

**IWG**

# **Investor Day**

2023

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All percentages are at constant currency compared to H1 2022 unless otherwise stated.

All historic figures previously stated in GBP have been converted to USD at a rate of 1.2

# Agenda



**Mark  
Dixon**  
Founder & Chief  
Executive Officer



**Thomas  
Sinclair**  
Chief Development  
Officer



**Fatima  
Koning**  
Chief Commercial  
Officer



**Jeff  
Doughman**  
Chief Executive Officer,  
North America



**Sharon  
Edmonson**  
Senior Vice President,  
Human Resources



**Tim  
Rodber**  
Chief Executive Officer,  
Worka



**Charlie  
Steel**  
Chief Financial Officer



Mark Dixon  
Founder & Chief  
Executive Officer

# Introduction and strategy

# Hybrid working... a 'megatrend'

- 30%+ of workers will adopt hybrid long-term
- Total addressable market = \$2.0 TRN<sup>1</sup>
- Prof Bloom of Stanford's research found employees consider hybrid the equivalent of a 7-8% pay rise
- Bloom also found productivity increases by 3-4% and employee quit rates drop by 35% in the model
- University of North Carolina study found hybrid workers are 22% happier
- Hybrid saves companies \$11k per employee<sup>2</sup>

## Drivers to sector growth

- 50% lower cost opex... zero capex
- What workers want / easier to hire anywhere
- More productive
- Off balance sheet
- Fully flexible and easy to use
- Zero carbon footprint
- ESG compliant

<sup>1</sup> IWG internal data

<sup>2</sup> Global Workplace Analytics

# Hybrid working – the new normal

**90%**  
of employees want flexibility in when and where they work<sup>1</sup>

**89%**  
of companies report better retention thanks to flexible working options<sup>2</sup>

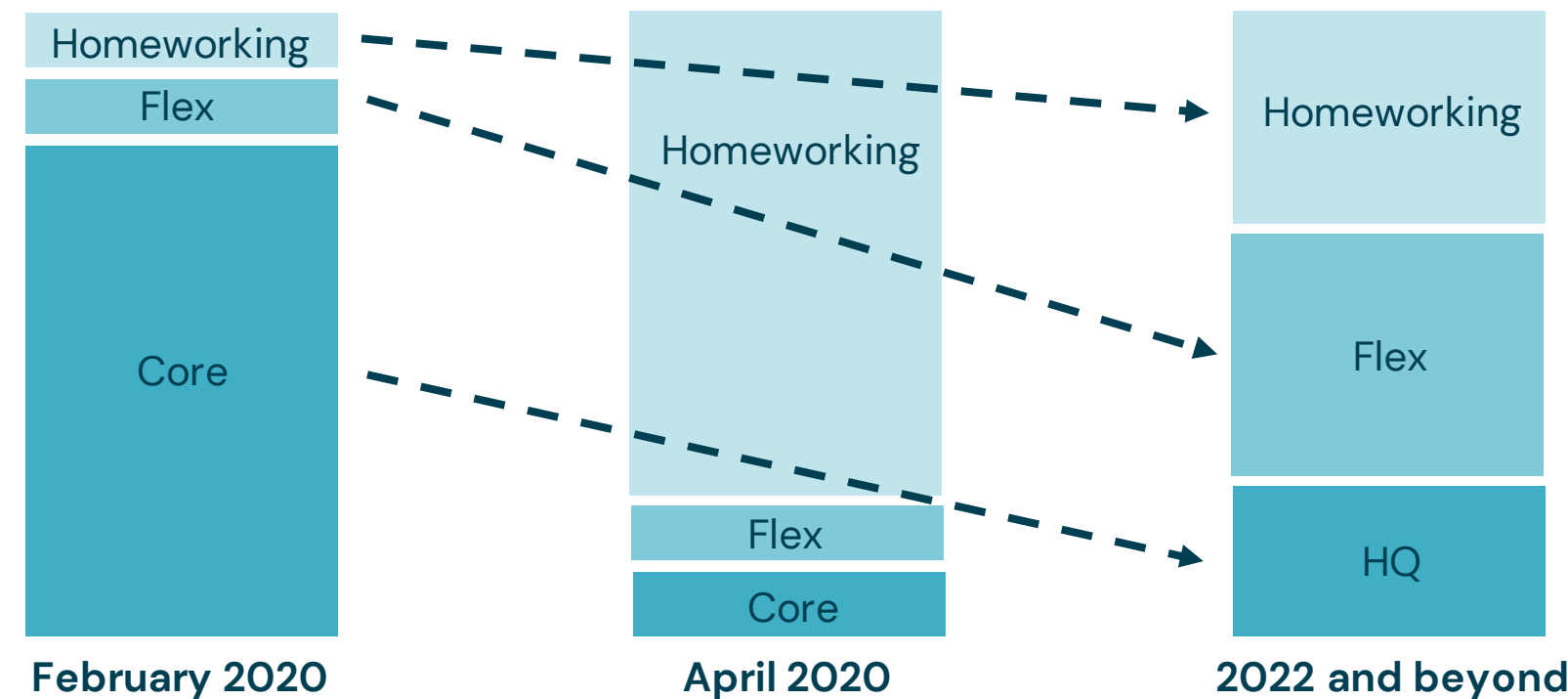
**88%**  
of companies are planning a full shift to flexible working<sup>3</sup>

**Traditional approach to real estate procurement**

**Real Estate teams set the agenda**

**Employers have the power to decide where work is carried out**

## Evolution of hybrid working



**Digital-first approach to real estate procurement**

**CEOs set the agenda**

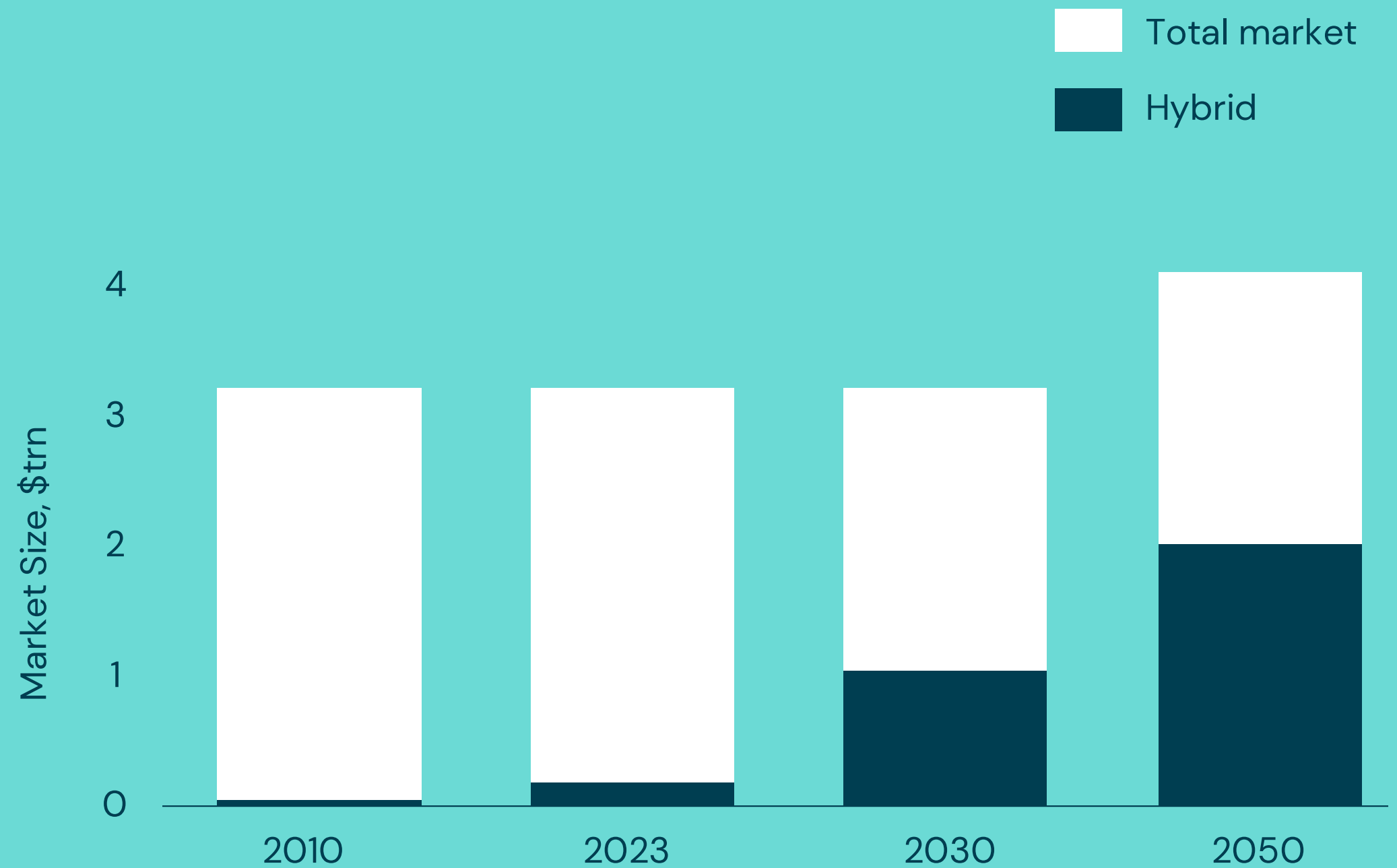
**Employees have the power to decide where work is carried out**

**55% of employees are hybrid working vs. 26% exclusively in the office<sup>4</sup>**

1. HR Report, 90% Of Office Workers Say They Want More Flexibility, August 2012  
 2. CompareCamp, 45 Flexible Working Statistics: 2020/2021 Data, Trends & Predictions, May 2020  
 3. Microsoft, New Future of Work Report, May 2022  
 4. JLL Workforce Preferences Barometer, June 2022

# \$2trillion market opportunity

- Studies show companies moving to hybrid need more flexible space
- No. 1 market share globally
- No.1 in 120 countries



\* Source: IWG internal data

# IWG – Global Market Leader in the Hybrid Work market

3,455

 locations

600

 pipeline signed

120/44

 countries/languages

1m+

 rooms

8m

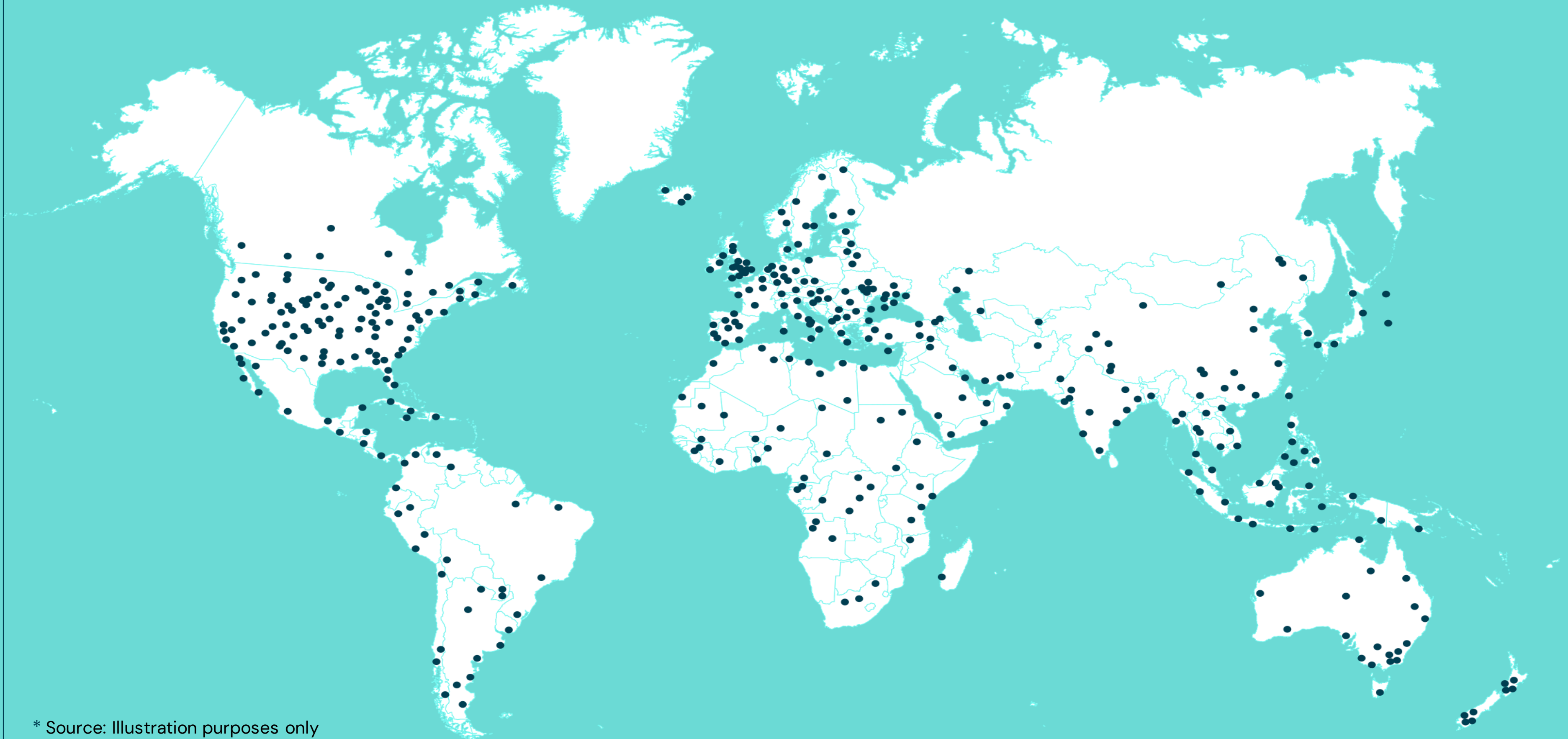
 users

500,000

 companies



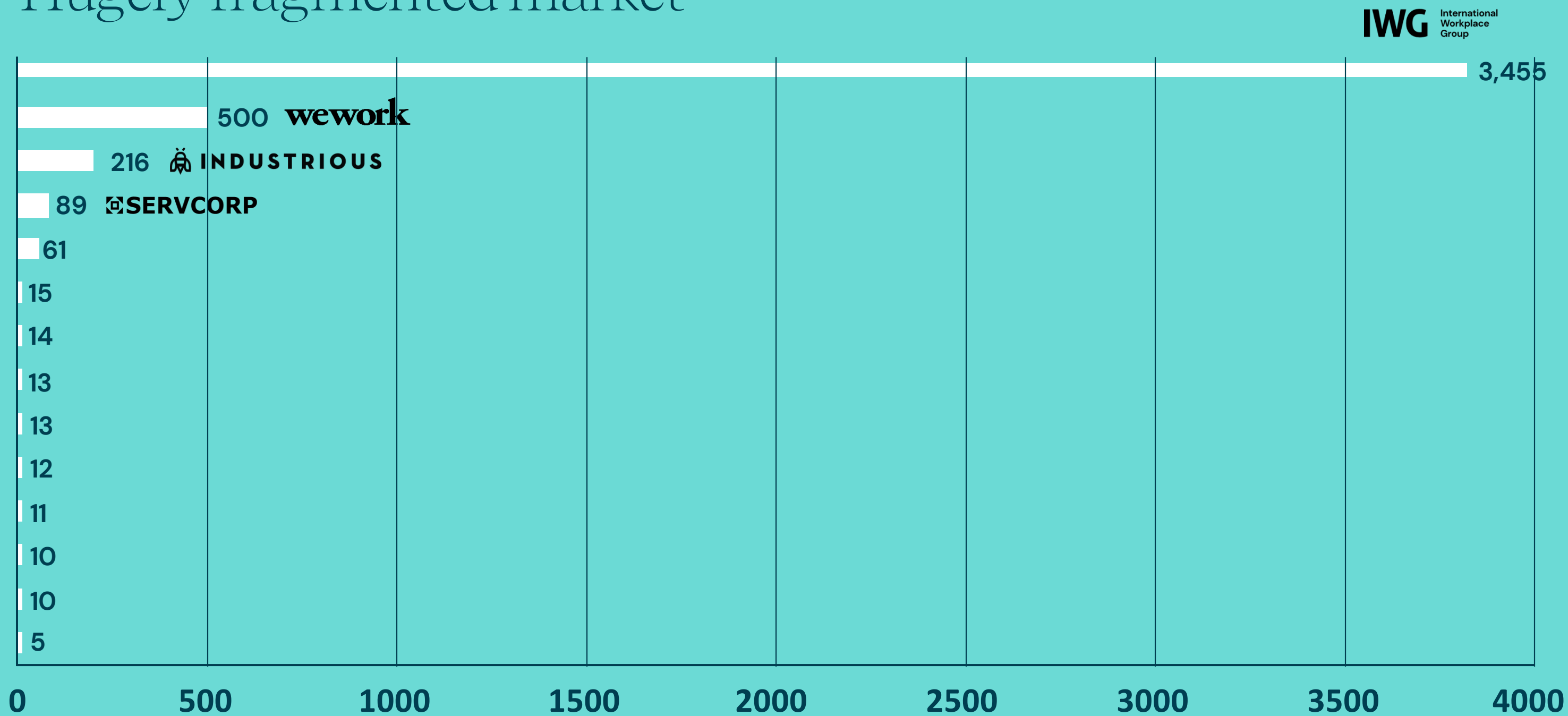
# Global leader in flexible workspace



\* Source: Illustration purposes only

# Market leader, only global platform

Hugely fragmented market



Source: WeWork estimated post-restructuring footprint

- Lead the market on innovation
- Multiple products developed
- Well established R&D team
- Data-rich history of activity

# Our businesses

3 divisions... 3 diverse sources of cash

## Managed and franchised

- c\$50m contribution in FY2023

## Company owned

- c\$700m in FY2023

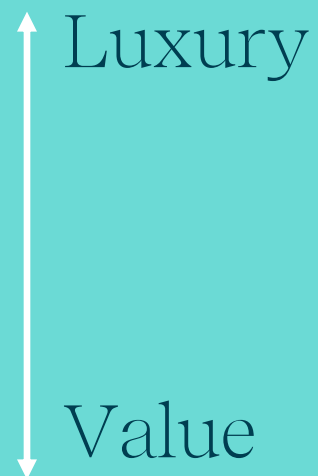
## Worka – digital tools and services

- c\$200m contribution in FY2023

# Multi-brand

Designed for each price point and work style

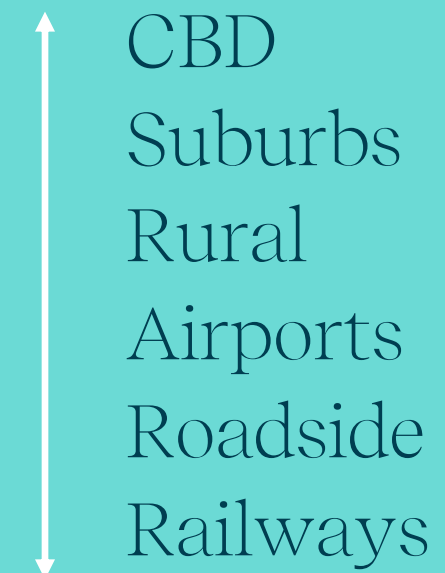
## Price



## Workstyle



## Geographies



### Core brands



# Large and diverse customer base

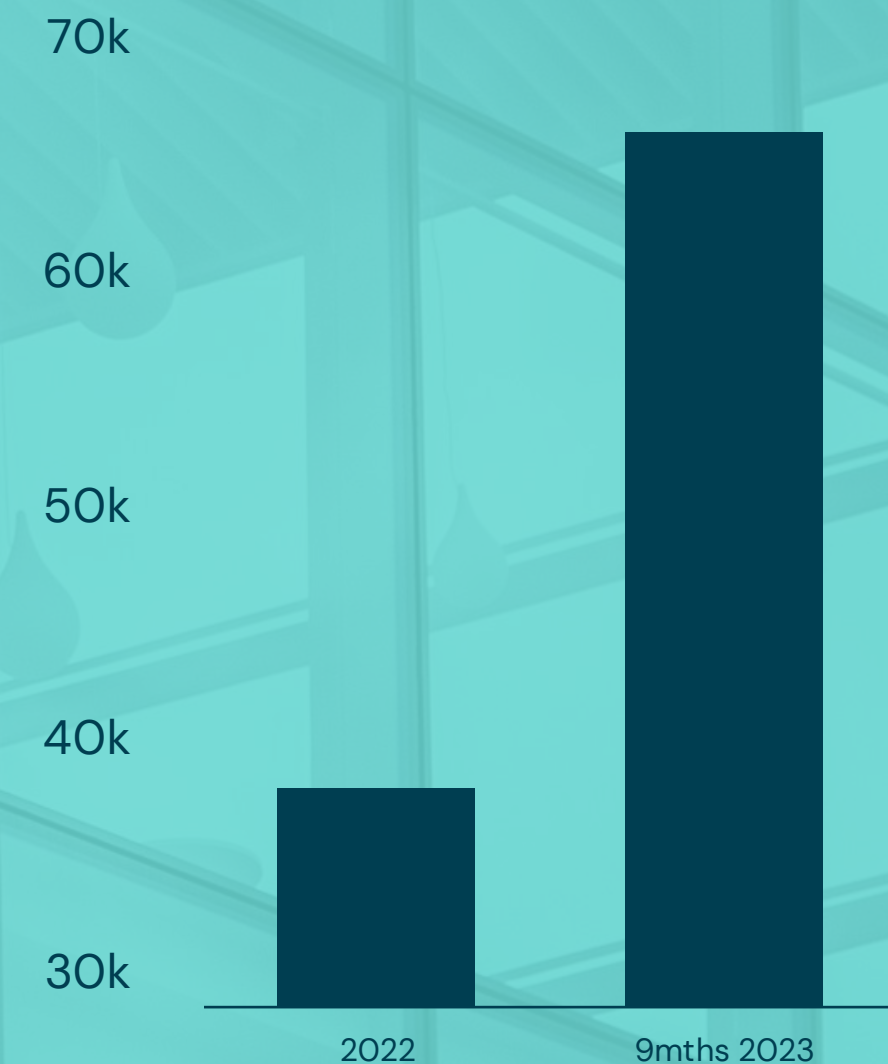
Who are our clients	Includes 83% of the Fortune 500							
Multi-nationals	NOKIA	BT	HSBC	slack	ING DIRECT	bp	AMERICAN EXPRESS	logitech
Regional enterprises	intel	Microsoft	NBCUniversal	SAMSUNG	Chevron	Fidelity	citi	GoPro
National corporates	TOSHIBA	BARCLAYS	at&t	Starbucks	accenture	Adobe	HITACHI Inspire the Next	PayPal
Small and Medium businesses	Nestlé	FT	Disney	SAP	BMW	P&G	EY	BRITVIC soft drinks
Sole traders	DELL	T-Mobile	gsk GlaxoSmithKline	sky	AVIS	BlackRock	Standard Chartered	GitHub
Freelancers	NTT Group	IBM	SANOFI	MERCK	hp	TikTok	AECOM	Rabobank
	Booking.com	nextdoor	MAXIMUM	AON	UBER	Naturgy	Spotify	ORACLE

Potential to leverage IWG's strong relationship with its customers to support cross-sell opportunities

# 1. Managed & franchised

- Very fast growth – 100,000 rooms / year
- Capital light
- Risk light
- Providing service to investors and landlords
- Significant investment in sales, support and opening management
- Significant cost advantages in supply chain and logistics
- Rapid, low cost, best-in-class new centre delivery
- Significant and growing fee income

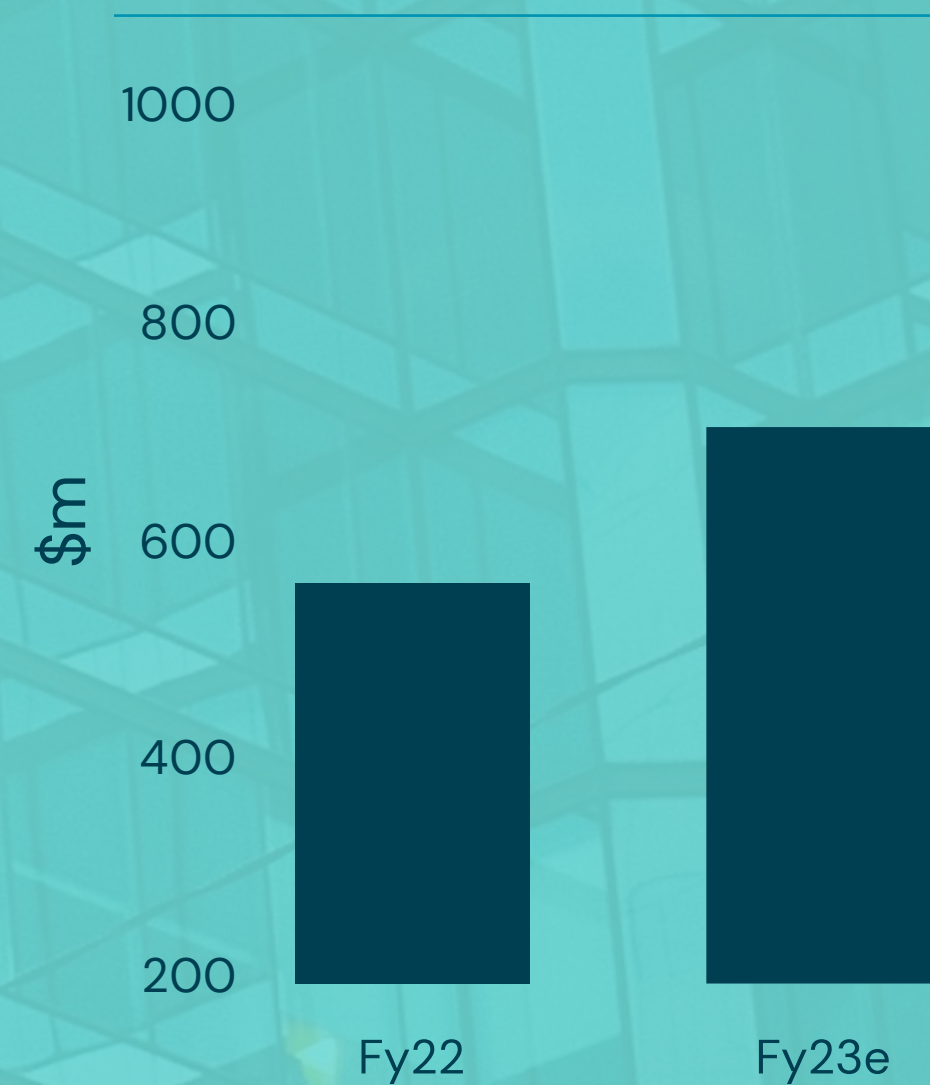
## Pipeline of signed rooms



# 2. Company owned operations

- Significant cash contributor
- c\$700m contribution in FY 2023
- Fully risk managed
- Highly flexible, either through flexible rents or structure

**Company owned contribution**



# 3. worka

- 20,000 partners
- Tools and software
- Yield management
- Bookings and reservations service
- Sustainability, consulting and products
- Work from home products
- Many basic services to our industry





# Vertical businesses

Full office range  
1m+ rooms

Work from home  
support 500,000  
users

Full IT & tech platform.  
Full service

Disaster recovery  
services

Complete moving &  
logistics service

Global call  
management services.  
Digital platform

Meeting & conference  
rooms 14,000 rooms

Full support  
business services

Customer reporting  
services

Global & national  
membership schemes

Food & beverage  
e.g. millions of cups  
of coffee

Worka  
suite

# 150 revenue lines on platform

**\$112m**

Technology services revenue in 2023

**\$60m**

Parking revenue in 2023

**\$60m**

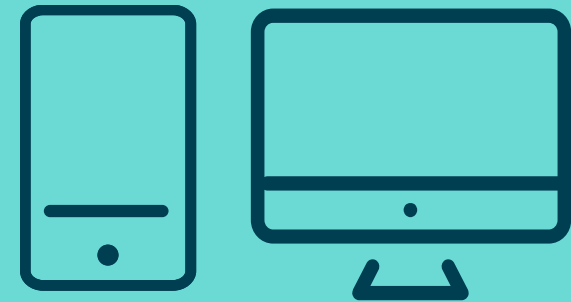
Coffee & tea revenue in 2023

**\$10m**

Printing revenue in 2023



# Global operating infrastructure



Integrated technology		Global platform infrastructure	
Systems	Customer apps	Operation centres	Service centre
Global infrastructure	Global centre search capabilities	Operating manual and New Centre Opening methodology	AR and collections accounting support
State-of-the-art technology	Workplace reservation	Customer account helpdesk in 40+ languages	Member administration
IT help desk	Booking and payment	Procurement efficiencies	Inventory management
End-to-end online process for bookings, inventory management & invoicing	Account management	Compliance	Performance data analysis and pricing support

Global infrastructure and supply chain present cost saving opportunities

# Why IWG is different

	IWG	Others
Profitability	Positive	Negative
Leases	Totally flexible	Mostly inflexible
Sub-letting exposure	None	High
Ancillary Revenues	High	Low
Countries	>120	Far fewer
Suburban exposure	High	Low
Cost Base	Low	High

# Slaying the myths

## Reality

Savings the primary driver

It's what people want

Productivity improved

IT innovations continue  
to push adoptions

Almost all companies adopting

## Myth

Everything back to normal

Temporary problem

"Back to work"

"The return to the office"

# Investment case

1

Market leader in a future mega industry – Hybrid work / Platform work

2

Fast capital light growth

3

Significant cash generation whilst growing

4

Global network and coverage advantage

5

50% US

6

Structural cost advantage

7

Most tenured and experienced management team