

# Crisis Prevention Institute

2020 Wendel Investor Day



Celebrating 40 Years of Well-Being

1980-2020

# 2020

LONG-TERM INVESTOR



WENDEL



**\$569m**

equity invested since 2019<sup>(1)</sup>

**96.3%**

equity stake

## Leading provider of crisis management behavior training in the US

- Leading provider of de-escalation training
- Market opportunity across many countries
- Critical tool to reduce workplace violence
- Large installed base with recurring revenue
- Attractive financial profile
- Digital product innovation helped to manage through difficult current market conditions

*(1) Amount of equity invested by Wendel as of December 31, 2019*



Tony Jace has been CPI's CEO since 2009.

Built CPI into leader for workplace violence reduction training.

Increased revenues at a 14% CAGR while accelerating the company's expansion into healthcare, international markets and new products, including its digital and e-learning offering.

Prior global management experience with large multinationals including Oracle, CapGemini Ernst & Young, and Kimberly Clark.

CPI is a mission driven organization that overachieves the needs of our 3 key stakeholders-customers, employees, and owners.

We do this by growing our societal impact by providing premium training and content for professionals worldwide.

Our standards of behavior are paramount and focus on customer value, financial stewardship, and unparalleled quality.

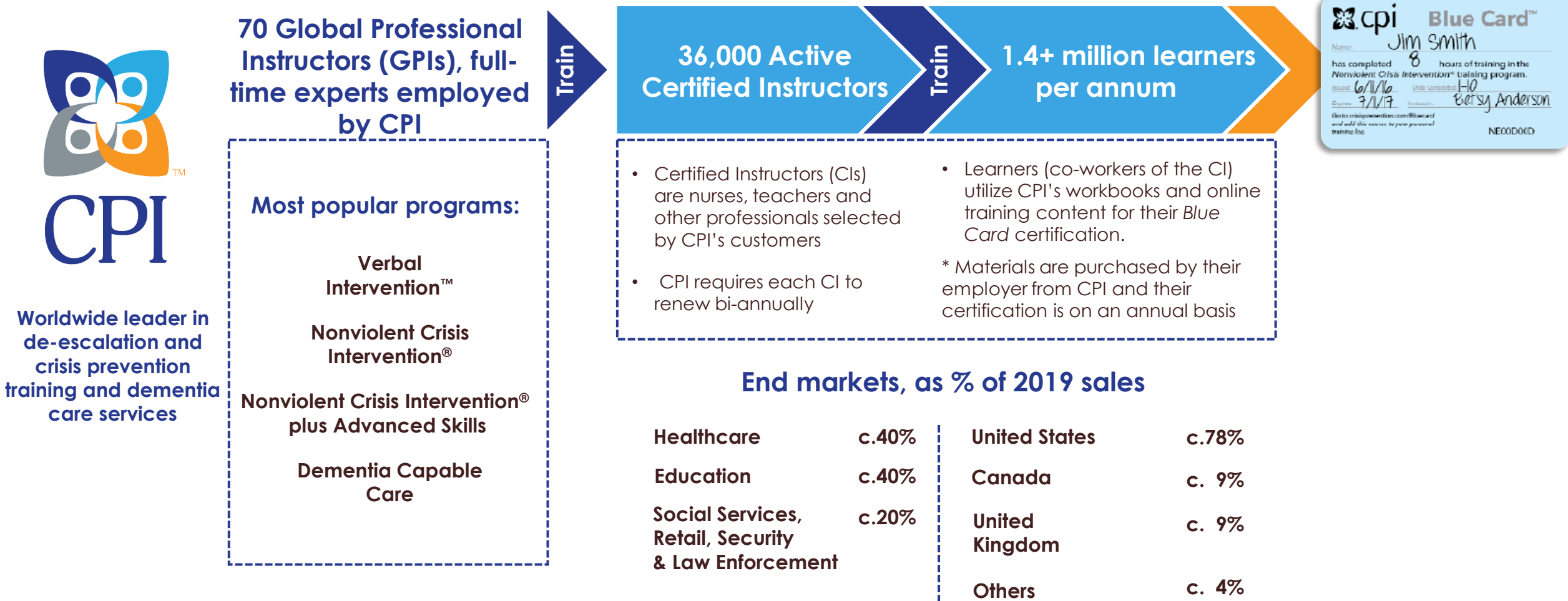
We recognize loyalty is a reciprocal obligation to our stakeholders and this common purpose is embedded in our work environment.



W E N D E L



# Business model



# Business transformations to adapt to the situation



## 1. Innovate to adapt to evolving customer needs

- **Accelerate Rebound:** Moved to fully virtual renewals in 2020 and reduced classroom time by 50% for new instructors (CIs). Online learning up 105% YOY.
- **Amplify Customer Confidence:** Quickly developed training and resources to help customers feel safe to teach at their facilities and attend our hosted events. These guides/tools have increased the training rate 15% over past 6 months.

## 2. Advance the investment in new programs to drive future growth

- **Address Adjacencies:** Penetrate underserved end-markets by launching programs related to mental health, enhancing classroom culture, and providing content extensions to support families and caregivers.

## 3. Generate mid and long-term demand

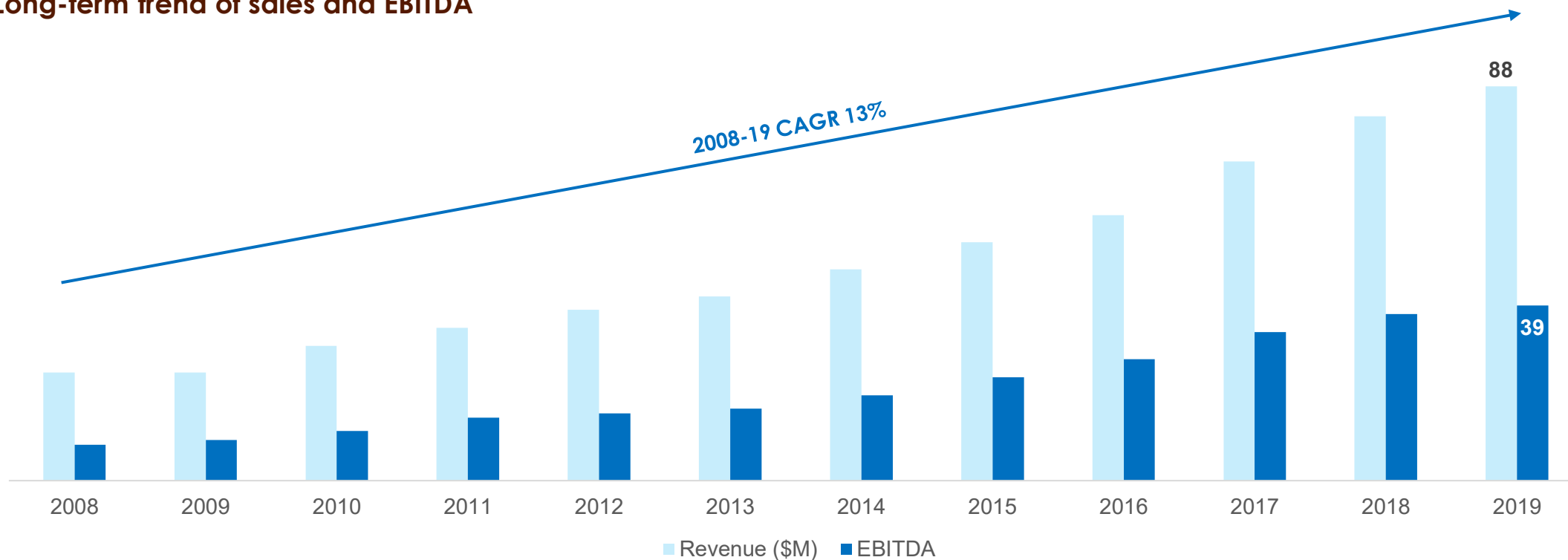
- **Demonstrate Relevancy:** Provided industry-leading services, programs, and support during Covid-19 to drive demand and increase accessibility to training and products.
- **Increase Awareness:** Drove large-scale PR campaigns (eg holiday retail anxiety, US Elections, Covid-19) to create urgency and grow a pipeline of interest for 2021 and beyond (>500M media impressions\* and a 28% increase to site traffic\*\* in October post launch).

\*PR Impression Data: Trend Kite PR Analytics Tool, \*\*Website Traffic: Google Analytics

2020 Investor Day | November 4, 2020

## Long track record of consistent growth

### Long-term trend of sales and EBITDA



Figures are presented as per US GAAP  
2019 non audited

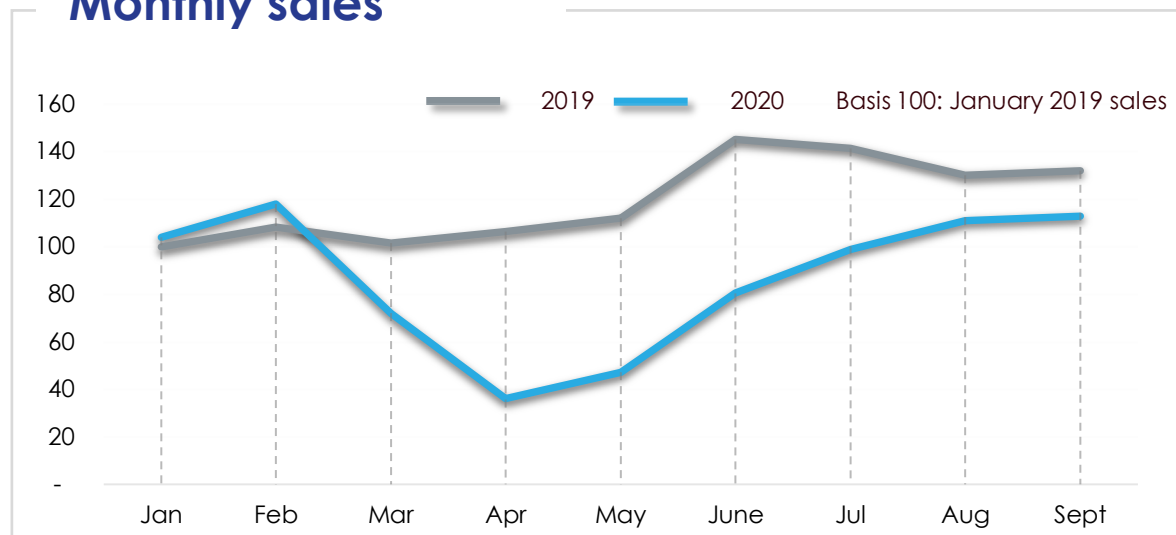
➔ **An impressive track record of growth that is almost entirely organic  
3 small acquisitions completed since 2009**

➔ **A very high cash flow conversion (>90% FCF conversion rate<sup>(1)</sup>)**

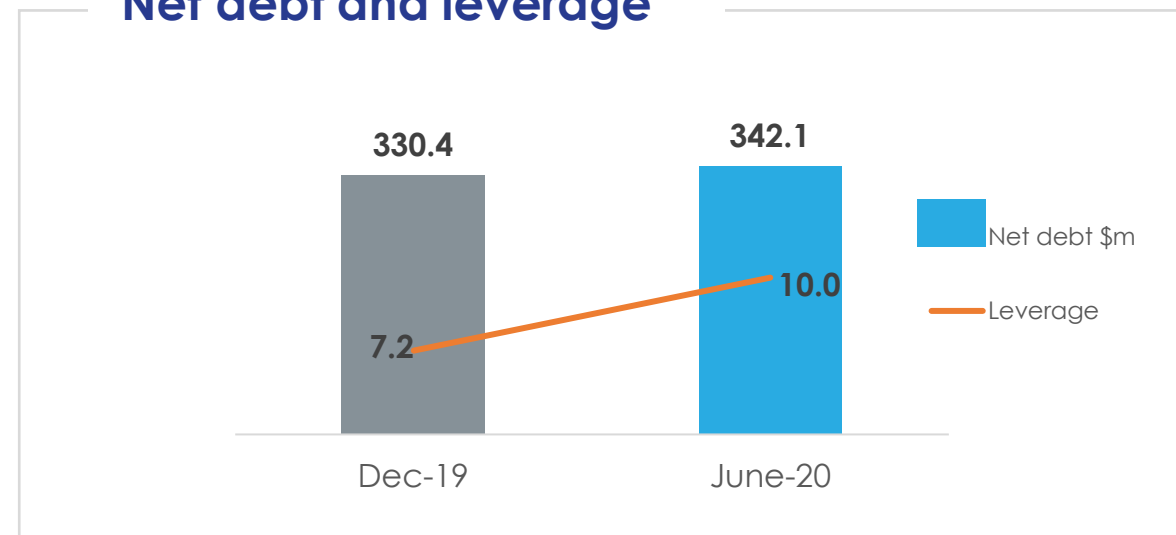
(1) Free cash flow conversion rate: (Adjusted EBITDA-CAPEX)/ Adjusted EBITDA

## Financial impact following the crisis

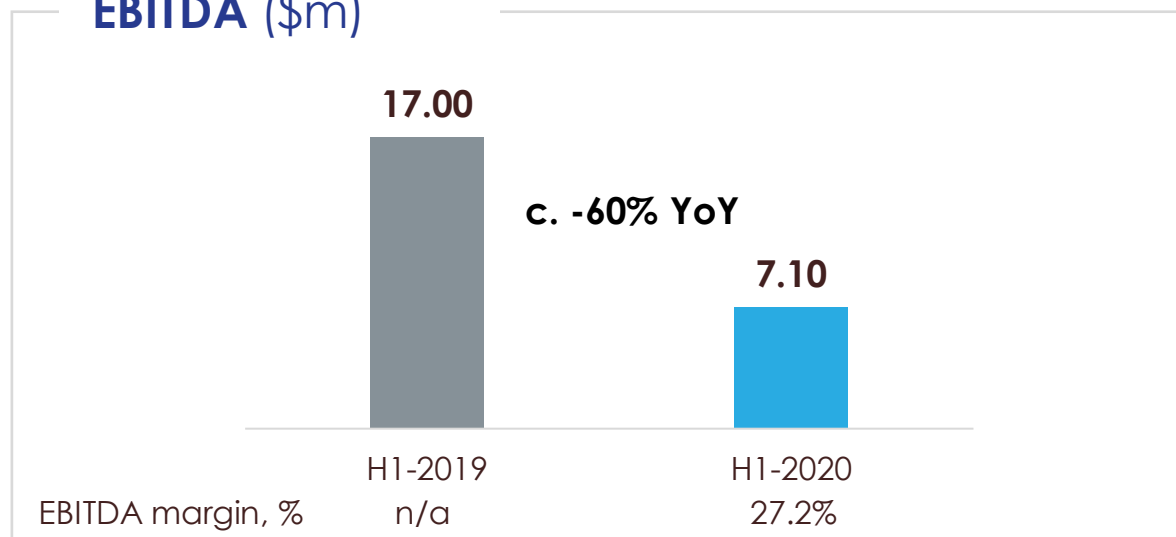
### Monthly sales



### Net debt and leverage



### EBITDA (\$m)



- Quick rebound following spring lockdown
- Leverage impacted by low 2Q EBITDA
- Amendment provides flexibility through mid-2021
- Recent months reflect historic EBITDA margins
- Strong cash flow conversion ratio: >90% <sup>(1)</sup>
- Ample liquidity and free cash flow

(1) Free cash flow conversion rate: (Adjusted EBITDA-CAPEX)/ Adjusted EBITDA



## — How we prepare/see to the rebound

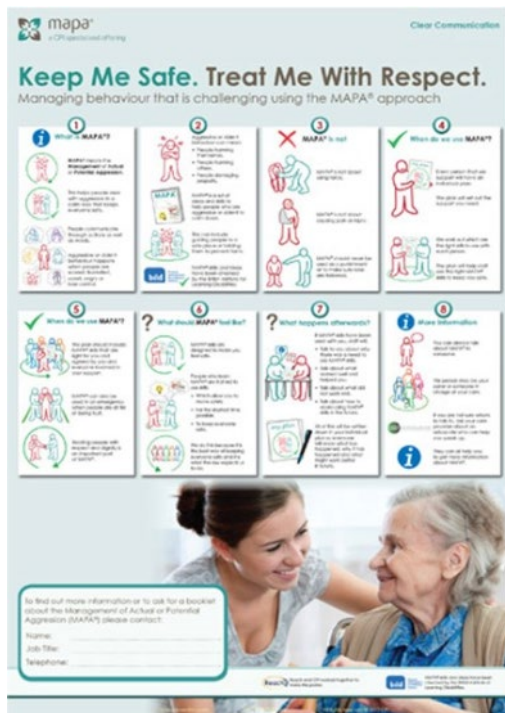
Continue to:

- Focus on serving customers to ensure their compliance in providing safe work environments whilst assisting in their pandemic resiliency.
- Execute our strategies in managing the short-term volatility until the pandemic abates.
- Maintain our contemporaneous focus on growth:
  - Gaining market share in core markets (recovery lift and pure organic growth)
  - New products and programs (eg Mental Health and Dementia Care)
  - Continued digitalization of core content for micro and refresher trainings
  - International expansion
  - New market penetrations including call centers, walk-in clinics and home health
- Invest in team excellence as we recently welcomed a new CFO, Managing Director of International (London-based) and VP of Human Resources.
- Leverage our relationship with Wendel as we manage this accelerated growth and finalize this summer's work on refreshing CPI's 5 year strategy.

— As a mission-driven organization, ESG is a key lever for growth



CPI promotes workplace safety for all members of its clients' communities – including their employees and the populations they serve



- CPI's services enable its instructors and learners to keep their workplaces safer. The Company has a reputation for teaching effective ways to prevent, and de-escalate, potentially dangerous situations using safe techniques, which is particularly important when **caring for fragile populations like children with special needs or patients with behavioral challenges.**
- As incidents of school and workplace violence continue to rise, **CPI plays a critical role in ensuring the consequences of these events are mitigated.**
- Additionally, the use of psychotropic drugs by seniors living with dementia is increasing – **CPI training greatly reduces the need for pharmacological interventions which subsequently increases the life expectancy of these seniors.**

## Key takeaways



**Global leader** with attractive business model, large installed base and defensible moats (in-person, online and digital offerings).



**Quick response to COVID** enabled quick recovery and unlocked new growth areas.



**Large, underserved market with growing demand** to help manage crisis moments in society.



**Positive societal contribution** in helping reduce workplace violence and protect professionals, patients, customers and their families.



**Innovative, mission-driven culture** helped adapt to ensure customers were well prepared and maintained compliance during COVID-driven changing marketplace.



**Intent focus on long-term growth** by using current environment to invest in key strategic growth pillars, including international expansion, product development, digitalization and new markets.