CHAIRMAN’S STATEMENT

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Our journey
When I reflect on my five years as Chairman of RPS Group, I can say with confidence that we have made some great strides. Through significant investment in brand, people, and connectivity we have transformed from a disparate conglomerate of small consulting businesses to a unified group with clear purpose – solving problems that matter to a complex, urbanising and resource-scarce world. The Group has a strong defined market position, recognised by clients worldwide and is an organisation that is able to attract and retain the best people.

We have emerged with a robust business model underpinned by strong financial management with a clear focus on efficient resource allocation. The foundations are firmly in place to grow the business in markets with significant opportunities for growth, playing well to our product and service offerings and our thematics of urbanisation, natural resources and sustainability. We are also managing through the continuing impact of COVID-19 and with sustainability and climate change high on the agenda of all boards of directors, RPS recognises the integral role and influence RPS can have in this space.

A global outlook
Our Group Leadership Team (GLT) provides a forum for determining the direction of the Group, sharing of ideas for growth and investment and the management of the Group’s resources. We have a joined-up global perspective with clarity of products and services that can add value to our clients’ businesses – most notably in renewable energy, project management, sustainability and development of infrastructure. There is an increasing focus on the development of technology-enabled service offerings relevant in each of the markets in which we operate but our collective thinking means that we can develop greater reach in parts of the business where our clients are truly global.

Creating shared value
The focus of purposeful business is to generate profit and create value from solving problems that matter. During 2021, we saw significant progress towards greater value creation. Our clients now have a consistent, repeatable and recurring experience across the Group’s worldwide locations. They know who we are, what we do and how we can help them.
After a challenging 2020, impacted by COVID-19, we have progressed steadily, achieving the financial market expectations established at the start of the year. As we highlighted at our Capital Markets event in November, we continue to deliver strong cashflow performance and have manageable levels of debt. This virtual event, where we articulated our purpose and cohesive strategy, provided a timely measure of how far the Group has developed over the past five years.

**Pace of progress**
The share price of the Group has moved up strongly from the very low levels of 2020 and has established a level of stability. Re-establishing the dividend is also a sign of our growing confidence that we are moving from a period of transition into a period of growth.

There is no doubt that we are coming back stronger but the Board recognises that there remains some way to go to achieve our target operating model of five per cent top line growth and ten per cent operating margins overall.

As we continue to demonstrate the qualities and capabilities of the Group and the increasing consistency of performance, we are hopeful that the share price will react accordingly as potential investors recognise and support the investment case.

**Looking ahead**
For all businesses, irrespective of sector or size, there are continuing challenges. The impact of inflationary pressures and the possible monetary policy responses, for instance, may slow the global economy. Meanwhile, the presence of COVID-19, the unpredictability of government actions and the subsequent geopolitical stresses, each pose threats to the markets in which we operate.

The key is to manage those aspects of the business that can be controlled and to respond effectively and responsibly to the external challenges that may threaten our progress. We have demonstrated the capability to do this since the pandemic broke in March 2020.

Having established a firmer and more cohesive platform for growth, supported by greater financial stability, we are able to look to the future with greater confidence. Acquisitions are back on the agenda backed by a strong balance sheet to help drive fee revenue growth. They will provide greater depth in our areas of focus. The increasingly dynamic and changing world in which we live is offering many attractive opportunities in the markets in which we operate.

ESG and sustainability are at the heart of what we do at RPS and we are continuing to build on our own credentials and offer help to clients to solve problems that matter in these areas. The appointment of a Global Director of ESG and Sustainability this year and publication of our ambitious path to Net Zero by 2030 are strong signals of our intent.

**Our People**
We are a people business. Our strength is built on attracting and retaining quality people and to do so we continue to strive to make RPS a great place to do great work. Our employee engagement surveys demonstrate that we are making good progress and we continue to focus on building a culture of diversity, inclusion, innovation and creativity.

Understandably, the past couple of years has been a challenging period for our colleagues. But is a challenge they have risen to. It has been a pleasure to see the resilience and tenacity and their creativity and adaptability to deal with the unprecedented circumstances. Over the past year, we have adapted to the hybrid working environment to provide an appropriate balance between home and office working, whilst ensuring our clients continue to receive the excellent level of service they require – and expect.

The Board and I recognise the commitment shown by our employees and thank everyone in the business for their dedication during 2021. I personally also recognise the huge contribution made by the members of the Board and the Group Leadership Team. We look forward with confidence to 2022 to continue to build on the foundation for growth that has been established.