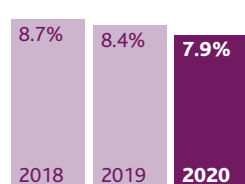


# KEY PERFORMANCE INDICATORS

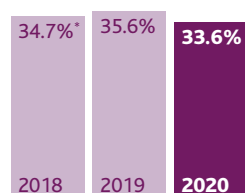
## THE JTC BOARD USES THE FOLLOWING KPIs TO MEASURE THE PERFORMANCE OF THE GROUP

### FINANCIAL

REVENUE	UNDERLYING EBITDA MARGIN	UNDERLYING CASH CONVERSION	LEVERAGE
<b>Description</b> Revenue generated based upon work done.	<b>Description</b> The EBITDA margin of the underlying business.	<b>Description</b> Our success in turning profits into cash.	<b>Description</b> The relative amount of third party debt we have in the business.
<b>Definition</b> Revenue of the business excluding items considered non-recurring or not of an operational nature or not reflective of the underlying performance of the business.	<b>Definition</b> Underlying EBITDA margin of the business excluding items considered not of an operational nature or not reflective of the underlying performance of the business divided by revenue.	<b>Definition</b> Net cash generated from underlying activities divided by underlying EBITDA.	<b>Definition</b> Third party debt less cash, divided by underlying EBITDA.
<b>Why it's important</b> Revenue is a reflection of the work we do for clients. We seek to deliver a high quality service, do more work for existing clients and attract new clients.	<b>Why it's important</b> Underlying EBITDA margin is our key measure of how well our business is performing, including relative to the wider industry.	<b>Why it's important</b> Cash generated allows us to pay dividends to shareholders, service our debts and invest in the business (both organically and through acquisitions).	<b>Why it's important</b> We need to manage the business without holding excessive levels of debt.
<b>2020 Performance</b> Revenue growth of 15.9% which comprised 7.9% net organic growth and inorganic growth of 8.0%.	<b>2020 Performance</b> Decrease of 2.0pp to 33.6%.	<b>2020 Performance</b> 91% underlying cash conversion (2019: 89%).	<b>2020 Performance</b> 2.0 times underlying EBITDA (2019: 1.7 times).
<b>Commentary</b> The PCS Division achieved 13.7% growth and net organic growth of 9.0%. The ICS Division achieved 17.8% growth and net organic growth of 6.9%.	<b>Commentary</b> The ICS Division achieved 27.9% (-5.2pp), impacted by the NESF acquisition and the PCS Division achieved 41.0% +2.2pp.	<b>Commentary</b> Underlying performance in line with guidance but actual cash impacted in first year by acquisitions. Impact will be eliminated in future years.	<b>Commentary</b> We remained within our guidance range.
<b>Target</b> We aim to achieve net organic growth of 8%-10% at Group level every year.	<b>Target</b> We aim to deliver an underlying EBITDA margin in the range of 33%-38%.	<b>Target</b> We aim to achieve 85%-90% cash conversion each year.	<b>Target</b> We aim to stay within 1.5-2.0 times leverage. We will exceptionally increase this to 2.5 times when supported by clear visibility of incoming cash flow and rapid reduction to below our target.

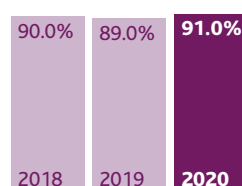


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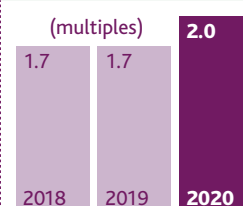


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\*IFRS16 impact estimated

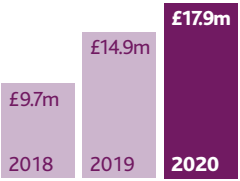
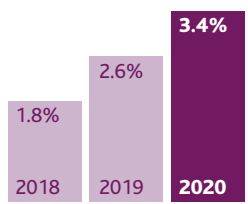
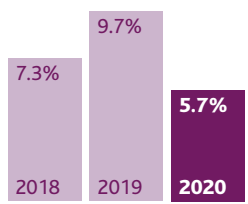
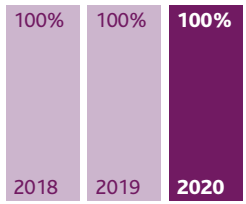


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## OPERATIONAL

NEW BUSINESS WINS	CLIENT ATTRITION	STAFF TURNOVER	SHARED OWNERSHIP
<b>Description</b> The annualised value of new business won (AVNBW) each year.	<b>Description</b> The amount of business that we lose each year.	<b>Description</b> The number of staff who leave each year that we did not want to leave.	<b>Description</b> How many of our permanent employees are owners of the business.
<b>Definition</b> Annualised value of new work won from clients where we have a signed contract.	<b>Definition</b> Work lost that was regretted.	<b>Definition</b> Number of staff who leave in the year that we did not want to leave divided by average number of staff in the year.	<b>Definition</b> The proportion of permanent employees who are direct owners of the business through our shared ownership programmes.
<b>Why it's important</b> Our industry has good growth fundamentals. In order to meet our organic growth targets we need to win new work every year.	<b>Why it's important</b> We have a high volume of annuity business. Maintaining clients is a key indicator of customer satisfaction.	<b>Why it's important</b> We deliver a high touch service to clients. Maintaining continuity of staff ensures that we are best able to meet client needs.	<b>Why it's important</b> Shared ownership is our key differentiator. It is important that staff have a direct stake in our business to promote a stakeholder mentality and ensure that their interests are aligned with external shareholders.
<b>2020 Performance</b> Despite Covid-19, a strong year for new business wins with an increase by value of 20.1% to £17.9m.	<b>2020 Performance</b> Total client attrition was 8.8% (2019: 7.0%) with regretted attrition of 3.4% (2019: 2.6%).	<b>2020 Performance</b> Turnover of 5.7% at Group level (2019: 9.7%).	<b>2020 Performance</b> 100% of permanent employees are owners of the business with staff holding c. 20% of issued share capital.
<b>Commentary</b> ICS AVNBW was +51% at £13.4m and the PCS AVNBW was -25% at £4.5m.	<b>Commentary</b> 96.6% (2019: 97.4%) of revenues that were not end of life were retained in the period.	<b>Commentary</b> A strong performance as we supported our people through the pandemic even while growing. We continue to benchmark favourably to peers and the wider sector.	<b>Commentary</b> 1.1 million shares were issued to the JTC EBT in 2020, which was the final year of our 'Odyssey Era' three-year business plan.
<b>Target</b> We aim to achieve at least a 10% increase in the annualised value of new business wins year on year.	<b>Target</b> We aim to keep regretted client attrition at less than 2.5% p.a.	<b>Target</b> We aim to keep annual staff turnover, as defined, at less than 10%.	<b>Target</b> 100% of permanent employees to be owners of the business.
 <p>£9.7m   £14.9m   £17.9m</p> <p>2018   2019   2020</p> <p><a href="#">Read more on page 16</a></p>	 <p>1.8%   2.6%   3.4%</p> <p>2018   2019   2020</p> <p><a href="#">Read more on page 15</a></p>	 <p>7.3%   9.7%   5.7%</p> <p>2018   2019   2020</p> <p><a href="#">Read more on page 36</a></p>	 <p>100%   100%   100%</p> <p>2018   2019   2020</p> <p><a href="#">Read more on page 40</a></p>