e per employee

Environmental data submitted for the year ending 31 December 2022 across an average of 11 Teleperformance sites was:

	2022 usage	Associated Greenhouse gas emissions (tonnes CO ₂ e equivalent)	Intensity ratio
Electricity usage	4,706,887 kWh	910,218	26.37 tonnes CO ₂ e per square metre
Air travel	3,162,427 km	485,527	70.45 tonnes CO ₂ e per employee
Paper consumption	3.98 metric tonnes	3,659	0.53 tonnes CO ₂ e per employee
Water consumption	21,126 cubic metres	3,148	0.46 tonnes CO ₂ e per employee

Directors' Report *(continued)*

Streamlined energy and carbon report (SECR) *(continued)*

Electricity usage and water consumption continued to reduce in 2023 due to the closure of two further sites in January and May. Paper consumption increased due to a combination of growth in employee headcount with more employees returning to the office; the intensity ratio has stayed relatively flat. Teleperformance Limited continues to promote and drive towards a paperless office environment.

Air travel increased by 689,474 km (21.8%). Growth in South Africa drove an increased requirement for travel from the UK to support client growth and statutory requirements. An increase of 21.1% in the conversion factor has further driven the intensity ratio per employee.

Greenhouse gas emissions are reported in line with the requirements of large unquoted companies set out in the UK Government's Environmental Reporting Guidelines (March 2019) and use the UK Government GHG Conversion Factors for Company Reporting 2023.

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

The auditors Constantin are deemed to be reappointed under section 487(2) of the Companies Act 2006.

This report was approved by the board on 27 September 2024 and signed on its behalf by:



G Slade
Director

Spectrum House
Bond Street
Bristol
BS1 3LG

Statement of Directors' responsibilities in respect of the Strategic Report, the Directors' Report and the Financial Statements

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Independent Auditor's Report to the members of Teleperformance Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Teleperformance Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account and other comprehensive income;
- the balance sheet;
- the statement of changes in equity;
- the material accounting policy information; and
- the related notes 1 to 24 which include the statement of accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the directors' assessment of the company's ability to continue to adopt the going concern basis of accounting included:

- Considering going concern when performing risk assessment procedures;
- Obtaining cash flow forecasts and familiarizing ourselves with the procedures implemented to prepare such forecasts and the main principles underlying their preparation;
- Assessing their consistency with forecast data taken from the most recent business plans. These forecasts were prepared under the supervision of management and approved by the Board of Directors
- Assessing their reasonableness with regard to the economic and financial context in the contract catering and services sector;
- Verifying the appropriateness of disclosures relating to going concern in the notes to the financial statements.

Independent auditor's report to the members of Teleperformance Limited *(continued)*

Conclusions relating to going concern *(continued)*

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Independent auditor's report to the members of Teleperformance Limited *(continued)*

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the directors about their own identification and assessment of the risks of irregularities, including those that are specific to the company's business sector.

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, IFRS, tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included health and safety, data protection laws, anti-bribery, employment law, money laundering legislation.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following area, and our procedures performed to address it are described below:

- Risk related to the revenue recognition of unbilled revenue

We addressed this risk by performing the following procedures:

- Obtaining an understanding of the implemented procedures and performing process walkthroughs.
- Testing the design and implementation of the relevant controls.
- Performing test of details on the unbilled revenue.
- Assessing the recoverability of unbilled receivables at year-end.
- Examining with management the reasons for late billing of certain clients.
- Performing a search for credit notes issued on the next reporting period and related to 2023 revenue.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance and reviewing correspondence with HMRC and UK HSA.

Independent auditor's report to the members of Teleperformance Limited (continued)

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Peter Smith, FCA (Senior statutory auditor)

For and on behalf of Constantin
Chartered Accountant and Statutory Auditor
25 Hosier Lane
London
EC1A 9LQ

27 September 2024

Profit & Loss Account and Other Comprehensive Income
for the year ended 31 December 2023

	<i>Note</i>	2023 £000	2022 (restated) £000
Turnover	3	242,274	243,321
Cost of sales		(180,029)	(187,683)
		62,245	55,638
Gross profit			
Administrative expenses		(53,406)	(50,885)
Other operating income / (expenses)	4	282	331
		9,120	5,084
Operating profit	4		
Other interest receivable & similar income	8	1,055	265
Dividend income from fixed asset investments		-	3,057
Interest payable & similar expenses	9	(1,924)	(1,285)
		8,252	7,121
Profit before tax			
Tax on profit	10	(1,934)	(730)
		6,318	6,391
Profit after tax for the financial year			

The Company had no items of Other Comprehensive Income in either the current or preceding periods. All results are derived from continuing operations.

The notes on pages 28 to 54 form part of the Financial Statements.

Balance Sheet
at 31 December 2023

	<i>Note</i>	2023		2022 (restated)	
		£000	£000	£000	£000
Fixed assets					
Intangible assets	11		20,337		20,425
Tangible assets	12		16,962		20,224
Deferred tax asset	13		739		852
Investments	14		2,513		2,513
			<hr/>		<hr/>
			40,551		44,014
Current assets					
Trade and other receivables	15	86,850		82,857	
Cash at bank and in hand		9,813		10,510	
		<hr/>		<hr/>	
			96,663		93,367
Current liabilities					
Trade and other payables	16	(68,304)		(56,723)	
Lease liabilities	17	(2,896)		(2,770)	
		<hr/>		<hr/>	
			(71,200)		(59,493)
Net current assets			<hr/>		<hr/>
			25,463		33,874
Total assets less current liabilities			<hr/>		<hr/>
			66,014		77,888
Non-current liabilities					
Lease liabilities	17		(10,750)		(12,972)
Net assets			<hr/>		<hr/>
			55,264		64,916
Capital & reserves					
Called up share capital	19		12		12
Profit & loss account			55,252		64,904
			<hr/>		<hr/>
Shareholder's funds			<hr/>		<hr/>
			55,264		64,916

The notes on pages 28 to 54 form part of the Financial Statements.

These financial statements were approved by the board of directors on 27 September 2024 and were signed on its behalf by:



K Wise
Director

Company registered number: 02060289

Statement of Changes in Equity

	Called Up Share Capital £000	Profit & Loss Account £000	Total Equity £000
Balance at 1 January 2022	12	70,247	70,259
Total comprehensive income for the period (restated)	-	6,391	6,391
<i>Transactions with owners, recorded directly in equity:</i>			
Equity-settled share based payment transactions	-	966	966
Dividends	-	(12,700)	(12,700)
Total contributions by and distributions to owners	-	(11,734)	(11,734)
Balance at 31 December 2022 (restated)	12	64,904	64,916

	Called Up Share Capital £000	Profit & Loss Account £000	Total Equity £000
Balance at 1 January 2023	12	64,904	64,916
Total comprehensive income for the period	-	6,318	6,318
<i>Transactions with owners, recorded directly in equity:</i>			
Equity-settled share based payment transactions	-	804	804
Dividends	-	(16,774)	(16,774)
Total contributions by and distributions to owners	-	(15,970)	(15,970)
Balance at 31 December 2023	12	55,252	55,264

The notes on pages 28 to 54 form part of the Financial Statements.

Notes

(forming part of the Financial Statements)

1 Accounting policies

Teleperformance Limited is a company incorporated and domiciled in England. The accounts are presented in sterling rounded to the nearest thousand. The registered number is 02060289.

The company is exempt by virtue of s401 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the company as an individual undertaking and not about its group.

The Company meets the definition of a qualifying entity under FRS 100 'Application of Financial Reporting Requirements' issued by the FRC. Accordingly these financial statements have been prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework" ("FRS 101") and in accordance with the applicable provisions of the Companies Act 2006. Except for certain disclosure exemptions detailed below, the recognition, measurement and disclosure requirements of the applicable law and United Kingdom Accounting Standards have been applied to these financial statements and, where necessary, amendments have been made in order to comply with the Companies Act 2006 and The Large and Medium-sized Companies and Groups Regulations 2008/410 ('Regulations').

The Company's ultimate parent undertaking, Teleperformance S.E., incorporated in France, includes the Company in its consolidated financial statements. The consolidated financial statements of Teleperformance S.E. are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from Teleperformance, 21-25 Rue de Balzac, 75008, Paris Cedex 15, France.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital, tangible fixed assets and intangible assets;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs; and
- Disclosures in respect of the compensation of Key Management Personnel.

As the consolidated financial statements of Teleperformance S.E. include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- IFRS 2 Share Based Payments in respect of group settled share based payments;
- Certain disclosures required by IAS 36 Impairment of assets in respect of goodwill and indefinite life intangible assets; and
- Certain disclosures required by IFRS 13 *Fair Value Measurement* and the disclosures required by IFRS 7 *Financial Instrument Disclosures*.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Notes (continued)

1 Accounting policies (continued)

New and amended IFRS Accounting Standards that are effective for the current year

In the current year, the Company has applied a number of amendments to IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2023. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

New and amended IFRS Accounting Standards that are effective for the current year:

- IFRS 17 Insurance Contracts (including the June 2020 and December 2022 Amendments to IFRS 17)
- Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements— Disclosure of Accounting Policies
- Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors— Definition of Accounting Estimates
- Amendments to IAS 12 Income Taxes—Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- Amendments to IAS 12 Income Taxes— International Tax Reform—Pillar Two Model Rules

Measurement convention

The financial statements are prepared on the historical cost basis. Non-current assets are stated at the lower of previous carrying amount and fair value.

Going concern

Management's going concern assessment was based on modelling different scenarios and considering different factors when preparing future cash flow forecasts over 2024 and 2025, as follows:

- Variable forecasts based on key client volumes, particularly those clients whose business is expected to grow further and clients whose business could contract due to the current cost of living crisis and economic outlook (such as retail clients)
- Variable forecasts based on key client volumes, where volumes are expected to move offshore to enable clients to deliver large cost savings (whether to Teleperformance Limited 100% owner subsidiary in South Africa or to other Teleperformance SE Group operations in countries such as India and the Philippines)
- Retention of key clients; the vast majority of the Company's key clients have been able to continue trading during the pandemic period of 2020 to 2022 and continue to trade well in 2023 and 2024
- As the restrictions in the UK ended, some clients signalled their preference for a return to office based working for Teleperformance staff, whilst others confirmed their preference to continue with home based working, particularly with the new home working processes and policies that have been rolled out through the Teleperformance 'Cloud Campus' programme
- Different assumptions regarding reductions in capital expenditure, other investments and overheads, partly due to this new work at home model, meant that a new and evolving approach to the Company's estate, property, and other costs was taken in 2023 and this has continued for 2024 and 2025 planning

The view of the Directors following this assessment was that the Company is in a strong position and will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements. The Company has a healthy balance sheet, no non-group debt, a strong sales pipeline, and continues to trade profitably and generate positive cash flows. Therefore, the Directors have prepared these financial statements on a going concern basis.

Notes (continued)

1 Accounting policies (continued)

Foreign currency

Transactions in foreign currencies are translated to the Company's functional currencies at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Foreign exchange differences arising on translation are recognised in the profit and loss account.

Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other debtors, cash and cash equivalents, loans and borrowings, and trade and other creditors.

Trade and other debtors

Trade and other debtors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Trade and other creditors

Trade and other creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Investments

Investments in subsidiaries are stated at amortised cost less impairment.

Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:
 - the Company has the right to operate the asset; or
 - the Company designed the asset in a way that predetermines how and for what purpose it will be used

Notes (continued)

1 Accounting policies (continued)

Leases (continued)

Accounting policy as a lessee:

The Company recognises a right of use asset and a lease liability at the lease commencement date. The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

All leases are input into Teleperformance Group's IFRS16 consolidation tool (Anaplan) which calculates the right of use asset and lease liability values, the discount rate to be used, and the postings for lease acquisitions, disposals, and monthly depreciation and interest costs.

The right of use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right of use asset or the end of the lease term. The estimated useful lives of right of use assets are determined on the same basis as those of property and equipment.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted the interest rate calculated by Anaplan.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in the future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right of use asset, or is recorded in profit & loss if the carrying amount of the right of use asset has been reduced to zero.

i. Short-term leases & leases of low value assets

The Company has elected not to recognise right of use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less and leases of low-value assets, including IT Equipment. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Notes (continued)

1 Accounting policies (continued)

Leases (continued)

Accounting policy as a lessee (continued):

ii. Recharging of IFRS16 costs

Under contractual agreements, the rental cost of one IFRS16 property lease is recharged back to the client. The client is billed on a quarterly basis on receipt of the rental invoices from the lessor.

In addition, the costs of a second IFRS16 lease for a vehicle are recharged back to another Teleperformance Group company.

These recharges are shown in Other operating income in the profit & loss account.

Goodwill and amortisation

Goodwill

Goodwill is stated at cost less any accumulated impairment losses. Goodwill is allocated to cash-generating units. It is not amortised but is tested annually for impairment.

Amortisation

Amortisation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of intangible assets unless such lives are indefinite. Intangible assets are amortised from the date they are available for use. The estimated useful lives are as follows:

- Computer licences and software 3 years

Amortisation methods, useful lives and residual values are reviewed at each balance sheet date.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets.

Leases in which the Company assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. Where land and buildings are held under leases the accounting treatment of the land is considered separately from that of the buildings. Leased assets acquired by way of finance lease are stated at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation and less accumulated impairment losses. Lease payments are accounted for as described below.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. The estimated useful lives are as follows:

- Computer equipment 4-10 years
- Fixtures and Fittings and Office Equipment 3-5 years
- Leasehold Improvements over the term of the lease (or to the first break clause if appropriate)

Depreciation methods, useful lives and residual values are reviewed at each balance sheet date.

Notes (continued)

1 Accounting policies (continued)

Government grants

Capital based government grants are included within accruals and deferred income in the balance sheet and credited to the profit and loss account over the estimated useful economic lives of the assets to which they relate.

Insurance income

Income from insurance claims is recognised when the amounts can be reliably estimated and have been agreed by the relevant insurance company. Insurance income is included within other operating income.

Impairment

Financial assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Notes (continued)

1. Accounting policies (continued)

Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

Share-based payment transactions

Share-based payment arrangements in which the Company receives goods or services as consideration for its own equity instruments are accounted for as equity-settled share-based payment transactions, regardless of how the equity instruments are obtained by the Company.

The grant date fair value of share-based payments awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period in which the employees become unconditionally entitled to the awards. The fair value of the awards granted is measured using an option valuation model, taking into account the terms and conditions upon which the awards were granted. The amount recognised as an expense is adjusted to reflect the actual number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

Provisions

A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

Turnover

Turnover is derived from the company's principal activities. Sales invoices for the call centres are raised monthly covering the activity completed in that month. For the remaining sales, invoices are raised when work is complete. Income is recognised when invoices are issued or due to be issued and deferred income arises where a client is billed in advance of work being completed. Income is accrued based on services provided where the customer billing period is not in line with month end.

Notes (continued)

1 Accounting policies (continued)

Principal versus agent considerations

Under IFRS 15 “Revenue from contracts with customers”, the Company recognises revenue based on whether it acts as a principal or as an agent in the provision of services.

The Company is considered the principal when it controls the services before they are transferred to the customer. In this case, the Company recognises revenue at the gross amount of consideration it expects to be entitled to in exchange for those services.

Indicators of the Company acting as a principal include:

- The Company is primarily responsible for fulfilling the promise to provide the specified services.
- The Company has discretion in setting the prices for the services provided.
- The Company bears the risk of providing the service.

The Company acts as an agent when it arranges for another party to provide services to the customer. In this case, the Company recognises revenue at the net amount it retains as a commission or fee for facilitating the arrangement.

Indicators of the Company acting as an agent include:

- The Company does not control the services provided to the customer.
- Another party is primarily responsible for fulfilling the service contract.
- The Company earns a fixed commission or fee based on the transaction price rather than the total consideration for the service.

Determining whether the company acts as principal or agent

The Company assesses whether it is acting as a principal or an agent by evaluating the nature of its involvement in the transaction. If the Company controls the service before it is provided to the customer, it is deemed to be the principal. If it only arranges for the service to be provided by a third party, it is considered an agent.

Each transaction is assessed individually, based on the specific contractual terms and obligations, focusing on the substance of the arrangement rather than its legal form.

Interest receivable & interest payable

Interest payable and similar charges include interest payable and net foreign exchange losses that are recognised in the profit and loss account (see foreign currency accounting policy). Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method. Dividend income is recognised in the profit and loss account on the date the entity’s right to receive payments is established. Foreign currency gains and losses are reported on a net basis.

Notes (continued)

1 Accounting policies (continued)

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

Critical accounting judgements and key sources of estimation uncertainty

In applying the Company's accounting policies, which are described in Note 1, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Company's accounting policies

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

Determining whether the Company acts as a principal or agent

The Company assesses whether it is acting as a principal or an agent by evaluating the nature of its involvement in the transaction. If the Company controls the service before it is provided to the customer, it is deemed to be the principal. If it only arranges for the service to be provided by a third party, it is considered an agent.

Each transaction is assessed individually, based on the specific contractual terms and obligations, focusing on the substance of the arrangement rather than its legal form.

Notes (continued)

1 Accounting policies (continued)

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Impairment of goodwill and investments in subsidiaries

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating unit based on expected future cash flows and where applicable, using an interest rate to discount them. Estimation uncertainty relates to the assumptions about future operating results and the determination of a suitable discount rate.

When an impairment review is performed the recoverable amount is based on the value in use method. This value in use method requires the company to apply assumptions in performing its assessment of future cash flows relating to the subsidiary entity. Key assumptions used include the following:

- The budgets for year 1 and plans for subsequent years;
- Long-term growth and profitability levels for the subsidiary entity;
- Discount rate used to discount the future cash flows to a present value.

In establishing estimates for these assumptions, the company uses the detailed plans and budgets of the Company and its own business experience. The impairment review undertaken for 31 December 2023 confirms no impairment is required to be recognised in these financial statements. When completing this impairment review the company also reviews the effect on the net present value of cash flows arising against variations to its main assumptions.

Valuation of lease liabilities and right of use assets

The Directors would be notified of any changes to the measurement and valuation of lease liabilities and right of use assets by Teleperformance S.E. Group. Valuations would be impacted by changes to the discount rate(s) which are maintained centrally by Group. Factors which could lead to movements in the discount rate(s) would be changes to the risk-free rate in the UK, the Group's euro-denominated credit spread, and the rate of a swap from the lease currency to euros.

Other changes to valuations of lease liabilities and right of use assets could arise from local changes to lease terms. The Directors regularly review the terms of leases across the business, and any changes are promptly communicated to Teleperformance S.E. Group.

Valuation of dilapidations provisions

The Directors regularly review the Company's property portfolio, including the terms and upcoming end dates of leases. Where a potential dilapidations liability is identified, management create an estimate based on the expected outcome of negotiations and the support of third party specialists in the process.

Notes *(continued)*

2 Prior period adjustment

During the 2023 audit process, it was determined that two prior period adjustments were required regarding principal vs agent considerations and recognition of dividend income. The comparative figures in the primary statements and notes have been restated accordingly. The effects of these prior period adjustments are summarised below:

a) This adjustment relates to principal versus agent considerations and compliance with IFRS15. Turnover from South Africa Trading (Pty) Limited (a 100% owned subsidiary) based operations was reported as gross / principal but should have been reported as net / agent

	2022 £000
Profit & Loss Account and Other Comprehensive Income	
Reduction in turnover	(36,034)
Reduction in cost of sales	36,034
	<hr/>
Increase / (decrease) in profit for the financial year	-
	<hr/> <hr/>

b) This adjustment relates to the dividend from South Africa Trading (Pty) Limited relating to the 2021 financial year performance. These were paid by South Africa Trading (Pty) Limited on 21 August 2023 but the resolution had been passed by the board of South Africa Trading (Pty) Limited on 24 November 2022

	2022 £000
Profit & Loss Account and Other Comprehensive Income	
Increase in dividend income from fixed asset investments	3,057
	<hr/>
Increase / (decrease) in profit for the financial year	3,057
	<hr/> <hr/>
Balance Sheet	
Increase in trade and other receivables - dividend receivable	3,057
	<hr/>
Increase / (decrease) in net assets	3,057
	<hr/> <hr/>

Notes (continued)

2 Turnover

	2023 £000	2022 (restated) £000
<i>By activity:</i>		
Contact centre outsourcing and associated services	242,274	243,321
	<hr/>	<hr/>
<i>By geographical location (all serving UK market):</i>		
UK	225,067	228,065
Philippines	7,056	8,767
Egypt	3,582	1,825
South Africa	3,291	1,924
Romania	2,086	2,650
India	968	90
Turkey	224	-
	<hr/>	<hr/>
	242,274	243,321
	<hr/>	<hr/>

3 Other operating income / (expenses)

	2023 £000	2022 £000
Income from recharging of right of use asset expenses	241	332
Gain on disposal of right of use assets	132	48
Government grants	-	2
Loss on disposal of tangible fixed assets	(91)	(51)
	<hr/>	<hr/>
	282	331
	<hr/>	<hr/>

4 Operating profit

Operating profit is stated after charging:

	2023 £000	2022 £000
Staff costs (see Note 6)	182,080	144,209
Depreciation of property, plant and equipment	2,286	2,328
Depreciation of right of use assets	2,782	3,406
Amortisation of intangible assets	102	181
Auditors remuneration	150	139
Income from recharging of right of use asset expenses	241	332
Gain on disposal of right of use assets	132	48
Loss on disposal of tangible fixed assets	(91)	(51)
	<hr/>	<hr/>
	187,682	150,592
	<hr/>	<hr/>

Notes *(continued)*

5 Staff numbers & costs

The average number of persons employed by the Company (including directors) during the year, analysed by category, was as follows:

	Number of Employees	
	2023	2022
Call centre staff	7,200	6,227
Administrative staff	711	666
	7,910	6,893
	7,910	6,893

The aggregate payroll costs of these persons were as follows:

	2023	2022
	£000	£000
Wages & salaries	163,835	128,407
Social security costs	13,484	11,490
Contributions to defined contributions plans	3,161	2,676
Apprenticeship levy	796	670
Share based payments (see Note 19)	804	966
	182,080	144,209
	182,080	144,209

Notes *(continued)*

6 Directors' remuneration

	2023 £000	2022 £000
Directors' remuneration	593	757
Company contributions to money purchase pension plans	44	48
	637	805
	637	805

The aggregate of remuneration and other amounts receivable of the highest paid director was £382,000 (2022: £482,000), including Company pension contributions of £26,000 (2022: £26,000) made to a money purchase scheme on his behalf.

	Number of directors	
	2023 £000	2022 £000
Retirement benefits are accruing to the following number of directors under:		
Money purchases schemes	2	2
	2	2
	2	2
The number of directors who exercised share options was:	2	2
	2	2
	2	2

7 Other interest receivable & similar income

	2023 £000	2022 £000
On cash pooling receivable	1,055	221
Net foreign exchange gain	-	44
	1,055	265
	1,055	265

8 Interest payable & similar expenses

	2023 £000	2022 £000
Interest on lease liabilities	692	763
Net foreign exchange loss	59	-
Interest payable on intercompany loans	1,030	477
Other interest payable & charges	143	45
	1,924	1,285
	1,924	1,285

Notes (continued)

9 Taxation

Recognised in the profit & loss account

	2023		2022	
	£000	£000	£000	£000
<i>UK corporation tax</i>				
Current tax on income for the period	1,817		159	
Foreign tax suffered	44		38	
Adjustment in respect of prior periods	(40)		(9)	
	<hr/>		<hr/>	
Total current tax		1,821		188
<i>Deferred tax</i>				
Current Year	104		429	
Adjustment in respect of prior periods	9		113	
	<hr/>		<hr/>	
Total deferred tax		113		542
		<hr/>		<hr/>
Tax on profit		1,934		730
		<hr/> <hr/>		<hr/> <hr/>

Reconciliation of Effective Tax Rate

	2023 £000	2022 £000
Profit after tax for the financial year	9,374	3,334
Total tax expense	1,934	730
	<hr/>	<hr/>
Profit before tax	11,308	4,064
Tax using the UK corporation tax rate of 23.52% (2021: 19%)	2,660	772
Non-deductible expenses	51	224
Dividend received	(719)	-
Transfer pricing adjustment	(75)	(37)
Tax rate changes and other prior period adjustments	(31)	104
Effects of overseas tax rates	(39)	(19)
Capital allowances – super deduction element	(11)	(150)
Share scheme	98	(164)
	<hr/>	<hr/>
Total tax expense	1,934	730
	<hr/> <hr/>	<hr/> <hr/>

Factors Affecting the Future Tax Expense

An increase in the UK corporation tax rate from 19% to 25% (effective 1 April 2023) was substantively enacted on 24 May 2021. The UK deferred tax asset as at 31 December 2023 was calculated at 25%.

Notes *(continued)*

11 Intangible fixed assets

	Goodwill	Software & Other Intangibles	Total
	£000	£000	£000
Cost			
Balance at 1 January 2023	29,915	3,411	33,326
Additions	-	14	14
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2023	29,915	3,425	33,340
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Amortisation			
Balance at 1 January 2023	9,634	3,267	12,901
Amortisation for the year	-	102	102
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2023	9,634	3,369	13,003
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Net book value			
At 31 December 2023	20,281	56	20,337
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 December 2022	20,281	144	20,425
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Amortisation charge

The amortisation charge is recognised in the following line items in the profit and loss account:

	2023	2022
	£000	£000
Administrative expenses	102	181
	<hr/>	<hr/>
	102	181
	<hr/> <hr/>	<hr/> <hr/>

The directors have considered the carrying value of intangible assets (excluding software) based on the future cash generation of the underlying assets. No impairments have been identified.

Notes (continued)

12 Tangible fixed assets

	Right of Use Assets £000	Computer Equipment £000	Leasehold Improvements & Office Furniture £000	Total £000
Cost				
Balance at 1 January 2023	25,053	16,289	19,875	61,217
Additions	126	1,059	53	1,238
Modifications	652	-	-	652
Disposals	(2,348)	(7)	(277)	(2,632)
	<u>23,483</u>	<u>17,341</u>	<u>19,651</u>	<u>60,475</u>
Balance at 31 December 2023	23,483	17,341	19,651	60,475
Depreciation				
Balance at 1 January 2023	11,457	12,148	17,388	40,993
Depreciation charge for the year	2,782	1,410	876	5,068
Modifications	(7)	-	-	(7)
Disposals	(2,348)	(5)	(188)	(2,541)
	<u>11,884</u>	<u>13,553</u>	<u>18,076</u>	<u>43,513</u>
Balance at 31 December 2023	11,884	13,553	18,076	43,513
Net book value				
At 31 December 2023	<u>11,599</u>	<u>3,788</u>	<u>1,575</u>	<u>16,962</u>
At 31 December 2022	<u>13,596</u>	<u>4,141</u>	<u>2,487</u>	<u>20,224</u>

Leases

As at 1 January 2023, the Company had 19 land & building leases across 11 sites in England, Scotland and Northern Ireland. Of these 19 leases, 1 lease is charged back to the client who is present at this location under contractual agreements (not sub-leases). During the year, zero land & building leases were acquired, 2 were modified due to rental increases and changes to lease terms, and 2 were disposed of.

In addition, at 1 January 2023, the company had 6 leases for IT equipment, vehicles and machinery which also met the definition of an IFRS16 lease. During the year, 3 new leases were acquired, 2 were modified due to rental increases, and 5 were disposed of.

Notes (continued)

12 Tangible fixed assets (continued)

Information about leases where the Company is a lessee is presented below:

Right of use assets

	2023 Property £000	2023 IT Equipment, Vehicles & Machinery £000	2023 Total £000
Balance at 1 January	13,536	60	13,596
Acquisition of leases	-	126	126
Modification of leases	413	246	659
Disposal of leases – net book value	-	-	-
Depreciation charge for the year	(2,710)	(72)	(2,782)
	<hr/>	<hr/>	<hr/>
Balance at 31 December	11,239	360	11,599
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Lease liabilities

Maturity analysis – contractual undiscounted cash flows

	£000
Less than one year	3,086
Between one and five years	8,833
More than five years	3,367
	<hr/>

Total undiscounted lease liabilities at 31 December 2023

15,286

Lease liabilities included in the Balance Sheet at 31 December 2023

13,646

Current
Non-current

2,896
10,750

Amounts recognised in profit & loss

	2023 £000
Interest on lease liabilities	(692)
Income from recharging of right of use asset rental costs	241
Expenses relating to leases of low value assets	(129)
	<hr/>
	(580)
	<hr/> <hr/>

Notes *(continued)*

12 Tangible fixed assets *(continued)*

Leases accounted for as short-term leases

Rentals for remaining leases accounted for as short-term leases are payable as follows:

	2023 £000	2022 £000
Less than one year	42	204
	42	204
	42	204

13 Deferred tax assets

Recognised deferred tax assets

Deferred tax assets and liabilities are attributable to the following:

	2023 £000	2022 £000
Accelerated capital allowances	593	852
Short-term timing difference	146	-
	739	852
	739	852

Movement in deferred tax during the current year:

	1 January 2023 £000	Recognised in income £000	31 December 2023 £000
Current assets	852	(113)	739
	852	(113)	739
	852	(113)	739

Movement in deferred tax during the prior year

	1 January 2022 £000	Recognised in income £000	31 December 2022 £000
Current assets	1,394	(542)	852
	1,394	(542)	852
	1,394	(542)	852

Notes *(continued)*

14 Fixed asset investments

	Shares in Group Undertakings £000
Cost	
At beginning and end of the year	4,888
	<hr style="border-top: 3px double #000;"/>
Provisions for impairment	
At beginning and end of the year	(2,375)
	<hr style="border-top: 3px double #000;"/>
Net book value	
At 31 December 2023	2,513
	<hr style="border-top: 3px double #000;"/>
At 31 December 2022	2,513
	<hr style="border-top: 3px double #000;"/>

The provision for impairment included above relates to the historic impairment of an investment in a subsidiary which ceased trading.

Notes *(continued)*

14 Fixed Asset Investments *(continued)*

	Registered Office address	Class of Shares held	Ownership 2023	Ownership 2022
MM Group Ireland Limited	Clandeboyne Business Park West Circular Road Bangor BT19 1AR Northern Ireland	Ordinary	100%	100%
City Park Technologies Limited	Cuprum Building 480 Argyle Street Glasgow G2 8NH Scotland	Ordinary	100%	100%
City Park Technology Centre Limited *	Cuprum Building 480 Argyle Street Glasgow G2 8NH Scotland	Ordinary	100%	100%
TP South Africa Trading (Pty) Limited	11 Adderley Street Cape Town 8001 South Africa	Ordinary	100%	100%
Improved Financial Solutions Limited	Spectrum House Bond Street Bristol BS1 3LG England	Ordinary	100%	100%
Teleperformance Ireland Limited	The Black Church St Mary's Place Dublin D07 P4AX Republic of Ireland	Ordinary	100%	100%

* Indirect holding; 100% of the share capital of City Park Technology Centre Limited is owned by City Park Technologies Limited

Notes *(continued)*

15 Trade and other receivables

	2023 £000	2022 (restated) £000
Trade debtors	30,361	38,939
Cash pooling amounts receivable	25,804	26,884
Amounts owed by group undertakings	5,107	1,758
Amounts owed by subsidiary undertakings	9,572	2,658
Other debtors	207	135
Corporation tax receivable	1,615	1,415
Dividend receivable	-	3,057
Prepayments & accrued income	14,184	8,011
	86,850	82,857
	86,850	82,857

On certain bank accounts the balance is swept each night, leaving £8m and €1m respectively in those accounts. The positive or negative balance is transferred to a central Group cash pooling account. This central account is held by Teleperformance S.E. Group.

16 Trade and other payables

	2023 £000	2022 £000
Trade creditors	5,643	11,992
Amounts owed to group undertakings	9,157	2,766
Amounts owed to parent undertaking	15,265	14,490
Amounts owed to subsidiary undertakings	13,525	8,842
Other taxation & social security	8,745	7,214
Other creditors	85	615
Corporation tax payable	-	38
Accruals & deferred income	15,884	10,766
	68,304	56,723
	68,304	56,723

The Parent loan balance is interest bearing at the market rate and is unlikely to be repaid in the next 12 months (see Note 19).

17 Lease liabilities

	2023 £000	2022 £000
Lease liabilities (due less than one year)	2,896	2,770
Lease liabilities (due more than one year)	10,750	12,972
	13,646	15,742
	13,646	15,742

Notes *(continued)*

18 Interest-bearing loans & borrowings

This note provides information about the contractual terms of the Company's interest-bearing loans and borrowings, which are measured at amortised cost.

	2023 £000	2022 £000
Creditors falling due within less than one year		
Amounts owed to parent undertaking	15,265	14,490
	<u>15,265</u>	<u>14,490</u>

			Face Value 2023 £000	Carrying Amount 2023 £000	Face Value 2022 £000	Carrying Amount 2022 £000
Amount owed to Parent Undertaking	GBP	BASE RATE +4%	15,265	15,265	14,490	14,490
			<u>15,265</u>	<u>15,265</u>	<u>14,490</u>	<u>14,490</u>

19 Capital & reserves

	2023 £000	2022 £000
Share capital		
Authorised 5,000,000 Ordinary shares of £0.05 each	250	250
	<u>250</u>	<u>250</u>
Allotted 234,900 allotted, called up and fully paid ordinary shares of £0.05	12	12
	<u>12</u>	<u>12</u>

Dividends

The following dividends were recognised during the period:

	2023 £000	2022 £000
£70.81 (2022: £54.07) per qualifying ordinary share	16,774	12,700
	<u>16,774</u>	<u>12,700</u>
	<u>16,774</u>	<u>12,700</u>

Notes (continued)

20 Financial instruments

Risk management

The Company has exposure to the following risks arising from financial instruments;

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Company's exposure to each of the above risks, and the Company's objectives, policies, and processes for measuring and managing risks.

The board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate limits and controls, and to monitor risks and adhere to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

(a) Credit risk

Financial risk management

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and fellow Group companies.

Exposure to credit risk

The carrying amount of financial assets represents the maximum exposure to credit risk at the balance sheet date by class of financial instrument as follows:

	2023	2022
	£000	£000
Cash & cash equivalents	9,813	10,510
Cash pooling receivable	25,804	26,884
Trade receivables	30,361	38,939
Amounts owed by subsidiary undertakings	9,572	2,658
Accrued income	9,508	3,792
	9,508	3,792

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the demographics of the Company's customer base, including the default risk of the industry and the country in which the customers operate, as these factors may have an influence on credit risk.

The board of directors has established a credit policy under which each new customer is analysed individually for credit worthiness before the Company's standard payment and delivery terms and conditions are offered. Purchase limits are established for each customer, which represents the maximum open amount without requiring approval from the board of directors; these limits are reviewed periodically. Customers that fail to meet the Company's benchmark creditworthiness may transact with the Company on either a prepayment or reduced terms basis.

The Company establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables.

Based on historic default rates, management do not believe that any impairment allowance is necessary in respect of trade receivables as at 31 December 2023 (2022: £nil).

Notes (continued)

20 Financial instruments (continued)

(b) Liquidity risk

Financial risk management

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring acceptable losses or risking damage to the Company's reputation.

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the effect of netting agreements:

	2023 Carrying amount £000	Contractual cash flows £000	1 year or less £000	1 to < 5 years £000	5 years & over £000
Non-derivative financial liabilities					
Trade creditors	5,643	5,643	5,643	-	-
Parent company loan	15,265	15,265	15,265	-	-
Amounts owed to group undertakings	9,157	9,157	9,157	-	-
Amounts owed to subsidiary undertakings	13,525	13,525	13,525	-	-
Lease liabilities	13,646	13,646	2,896	7,826	2,924
	2022 Carrying Amount £000	Contractual Cash Flows £000	1 year or less £000	1 to < 5 years £000	5 years & over £000
Non-derivative financial liabilities					
Trade creditors	11,992	11,992	11,992	-	-
Parent company loan	14,490	14,490	14,490	-	-
Amounts owed to group undertakings	2,766	2,766	2,766	-	-
Amounts owed to subsidiary undertakings	8,842	8,842	8,842	-	-
Lease liabilities	15,742	15,742	2,770	7,497	5,475

(c) Market risk

Financial risk management

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

Foreign currency risk

The Company is exposed to currency risk on sales and purchases that are denominated in a currency other than the respective currency of the Company, Great Britain Pounds. The primary currencies in which these transactions are denominated are in EUR, USD and ZAR.

Notes (continued)

21 Employee benefits

Share based payments

Certain employees of the UK company are participants in a long term incentive scheme operated by the ultimate parent, Teleperformance S.E. Group. Under the terms of the plan certain employees are allocated incentive shares free of charge if certain conditions / targets are met.

Vesting of the free share awards is conditional on the beneficiaries remaining with the Group until at least the end of the vesting period and on meeting performance conditions relating to revenue growth and the EBITA margin rate of the wider group, and the performance of Teleperformance S.E. Group's share price in comparison to the SBF 120 share index.

From 2019, shares have now been granted on an annual basis.

New options were granted on 29 July 2020 and the vesting period ran from the date of grant to 29 June 2023, covering financial performance from 2020 to 2022.

The fair value at the date of grant was calculated by the Group's actuary taking into account market conditions. The fair value was €178.80 per share.

Further options were granted on 28 July 2021 and the vesting period runs from the date of grant to 27 July 2024, covering financial performance from 2021 to 2023.

The fair value at the date of grant was calculated by the Group's actuary taking into account market conditions. The fair value was €221.20 per share.

Further options were granted on 27 July 2022 and the vesting period runs from the date of grant to 28 July 2025, covering financial performance from 2022 to 2024.

The fair value at the date of grant was calculated by the Group's actuary taking into account market conditions. The fair value was €187.60 per share.

Further options were granted on 26 July 2023 and the vesting period runs from the date of grant to 27 July 2026, covering financial performance from 2023 to 2025.

The fair value at the date of grant was calculated by the Group's actuary taking into account market conditions. The fair value was €27.30 per share.

	Number of options 2023	Number of options 2022
Outstanding at the beginning of the year	13,476	13,169
Vested during the year	(3,333)	(3,333)
Granted during the year	5,200	5,000
Forfeited / transferred during the year *	-	(1,360)
	15,343	13,476
	-	-

* includes options which were transferred to other group entities in the year as the employment costs of those individuals are borne by the other group entity.

The share based payment charge recognised for the year ended 31 December 2023 was £804,000 (2022: £966,000).

Notes (continued)

22 Subsequent events

After the balance sheet date Teleperformance Limited has received dividends totalling £10,758,567 from its 100% owned subsidiary Teleperformance South Africa Trading (Pty) Limited. This amount can be broken down as follows:

- £8,048,823 in June 2024 relating to the 2023 financial year performance of South Africa Trading (Pty) Limited. These were approved by Teleperformance S.E. in April 2024 and the resolution passed by the board of South Africa Trading (Pty) Limited on 6 June 2024
- £2,709,744 in June 2024 relating to the 2022 financial year performance of South Africa Trading (Pty) Limited. These were approved by Teleperformance S.E. in April 2023 and the resolution passed by the board of South Africa Trading (Pty) Limited on 6 June 2024

Teleperformance Limited paid these amounts, plus a further £7,664,532 relating to the Company's own 2023 financial year performance, up to its immediate parent undertaking, Teleperformance Holdings Limited, in June 2024. The Teleperformance Limited dividend was approved by Teleperformance S.E. in April 2024 and the resolution passed by the board on 6 June 2024

23 Related parties

Transactions with Directors

There were no outstanding loans to any Directors at 31 December 2023 (2022 *£nil*).

The company classifies members of the Teleperformance group and its Directors as its related parties. There are no related party transactions not covered by relevant exemptions that require disclosure other than information on the short-term Directors' loans above.

The company has taken the exemption available in respect of the disclosure of key management personnel information.

24 Ultimate parent company and parent company of larger group

The immediate parent undertaking of Teleperformance Limited is Teleperformance Holdings Limited whose registered address is Spectrum House, Bond Street, Bristol, England. BS1 3LG.

The largest and smallest group in which the results of the Company are consolidated and available to the public is that headed by Teleperformance S.E. Group, 21-25 Rue de Balzac, 75008, Paris Cedex 15, France.

Copies of Teleperformance S.E. Group accounts can also be obtained from www.teleperformance.com.