

# Investor Presentation



# Forward Looking Statements

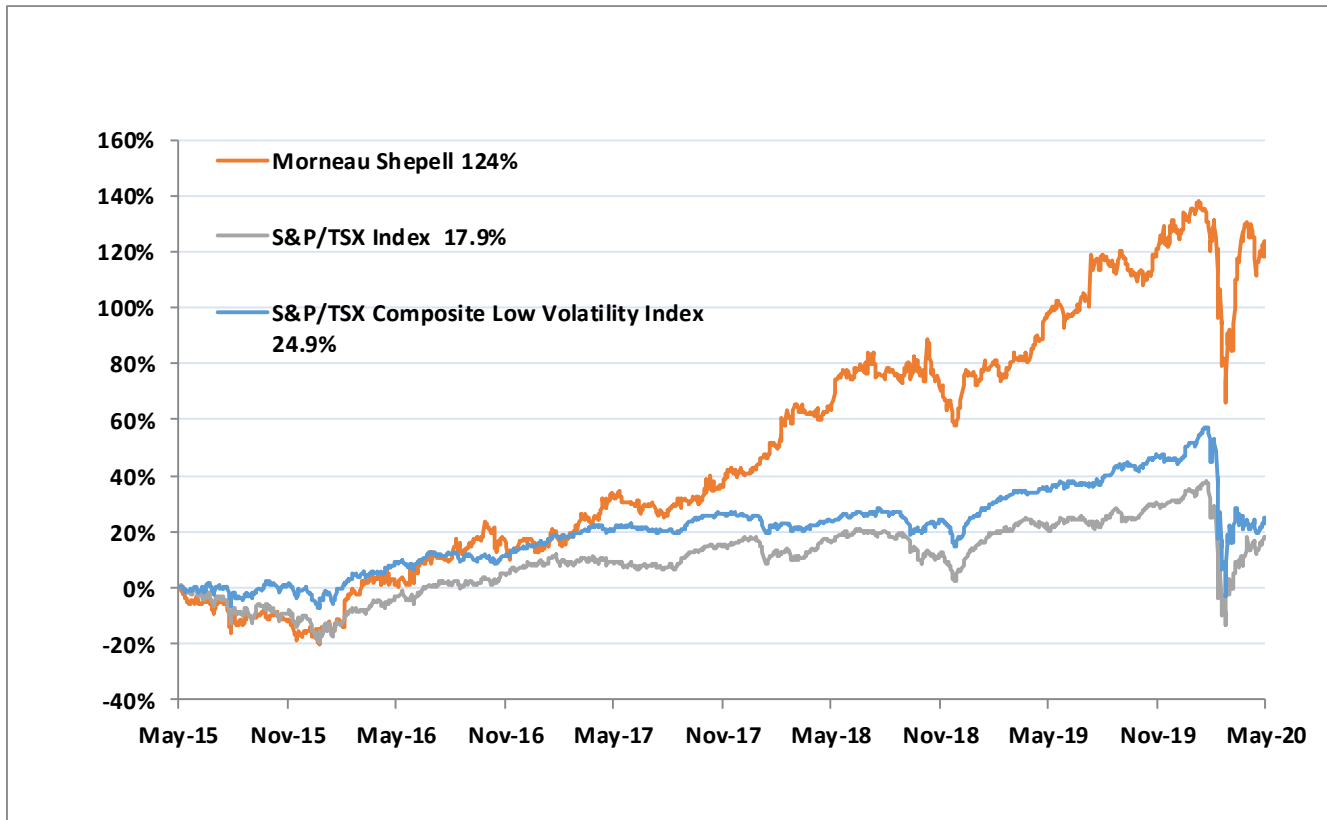


This document contains “forward-looking statements” within the meaning of applicable securities laws, such as statements concerning anticipated future events, results, circumstances, performance, or expectations that are not historical facts. The use of words such as “may,” “will,” “expect,” “believe,” or other words of similar effect may indicate a forward-looking statement. These statements are not guarantees of future performance and are subject to numerous risks and uncertainties, including those described in the firm’s publicly filed documents (available on SEDAR at [sedar.com](http://sedar.com)) and in Morneau Shepell (the Company’s) MD&A under the heading “Risks and Uncertainties.” Those risks and uncertainties include current economic conditions, income tax matters, the ability to maintain profitability and manage growth, reliance on information systems and technology, reputational risk, dependence on key clients, and reliance on key professionals. Many of these risks and uncertainties can affect the Company’s actual results and could cause actual results to differ materially from those expressed or implied in any forward-looking statement made by the Company or on the Company’s behalf. Given these risks and uncertainties, investors should not place undue reliance on forward-looking statements as a prediction of actual results. All forward-looking statements in this document are qualified by these cautionary statements. These statements are made as of the current date and, except as required by applicable law, the Company undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. Additionally, the Company undertakes no obligation to comment on analyses, expectations, or statements made by third parties in respect of the Company, its financial or operating results, or its securities.

# Outpacing the market



## Total Return – Last 5 Years (as at May 29, 2020)



## 1-3-5 Year Compound Annual Return

	1-Year	3-Year	5-Year
<b>MSI</b>	13.4%	19.3%	17.5%
<b>S&amp;P/TSX</b>	-2.4%	2.7%	3.3%
<b>S&amp;P Low Volatility Index</b>	-7.2%	1.1%	4.6%

# To optimize the health and productivity of people – the heart of every successful organization



Technology enabled HR services delivered through our integrated cloud-based platform



Own the total well-being space and provide a continuum of care



Leader in design and delivery of HR solutions



Accelerate growth through U.S. and global expansion

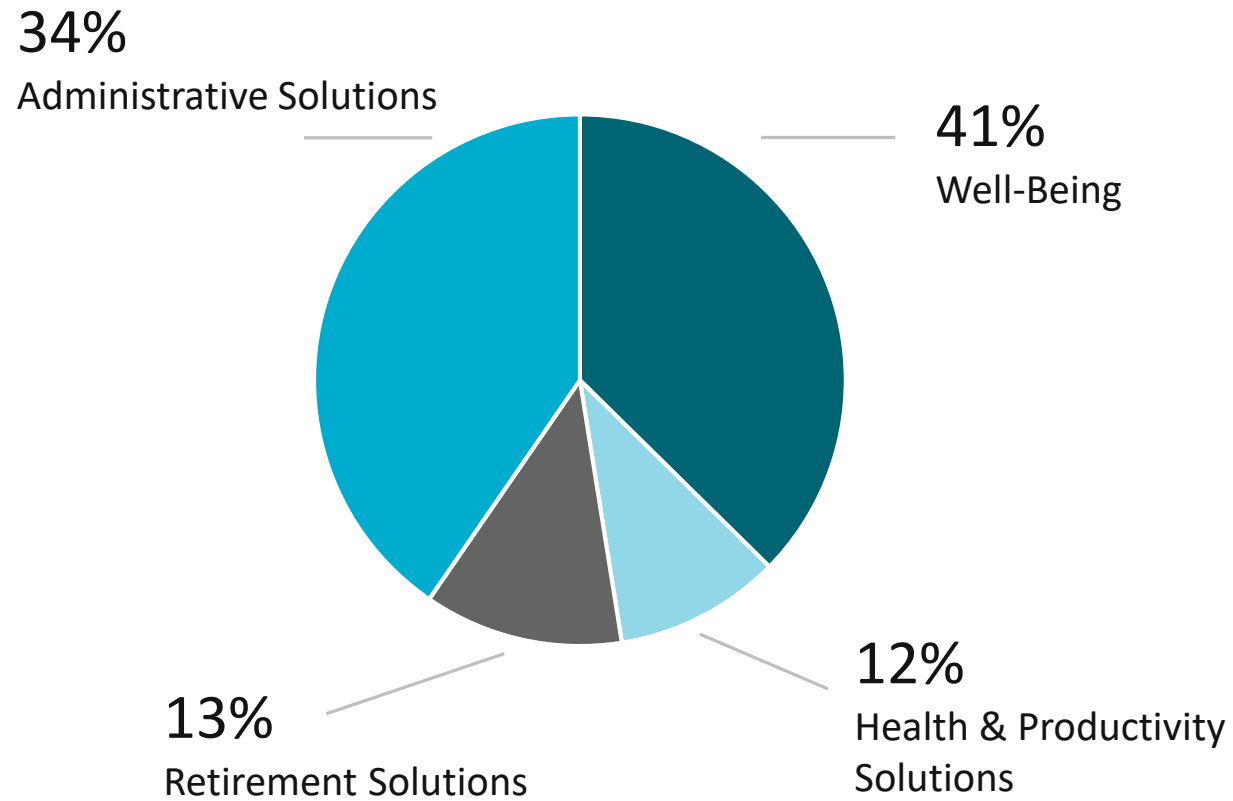


Transform our operations to be more scalable and focus on year over year improvement

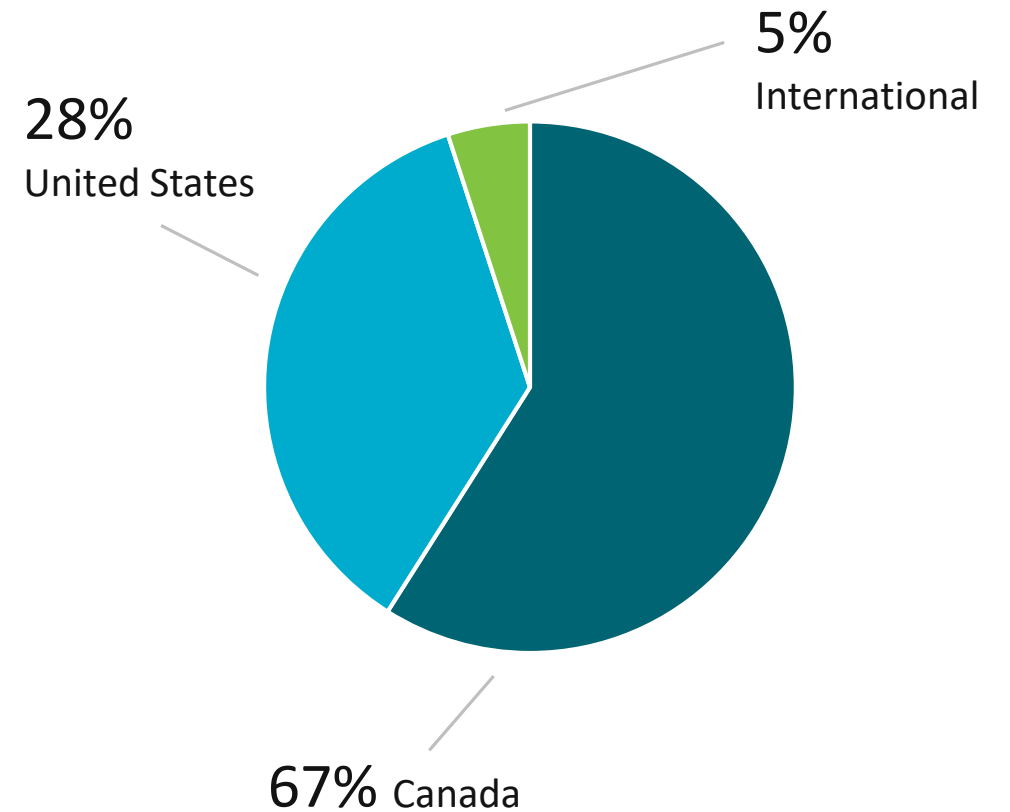
Our purpose: Improving lives. Improving business.  
 Our values: We value long-term relationships. We treat others the way we want to be treated. We are innovative and entrepreneurial.  
 Our clients: Create great client experiences.  
 Our people: Ensure we have engaged talent with right skills to execute our strategic plan.  
 Our communities: Improving social well-being.

# Balanced Revenue Mix – Q1 2020

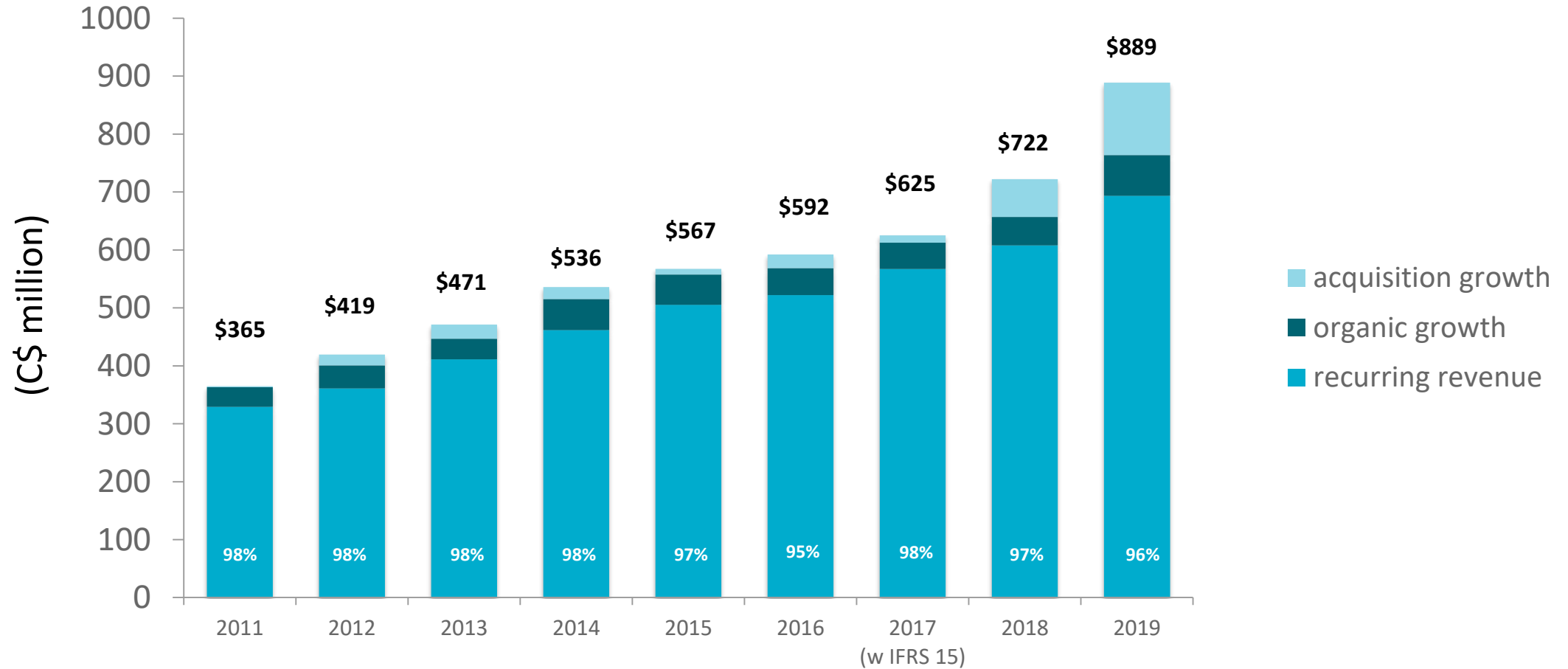
## Line of Business Revenue



## Geographical Revenue



# High recurring revenue



Percentage indicates proportion of total revenue that is recurring from prior year

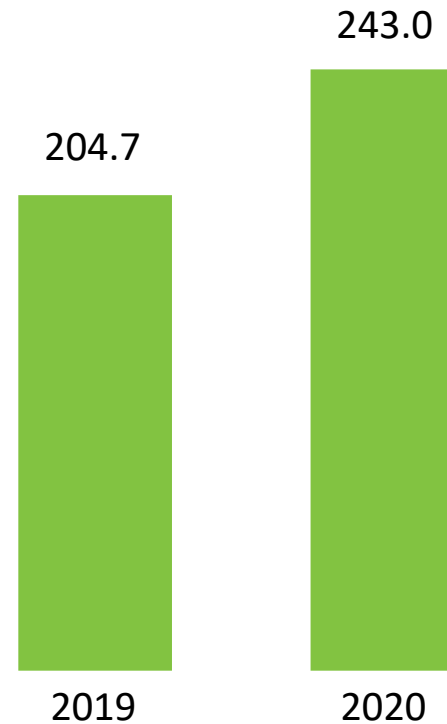
# Q1 2020 results



# 19.5%

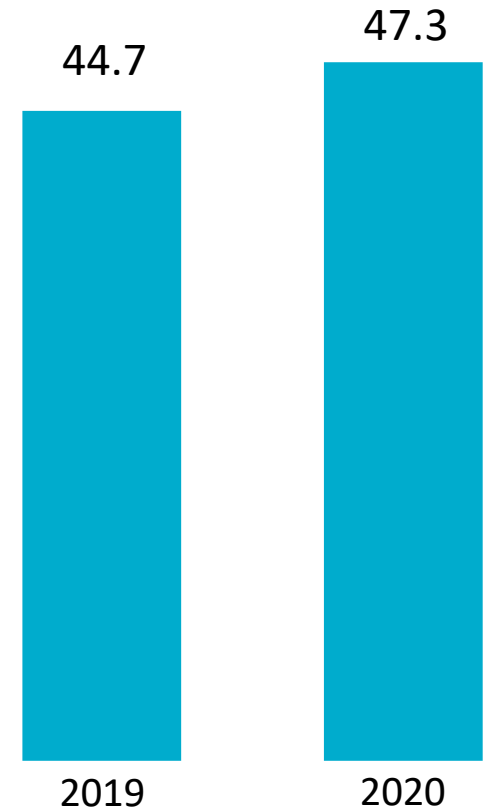
adjusted EBITDA margin

Revenue (C\$M)



18.7% growth

Adjusted EBITDA (C\$M)



6% growth

# Capital Structure



<b>68 million common shares</b> 52% institutional, 4% management, 44% retail	~C\$2.2 billion
<b>Bank debt</b> \$700M facility (\$600M matures July 2023, \$100M matures April 2021) Financial Covenant: <ul style="list-style-type: none"><li>• Bank debt to Adjusted EBITDA <math>\leq</math> 4.0:1 – Q1 at 3.6:1</li></ul>	~ C\$455 million
<b>Convertible debenture</b> June 2021 maturity, 4.75% rate, \$25.10 conversion price <ul style="list-style-type: none"><li>• On December 11<sup>th</sup>, 2019 MSI issued a notice to redeem outstanding debentures</li><li>• 98% of debentures exercised the conversion</li><li>• No longer a component of the capital structure</li></ul>	C\$0



# Investment Summary





## Investor Relations contacts:

**Stephen Liptrap**  
sliptrap@morneaushepell.com

**Grier Colter**  
gcolter@morneaushepell.com