



# DWF Group PLC

## Annual General Meeting 2021 transcript

[00:00:00]

**JONATHAN BLOOMER:** Good afternoon everybody, and welcome to the Annual General Meeting of DWF Group plc. I'm Jonathan Bloomer, Chair of DWF Group. It's just after 2.00 pm, and we have a quorum present, so I declare the meeting open. I am delighted to be able to extend a warm welcome to our shareholders who are physically present, and those who are participating online through our virtual meeting platform, which will broadcast the AGM in audio format with presentation slides. You will also have the opportunity to ask questions through the virtual meeting platform. If you wish to ask a question, please click on the message icon located at the top of your screen, type your message into the "ask a question" box, and click the arrow button to the right-hand side of the message box. If you are physically present and wish to ask a question, please raise your hand later in the meeting when directed to do so. Before asking questions, please give your name, and state whether you are a shareholder, proxy or corporate representative. If you're a proxy or a corporate representative, please state your name, and the name of the shareholder you are representing.

I'd like to introduce the Board, some of whom have joined the meeting remotely. We have with us today, Sir Nigel Knowles, who's the Group's Chief Executive Officer; Chris Stefani, the Chief Financial Officer; Matt Doughty, Chief Operating Officer; Chris Sullivan, Deputy Chair and Senior Independent Non-Executive Director; Teresa Colaianni, Independent Non-Executive Director and Chair of the Remuneration Committee; Samantha Tymms, Independent Non-Executive Director and Chair of the Risk Committee; Luke Savage, Independent Non-

Executive Director and Chair of the Audit Committee. I would also like to introduce to shareholders our partner Directors, Seema Bains and Michele Cicchetti, who were appointed to the Board of 22nd October 2020. Since our last AGM, Vinodka Murria stepped down as an independent Non-Executive Director to allow her more time to pursue new business opportunities in the technology arena. I would like to take this opportunity, on behalf of the Board, to thank her for her contribution to the company, and wish her all the best in her future endeavours. I would also like to introduce our Company Secretary, Darren Drabble.

Before we move on to the activities of the Company, with a brief presentation from Nigel, I would now like to start the formal proceedings of this Annual General Meeting. Now is your opportunity to move on our proposed resolutions, as many of you have already done so. Resolutions 18 to 21 are proposed as special resolutions and require 75% of the votes cast in order to be passed. All other resolutions are proposed as ordinary resolutions, requiring a simple majority in order to be passed. The proposed resolutions 1 to 21, together with explanatory notes, were set out in the Notice of the Meeting, which was posted to shareholders on 24th August 2021, and made available on the Company's website on the same date. Accordingly, the requisite Notice of the Meeting has been given, and I therefore propose the Notice of Meeting should be taken as read.

To be more accurately reflect the views of shareholders of the company, voting today will be by way of a poll on each of the proposed resolutions put to the meeting. This is seen as best practice, as it gives all shareholders the opportunity to participate in the

decision-making of the Company, and have their votes recorded in proportion to the number of shares they hold. I appoint our registrars, Equiniti, to act as scrutineers. For those shareholders, proxies and corporate representatives here in person, when you registered before the meeting today, you will have been asked if you require a poll card. If there is anyone who thinks they should have a poll card but does not, please raise your hand and our registrars will attend to you.

I should mention that for those shareholders who have already lodged a proxy, you do not, of course, need to complete a poll card or vote electronically, unless you want to change your vote.

For those of you attending via the online meeting platform, the voting icon will appear on the navigation bar when I declare the poll open. Once you click on this, the proposed resolutions will appear on your screen, along with the voting options. Please note that only shareholders, proxy holders or shareholder representatives may vote.

**[00:05:00]**

If your vote is not being cast entirely one way, or is not being cast in respect of the entire holding, there is a slider at the top to split your vote. Otherwise, all the shares registered in your name, or in the name of the person you are representing, will be included in the count. And you have one vote per share. You have three options for each resolution proposed. You can vote for the proposed resolution, against the proposed resolution, or you may withhold your vote. A vote withheld is not a vote in law and will not be counted in the calculation of the proportion of the votes for or against a resolution. Simply select one of these options to cast your vote. You can change your vote at any time until the poll closes. Your vote will have been submitted when the voting option icon changes colour. Having selected it, and a “vote received” message appears, there is no final submit button as the voting is live.

I now declare the poll open, and it will remain open until 15 minutes after the end of this meeting.

The scrutineer is expected to be able to ascertain the final voting results shortly after the end of the meeting. An announcement of these figures will be made via our Regulatory Information Service, RNS, and posted on

the Company's website. If any person attending the meeting online is having any difficulties with using the platform, there is a user guide that you can access through the platform on the “information” tab.

We'll now have a brief update from Sir Nigel, ahead of answering any questions shareholders may have. Nigel, over to you.

**NIGEL KNOWLES:** Thank you, Jonathan, and thank you to everybody for joining us today. This is now my second AGM as Chief Executive of DWF, and I am delighted that we have made tremendous progress against our strategic priorities since our previous AGM last October. I would like to use my time today to briefly reflect on some of the drivers of that progress.

I'll start by talking about our differentiated proposition as a leading provider of integrated legal and business services and our new global operating structure. Our integrated legal management approach means that we can seamlessly combine any number of services from across our legal advisory Mindcrest, connected services division. This allows us to provide bespoke solutions to our clients, with greater efficiency, price certainty and transparency, and we can combine traditional law firm services with new, modern legal and business services relevant to today's companies and the challenges they face. I firmly believe this is what today's modern General Counsel, working in a large and international business, wants from their outside legal support in today's complex multijurisdictional world.

In the past year, we've invested to further enhance our capabilities across all three of our divisions, through our return to M&A with two bolt-on acquisitions in connected services, with the opening of a new 1,000 seat facility Mindcrest in Pune, and via the recruitment of 15 new partners already in full year 22, and through the establishment of new association agreements with firms in Singapore and South Africa.

We have also moved to a new global operating structure that is designed to support our integrated approach. This new structure came into being on 1st May. Almost five months in, we are already seeing the benefit through greater global collaboration and improved understanding of our integrated offering. Most importantly, it is helping us to win in the market. We continue to see an active bid pipeline and more

opportunities to pitch for complex, multijurisdictional work, as well as Blue Chip panel appointments.

The second area I would like to touch on is operational efficiency. When I took over as CEO in May last year, I made operational excellence a key element of my first 100 days, bringing more focus to a number of areas, but with particular attention to improving financial essentials, such as billing and cash collection. This remained a focus throughout full year 21, and a number of initiatives deployed to drive permanent improvements in our lockup days, a key metric tracking how quickly we are able to issue our bills and collect our fees. The last financial year saw a 20-day reduction in our lockup, from 206 days to 186. This is a good start, but we've more to do, and in July, we reinstated guidance with a medium-term target of 170 days. We also saw a strong performance on free cashflow, which, together with our lockup improvement and some COVID-19 related deferrals, meant that we were also able to hold net debt broadly flat on prior year, and saw leverage drop given our material improvement in profitability.

**[00:10:07]**

The third area is culture. Always vital to the success of any business, but especially so after the past 18 months, as we've all faced so much uncertainty and disruption in a period where all of our colleagues will have been personally challenged in one way or another. Finding a collective purpose and shared culture at work is essential.

I have emphasised the importance of our wanting a culture where we work together, for and with each other, to deliver positive outcomes with our colleagues, clients and communities. With more than 40 years in the legal profession, I have never before worked at a business where people are so committed to operating as one team. This is one of the greatest achievements in the past 12 months. We are breaking down barriers to work more effectively within and across practice area divisions and jurisdictions, I am certain that this positive culture will help us to achieve the aims and aspirations set out in our ESG Strategy, which I am looking forward to talking more about later this year.

Taken together, our differentiated proposition, focus on excellence and emphasis on a one-team culture, enabled us to deliver the strong set of financial results we reported in July, including more than doubling our

earnings per share from 3p to 7.4p, and allowing the Board to declare a final dividend of 3p per share, taking the total dividend for the year to 4.5p per share. I can add that for this financial year to date, we are seeing trading in line with management's expectations.

I would like to thank all of our shareholders for their continued support and am very pleased to welcome our six new institutional shareholders, who joined the Register in August following the successful placing of existing shares in the Group. Thank you again, and I look forward to speaking to you at our next scheduled update, our interim results, on 9th December. I shall now hand back to our Chairman, Jonathan.

**JONATHAN BLOOMER:** Thank you, Nigel. I would now like to proceed with questions from shareholders on any matters relevant to the business of the meeting. Where it's not possible to answer any of the questions submitted prior to and during the AGM, for example, due to time constraints, the Directors will endeavour, where appropriate, to answer such questions by publishing thematic responses on the Company's website, as soon as practicable following the AGM. A full transcript of the meeting will also be uploaded.

First, I'll deal with those questions submitted prior to the meeting, and any questions that have come in during the meeting, before I open the floor to those physically present to ask any questions. Darren, can you confirm if there are any pre-registered questions?

**DARREN DRABBLE:** No, there weren't any pre-registered questions, Jonathan.

**JONATHAN BLOOMER:** Thank you. In that case, are there any questions that have come in online during the meeting?

**DARREN DRABBLE:** No, there haven't been any questions that have come in online, Jonathan.

**JONATHAN BLOOMER:** Again, thank you. So, in that case, I would now like to invite questions from the floor, so please do ask any questions you may have. Please raise your hand before speaking.

No questions from the floor, so that does conclude the formal business of the meeting.

As previously stated, results of the AGM will be made available via RNS and posted on the Company's

website as soon as practicable after the meeting. As I said, a full transcript of the meeting will also be available on the Company' website as soon as practicable.

I would like to remind shareholders that the poll is still open, and voting can be accessed in the online

meeting platform by clicking the voting icon on the navigation bar.

The poll will close in 15 minutes.

With that, thank you all for joining us at our AGM, and I now declare the meeting close.