

## CHIEF EXECUTIVE OFFICER'S REVIEW



**“We have the building blocks to create a great business; one that consistently delights its clients, has operational discipline and generates sustainable free cash flow. We are now executing the plan to deliver this.”**

JON LEWIS, CHIEF EXECUTIVE OFFICER

### Introduction

I joined Capita on 1 December 2017 and have spent my first four months meeting many employees, clients, suppliers and shareholders to gain a full picture of the business and its strengths and weaknesses. There is a lot to be excited about: talented people, a blue-chip client base, great technology and the ability to deliver value-adding services but the more I have observed and learnt, the more I have realised that there is considerable work to be done to position Capita for future, sustainable success. Therefore, I have initiated a thorough review of the business, the results of which have shaped the design and implementation of our new strategy.

### KEY FINDINGS OF THE STRATEGIC REVIEW

The initial focus of this review was to identify the strengths and weaknesses of the current Capita structure and operations. This has involved a systematic market-by-market review of the current attractiveness and future competitive landscape of each market, an assessment and benchmarking of Capita's capabilities and propositions, a review of internal processes and cost structure and a thorough assessment of current and potential synergies across Capita.

The key findings of this review included the following:

- Until recently, Capita's perspective was focused on short-term growth and, whilst this short-term perspective, coupled with an entrepreneurial culture, had assisted in the delivery of rapid growth in the past, it was also characterised by a lack of long-term business planning and investment in the infrastructure and resources required to support a large-scale organisation servicing increasingly complex client needs.
- This short-term sales-led approach also resulted in a failure to keep up with longer-term trends in a rapidly changing marketplace.
- Capita had become overly complex, spanning multiple markets and services, making it more challenging to maintain a competitive advantage in every business. In addition, some of Capita's offerings have featured a low level of operational, technological and commercial integration, which has led to higher costs and inefficiencies.

- This low level of current integration across divisions and their markets provides a significant opportunity to improve Capita's operating efficiency, reducing its cost base to support profit margins, and to improve operating cash flow which would be available to invest in the business.
- Investment is required across all of Capita's shared services, including its finance, IT, human resources, commercial, legal and related functions, which in some cases were inadequate and in other cases did not function effectively.
- In recent years, Capita developed a large amount of bespoke software for clients which was not scalable or reusable for other clients and would often become obsolete within a relatively short period of time. This has led to write-offs on Capita's income statement once the software had no further value to Capita. The review suggested that Capita should change its approach to software development in order to focus on reusable software tools and repeatable, scalable software.
- Effective, efficient investment in Capita's client propositions and its infrastructure is also required. A historic focus on short-term performance, and a resulting under-investment in certain key IT systems, has resulted in the current need for an increase in investment to upgrade Capita's enterprise-wide tools and software (including a more comprehensive customer relationship management (CRM) system).
- Whilst the majority of Capita's contracts have exhibited expected performance, Capita's record of successful operational delivery has been challenged recently by a number of execution issues on some of its major contracts. A common underlying issue arises from the separation, and lack of coordination, between the sales, implementation and operations teams which has led to a lack of clear accountability across contracts. Capita needs to simplify its processes and procedures to enhance the way it bids, implements and manages its contracts.

- Capita is also seeking to strengthen its balance sheet, and targeting a leverage ratio of between 1.0x and 2.0x adjusted net debt to adjusted EBITDA (prior to the adoption of IFRS 16), which can be achieved with the proceeds of the Rights Issue, the proceeds of certain non-core disposals expected later this year, and through further disposals over the next two to three years.
- Finally, it is important for Capita to develop new client offerings supporting data analytics, and to be at the forefront of business process automation in order to sharpen its competitive offering in current and future growth markets.

These initial findings have shaped and informed the design of our new strategy.

### OUR NEW STRATEGY

Capita will simplify its business by focusing on key growth markets, realigning its organisational structure to mirror these markets and to significantly reduce costs at the same time as improving operational efficiency.

Capita will strengthen its businesses and capabilities by making selected investments in order to drive improvements to both Capita's expertise in digital, analytics and automation and its programme delivery and operational excellence. Capita will also ensure that it has the right leadership team and capital structure in place to support the delivery of the new strategy.



## 1. STRATEGY – SIMPLIFY

The markets in which Capita operates are changing quickly and new trends are emerging. The Board believes that Capita needs to be at the forefront of these changes rather than reacting to them. A key element of the new strategy is to 'do fewer things, better'. Central to this will be the simplification and reorganisation of the business portfolio to focus this on key growth markets where Capita has an established leading market presence. There will be a simplification of our operating model, reducing reinvention, being more selective on contract tendering, and dramatically reducing the cost base while at the same time strengthening our core client proposition, processes and tools.

### Focus on key growth markets

Our key priorities will be to focus on the attractive, growing and profitable markets where we have an established leading market presence and offering. The Board continues to believe that Capita has a core of market-leading positions, with a portfolio of contracts with blue-chip clients that are performing well. We believe we can strengthen our client offering and grow our market positions further across the segments and markets it currently serves, including the following:

### SOFTWARE



Capita is one of the UK's largest software companies and is a market leader in several specialist areas such as education, utilities, local government and police, justice, and emergency services with a 3% market share in 2017. The £15bn market is forecast to grow at an annual growth rate of 8% through 2021. Client preferences are evolving with sector specific needs, which we believe will give rise to new opportunities in specialist areas. For example, 'software as a service' providers have been gaining market share in recent years and Capita needs to adapt to this market trend. We expect to simplify our business by focusing on carefully selected specialist markets in the UK and internationally (including the market for 'software as a service'), developing reusable software tools, and building a market-aligned sales force and improved go-to-market capability. We also intend to strengthen our offering by investing in core products with distinctive offerings to defend position, and grow in existing and adjacent markets. We will create scaled, integrated shared service functions as well as a best-in-class development centre for production of standardised software. It will also invest in expanding selected products into the US market.

## CHIEF EXECUTIVE OFFICER'S REVIEW CONTINUED

## HR



Capita provides a full suite of HR offerings, supporting the employment life cycle from hiring to retiring for 6,500 clients across the private and public sectors. We focus on recruitment, learning and benefits, and pensions administration, supported by our proprietary digital platforms, Tesselo, Orbit and Hartlink. We also provide attraction screening, performance management and payroll services. We believe there is an opportunity to simplify this business by bringing together our current three HR offerings into one division across recruitment, learning and benefits. We will seek to create a sales culture which enables our clients to access multiple HR services within its portfolio. We have decided to merge these three existing businesses into a single division, with a new leadership team, and believe that by combining a broad capability across benefits, pensions, learning administration and recruitment outsourcing we can participate in a market valued at £5bn in 2017 (of which we have a 10% market share), and that is expected to grow at an annual growth rate of 5% through 2021. Capita is already a leading provider in most segments, such as benefits administration (where we have a 6% market share), learning process outsourcing (where we have a 21% market share) and recruitment process outsourcing (where we have a 12% market share). We will also endeavour to ensure that there are standard data extraction and management tools across all businesses. We intend to strengthen our offering by improving our core products and platforms, strengthening our analytics capability, and standardising existing solutions and technological partnerships with key ERP providers to ensure our solutions can integrate with existing client infrastructure.

## CUSTOMER MANAGEMENT



Capita is a market leader in the UK with a 16% share of a £3.8bn market size as at 31 December 2017. Whilst the overall market is forecast to grow at an annual growth rate of 4% through 2021, close to double digit growth is expected in higher capability areas such as revenue support. We are using an increasingly digital and analytics-led approach that we believe will help to reinforce Capita's leadership position in transformational outsourcing and capture a greater share of those higher complexity transactions that are expected to grow fastest. Clients are increasingly seeing outsourcing as a partnership opportunity for value, rather than simply for transactional supply. As they look for new ways to improve their own customer management services, this provides new revenue opportunities for us. Capita has a leading track record in building such partnerships in the UK, and this year it is delivering the first such partnership in Germany. Capita is the second largest provider in the German and Swiss markets and expects these to offer a similar set of opportunities for transformational partnerships as the UK. We intend to exploit these opportunities by standardising best practices and service offerings for our clients, partnering with leading technology providers, and expanding our use of offshore resources in order to provide solutions cost effectively. We will also upgrade our infrastructure and tools, and continue to invest in our analytics capability to expand further into sectors such as transport and travel, financial services and automotive.

## GOVERNMENT



**Central government<sup>1</sup>:** Although the opportunities for new large, long-term contracts have reduced over recent years, we believe that Capita will be able to utilise its strong market position (with 11% share of a £4bn market size)<sup>2</sup> and proven capabilities in particular in large-scale national operations, to focus on retenders and carefully targeted growth opportunities supported by high-performing and disciplined low-risk contract implementation. For complex deals, we intend to seek to build solutions which bring a best-in-class offering. However, unlike in the case of its software business where we provide our own proprietary software solutions, in the case of large and complex central government contracts, Capita is increasingly looking to partner with IT specialists in order to mitigate the development risks and costs of these new solutions and increase the likelihood of successful outcomes. We expect to simplify by focusing on our core capabilities (those where Capita has a distinct advantage), and will deprioritise and avoid smaller, fragmented activities. We will only pursue opportunities where commercial terms are acceptable. We intend to strengthen our business by investing in transformation capabilities, analytics and automation as well as investing in business development. In addition, following the UK's exit from the European Union there may be additional opportunities as the UK Government begins to develop new policies, require new services and establish new delivery requirements in a post-Brexit environment.

**Local government:** Capita is the largest provider of outsourced services across local authorities in the United Kingdom, (with 15% share of a £3bn market size<sup>2</sup>). We focus on the delivery of support services to local authorities, schools and health organisations, including IT and digital transformation, collecting payments from and making payments to citizens, and back-office processing. While the number of new, large deals for local authorities have been in decline in recent years, Capita believes that opportunities remain to shape the market by providing clients with a new commercial model focused on key services such as revenues and benefits, planning and regulatory affairs. Our strategic focus for local government includes developing new scalable and repeatable solutions, focusing on core capabilities while de-prioritising smaller, fragmented services, and exploiting Capita's growing capabilities in data analytics, robotics and automation. We will also focus on business development, focusing the sales team on incremental/organic growth rather than relying on larger deals with clients.

1 Central government includes health, defence and education.

2 Capita estimate based on Nelson Hall.

IT SERVICES



Capita is one of the top ten suppliers of IT services in the United Kingdom. Our IT Services business acts as a technology enabler across all of Capita's services both internally and externally. The UK IT services market is forecast to grow at an annual growth rate of 1% through 2020. Clients' needs are evolving as they seek value creation through digitisation and automation, more standardised offerings with modular add-ons and improved security. We believe that the breadth of Capita's portfolio enables it to maintain a competitive advantage across IT service provision, however it requires a simplified organisational structure, modernised offering and an optimised operating model to better serve selective external and internal clients. We need to first strengthen our capability to suit the requirements of existing clients as well as to make technology and infrastructure investments.

Realigned organisational structure

In line with our drive for simplification, we have reorganised our divisional structure in 2018 around five markets: Customer Management, HR, Software, Government Services and IT Services. This will increase Capita's focus upon customer management, previously included in Private Sector Partnerships, and brings together Capita's HR businesses, previously split between Private Sector Partnerships and Professional Services, under dedicated management as a single division called People Solutions for the first time.

Capita has also formed a sixth division, Specialist Services, which includes those businesses which either (a) are not within Capita's key growth markets and/or (b) have little commonality with the other divisions and/or (c) are at an early phase in their development but may be scaled up in the future. The businesses within Specialist Services are mostly stand-alone operations and will be managed on a portfolio basis in order to maximise value. We have chosen to separate these businesses to avoid detracting from management focus on the other five growth divisions. We also see real benefit in bringing these specialised businesses under dedicated management in one division.

The growth across the divisions will be supported by a common set of group capabilities including operations, sales and marketing, technology and support functions:

- Operational capabilities will be strengthened through improved contract take-on and execution processes, optimised use of offshore locations where possible and improved workforce optimisation.
- Technological capabilities will be strengthened through investing in better analytics, smarter use of data, improved, proven digitisation and automation, and better technology integration.
- Sales and marketing capabilities including consistent processes around planning, project budgeting, marketing, consultative selling, account management and proposition management.
- Common and stronger support functions including HR, Finance, IT, Commercial and Legal.

SIMPLIFY: ORGANISATION AROUND GROWTH MARKETS

GROWTH PLATFORMS

VALUE PLATFORMS

SOFTWARE

Specialist, high margin enterprise products



PEOPLE SOLUTIONS

Integrated HR market presence for first time



CUSTOMER MANAGEMENT

Transforming customer experience for our clients



GOVERNMENT SERVICES

Long term visibility and cash generation



SPECIALIST SERVICES

Stand-alone businesses we manage for value and start-up incubator



IT SERVICES

Enabler for the rest of Capita – with upside from client sales



CENTRAL SERVICES: OPERATIONAL, TECHNOLOGY, COMMERCIAL, SUPPORT FUNCTIONS

Develop top quality functional skills / talent and new operating model

## CHIEF EXECUTIVE OFFICER'S REVIEW CONTINUED

## Cost reduction

We have identified a significant multi-year opportunity to reduce costs and improve operational efficiency. Historically, Capita has had no ongoing structural cost management programme and has been focused on in-year profit delivery rather than long-term efficiencies and scale. The opportunity includes reductions in general and administrative expenses, which are substantially higher than Capita's peers, centralising more procurement to leverage Capita's scale, standardising and investing in its processes and systems, increasing the use of offshoring, including scaling up its presence in India, and by increasing automation.

The Board's initial target is annualised initial cost savings of £175m from the above initiatives by the end of 2020. This includes £70m which is expected to be realised in the year ending 31 December 2018, and is reflected in our profit guidance. The balance is expected to be realised by the end of 2020.

These savings will come from a number of key areas:

- Operations: cost savings through offshoring, automation and improved consistency of processes;
- SG&A: cost savings through offshoring, the optimisation of shared services and the implementation of a new CRM system;
- IT: cost savings through consolidation of supply chain, helpdesks and networks;
- Procurement: cost savings through professionalisation and adoption of best practices across the Group, along with rationalising the supply chain and renegotiating with vendors; and
- Property: cost savings are anticipated through the consolidation of Capita's 360 site property portfolio, increased utilisation and adoption of flexible work patterns as well as offshoring to more cost-efficient locations and automation where appropriate.

The Board believes that the targeted efficiencies will not be detrimental to Capita's ability to serve its clients and its ability to win new contracts.

The cost to achieve these efficiencies is expected to be £40m for the year ending 31 December 2018 and £110m in total during the following two years.

Following the initial simplification of Capita's business and over the longer term, there could be potential to reduce costs further.

## OVERVIEW OF NEW STRATEGY



### SIMPLIFY

- Focus on strong positions with growth potential
- Align organisation around growth markets
- Use common, scalable capabilities
- Cost base



### STRENGTHEN

- Leadership and governance
- Up to £500m investment in asset base, technology and people
- Win more of the right work
- Balance sheet



### SUCCEED

- More predictable, lower risk
- At least £200m of sustainable free cash flow in 2020<sup>1</sup>

<sup>1</sup> Before exceptional and restructuring charges and additional voluntary pension contributions.



## 2. STRATEGY – STRENGTHEN

A key aim of our new strategy is to strengthen our businesses and capabilities by making selected investments in order to drive improvements in both Capita's expertise in digital, analytics and automation and its programme delivery and operational excellence. We will also seek to ensure that we have the right leadership team and capital structure in place to support the delivery of its new strategy.

### Strengthened leadership team, culture and incentives

We have formed a new Executive Committee which will meet at least once a month and often more regularly. Led by myself, this Committee brings together the six divisional leaders of the new divisional structure and a number of new functional roles, such as the Chief Transformation Officer, Chief People Officer, Chief Corporate Development Officer, Chief Sales and Marketing Officer, Chief Digital Officer and Chief Legal Officer. These new roles include six new hires to Capita, of which three are already in place. A new performance review process and a new incentive arrangement has been put in place for the Executive Committee, and clear priorities have been set for 2018.

The Executive Committee will focus on improving culture and engagement across Capita's approximately 70,000 employees, with the aim of harnessing the collective strength of our talented pool of people across all levels of the organisation. We will introduce a single set of behavioural values across all of our businesses and look at ways to better develop its employees' skills and longer-term careers, with incentives aligned to implementation of Capita's new strategy and retention of key talent. The Directors believe that Capita's newly refreshed senior management team and the Executive Committee, in particular, will help drive better behaviours and a new culture across the business, including better aligned behaviour around winning and execution of contracts.

This process will focus on four key areas:

- 'Capita values for the future' are being identified and a programme is being rolled out to adopt these values through a network of change agents.
- A tailored, multi-channel communication plan is being developed to communicate effectively deep into the organisation.
- A 'Managers and Leaders' programme is being developed to underscore the importance of leadership, to provide the right tools and technologies required to develop our talent, as well as to build a framework to reward positive behaviours.

– Finally, we believe that culture is inextricably linked to retention and, therefore, it is looking at improving retention. As part of this, we will define the right short-term and long-term incentivisation plans to retain and engage key talent. The aim is to ensure behaviours and culture are consistent with long-term shareholder value creation.

Diversity is an area of both Board and wider leadership focus for the future. Ensuring that all of our people have the opportunity to fulfil their potential is an essential element of a successful organisation, both commercially and as a responsible and supportive employer. It is also the right thing to do. We look forward to redoubling our diversity efforts at all levels, especially in senior leadership positions.

### Focus on winning the work we can execute well

Capita has historically focused on short-term growth, with limited strategic business planning. It has sometimes taken on large contracts which, with hindsight, did not have the right level of planning ahead of commitment or proved to be too complex and were not executed well. In the future, we will be more focused on winning the work we are able to execute well and which has an acceptable risk and financial profile. We have established improved governance processes to support this approach.

A new pre-bid contract review committee has been formed which is led by myself and the CFO. The Committee reviews all contracts above set risk and financial thresholds and will evaluate these contracts to ensure a complete alignment with Capita's new strategy and financial goals, including an assessment of:

- Commercial terms;
- Capabilities;
- Intended operational plan;
- Life-time cash generation; and
- Potential risks and liabilities.

Post-bid, we have also put in place a process to ensure the work is done right, driving towards higher efficiency, lower risk and improved client satisfaction. This new post-win operational process will be used in the future for all major new contracts. The process provides a set of reusable services, capabilities, processes and tools. This process has been designed to deliver operational success for these new contracts, which in turn will allow Capita to have a better, more predictable and lower risk financial output.

### Making targeted investments

As described above, in order for Capita to succeed in its key growth markets, selected targeted investments are required to address historic under-investment and to allow growth to follow. We plan to invest a total of up to £500m over the next three years in the following three areas:

- Maintenance infrastructure – These investments are partly business as usual in nature, but there is an element of investment to catch up underinvested areas of infrastructure. Investments will include upgrading our SAP system, improving our HR capability including payroll and talent management systems, using a single CRM system and data centre upgrades.
- Technology – Investments will include a group centre of excellence for analytics and system integration and automation across Capita covering over 1,000 FTEs and a dedicated software development group. We have created a new position, Chief Digital Officer, who will oversee technology investments across all divisions, including in robotics and data analytics.
- Organisation – Investments will include the Capita Academy to build skills across Capita, in improved programme management resources and methods and the design of a new target operating model.

### Re-invigorating sales

We intend to make a number of changes in order to reduce complexity and improve the management of sales and the delivery of contracts. Focus on sales remains paramount and these improvements will require ongoing investment.

We have reallocated our centralised business development capability to the divisions, bringing it closer to each of the markets we serve and enabling the sales function to draw more fully on divisional expertise, resources and technology. This also ensures alignment of sales initiatives with innovations planned. Our divisions are now fully responsible for the bidding, implementation and management of contracts. This reduces complexity and risk and increases accountability for growth, client satisfaction and retention, as we seek to invest in sales as well as to improve sales performance. This initiative is not anticipated to incur any material additional costs.

We are increasing the emphasis on account management across our divisions, ensuring that our clients get access to the full range of Capita's capabilities and services, with the goal of increasing the number of clients for whom Capita provides multiple products or services. We plan to achieve this in two ways: through the introduction of a single client relationship management system and through improved senior relationship management of key clients.

## CHIEF EXECUTIVE OFFICER'S REVIEW CONTINUED

We are also committed to driving better sales performance. Prospects, pipeline and order book tracking processes are being upgraded, initiatives are being put in place to drive cross-selling in key accounts and sales team incentivisation plans have been updated accordingly.



### 3. STRATEGY – SUCCEED

We will simplify our business by focusing on key growth markets, realigning our organisational structure to mirror these markets and to significantly reduce costs at the same time as improving operational efficiency.

We will strengthen our businesses and capabilities by making selected investments in order to drive improvements to both our expertise in digital, analytics and automation and our programme delivery and operational, commercial, and functional excellence. We will leverage off our investment in technology in order to win new clients and contracts. We will also ensure that we have the right leadership team and capital structure in place to support the delivery of our new strategy.

We have built a detailed, multi-year transformation plan in order to execute the strategy as outlined above, encompassing strategy implementation, cost competitiveness, capital structure, targeted investment, organisational alignment and re-igniting sales. This plan is already being executed and is being managed by a dedicated and highly experienced transformation team, headed by our newly appointed Chief Transformation Officer.

We believe that the near-term parts of this transformation are driven mostly by elements in our control and that there is a great amount of value to be extracted just from doing the basics better. The strategy has been designed to win the business which Capita can execute well, which will help make Capita's business more predictable and lower risk. The investments made into the business are expected to provide a stable and strong platform for growth which in turn can provide sustainable free cash flow in the medium term.

The financial impact of our strategy will be significant. We are initially targeting annualised initial cost savings of £175m by the end of 2020. This includes £70m which is expected to be realised in the year ending 31 December 2018 which is reflected in our profit guidance below. The cost to achieve these savings is expected to be £40m for the year ending 31 December 2018 and £110m in total in the following two years. We are also targeting double digit EBIT margins within three years.

We plan to increase investment in our business to upgrade key infrastructure and invest in differentiated capability in order to drive future growth and we plan to invest a total of up to £500m over the next three years. We are also committed to reducing the remaining pension deficit in our defined benefit scheme over the medium term as a matter of good corporate responsibility.

We expect to generate at least £200m of sustainable annual post-tax free cash flow by 2020, before exceptional and restructuring charges and additional voluntary pension contributions.

Our leverage will be reduced by the net proceeds of the Rights Issue and by non-core disposals, with the Company expecting to realise total proceeds of £300m in 2018. We have set a target range for leverage of between 1.0x and 2.0x adjusted net debt to adjusted EBITDA (prior to the adoption of IFRS 16).

Our transformation programme will be funded from a combination of existing resources, the net proceeds of the Rights Issue, the proceeds of any disposals and cash from operations.

#### Disposals

As part of our new strategy we intend to dispose of a number of non-core businesses, including ParkingEye and Constructionline for which a disposal programme has commenced. We expect to achieve proceeds of approximately £300m from non-core disposals in 2018. We intend to use the proceeds from these disposals to reduce indebtedness in the short term and to invest in the remaining core areas of the business over time.

#### Sales and business development review

Capita secured major contract wins, renewals and extensions with an aggregate total value of £676m in the year (2016: £1.34bn), comprising 41% new business and 59% renewals and extensions.

The Group's order book at 31 December 2017 stood at £8.2bn, including £8.1bn of long-term contracts and £0.1bn of contracts with a duration of less than two years. The order book represents the consideration to which Capita will be entitled to receive from clients when it satisfies the remaining performance obligations in its contracts. However, the total revenue that will be earned by Capita will also include volumetric revenue, new wins, scope changes and anticipated contract extensions. We believe the order book is a better indication of future revenues, and will be used as a key metric to replace the bid pipeline.

We chose not to rebid our Home Office escorting and detention services contract, worth slightly less than 1% of revenue, which is due to transfer to a new supplier in the first half of 2018. Our next material contract (defined as being in excess of 1% of revenue) renewal is the DWP Personal Independence Payments contract, which is due for renewal in 2019.

#### Outlook

In our January 2018 trading update, we highlighted that there is likely to be a significant negative impact upon profits from contract and volume attrition, the dropping out of one-off items including contract and supplier-related profits which were reported in 2017 and increases in some cost items, including depreciation and adoption of the General Data Protection Regulation. These headwinds are particularly expected to impact upon the financial performance of the Private Sector Partnerships, in both Insurance Services and Customer Management, Public Services Partnerships and IT Services divisions. We do not expect to offset these in-year challenges through the benefit of cost actions and new business wins. As a result, we expect that our underlying pre-tax profits, before significant new contracts restructuring costs, and implementation costs of the strategy in 2018 will be between £270m and £300m for the year ending 31 December 2018.

We have set a prudent plan for 2018, which includes investment in people, sales and our multi-year transformation plan for the long-term benefit of Capita.

**“Looking further ahead, we have the building blocks to create a great business; one that consistently delights its clients, has operational discipline and generates sustainable free cash flow. We are now executing the plan to deliver this.”**

**JON LEWIS, CHIEF EXECUTIVE OFFICER**