

# Greatness Starts Here

We transform organizations by building exceptional leaders, teams, and cultures that get results.



**FranklinCovey™**

# Forward-Looking Statements/Non-GAAP

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based upon management's current expectations and are subject to various risks and uncertainties including, but not limited to: The ability of the Company to stabilize and grow revenues; The acceptance of, and renewal rates for our subscription offerings, including the All Access Pass and Leader in Me memberships; The duration and recovery from the COVID-19 pandemic; The ability of the Company to hire productive sales professionals; General economic conditions; Competition in the Company's targeted marketplace; Market acceptance of new offerings or services and marketing strategies; Changes in the Company's market share; Changes in the size of the overall market for the Company's products; Changes in the training and spending policies of the Company's clients, and other factors identified and discussed in the Company's most recent Annual Report on Form 10-K and other periodic reports filed with the Securities and Exchange Commission. Many of these conditions are beyond our control or influence, any one of which may cause future results to differ materially from the Company's current expectations, and there can be no assurance the Company's actual future performance will meet management's expectations. These forward-looking statements are based on management's current expectations, and we undertake no obligation to update or revise these forward-looking statements to reflect events or circumstances after the date of today's presentation, except as required by law.

The Securities and Exchange Commission's Regulation G applies to any public disclosure or release of material information that includes a non-GAAP financial measure. In the event of such a disclosure or release, Regulation G requires: (i) the presentation of the most directly comparable financial measure calculated and presented in accordance with GAAP and (ii) a reconciliation of the differences between the non-GAAP financial measure presented and the most directly comparable financial measure calculated and presented in accordance with GAAP. The required presentations and reconciliations are contained herein and can be found at our website at [www.franklincovey.com](http://www.franklincovey.com).

Franklin Covey uses the non-GAAP financial measure "earnings before interest, taxes, depreciation and amortization" ("EBITDA") to assess the operating results and effectiveness of the Company's ongoing training and consulting business. In addition, the Company also uses the non-GAAP financial measure "Adjusted EBITDA" as a representation of the Company's operating performance. Adjusted EBITDA is defined as pre-tax net income (loss), plus depreciation and amortization, net interest income (expense), and special charges, such as the gain on the sale of the Japan Products division in Fiscal 2010, restructuring costs, and asset impairment changes. The Company finds these non-GAAP financial measures to be useful when evaluating its operating and financial performance. These non-GAAP financial measures may not be comparable to similar measures used by other companies and should not be used as a substitute for revenue, net income (loss) or other GAAP operating measures.

# The Challenges That Matter Most

Five Ways FranklinCovey is Unique

1

Our Mission

2

Our Goal is Impact  
at Scale

3

Our Strategy to  
Achieve Impact at  
Scale

4

Our High-Growth  
Subscription Model

5

Our Compelling  
Opportunities  
Ahead



# High Growth



Our content will inspire and enable learners to rise to their potential in both their professional and personal life

Revenue



EBITDA



Cashflow



Durability



Predictability



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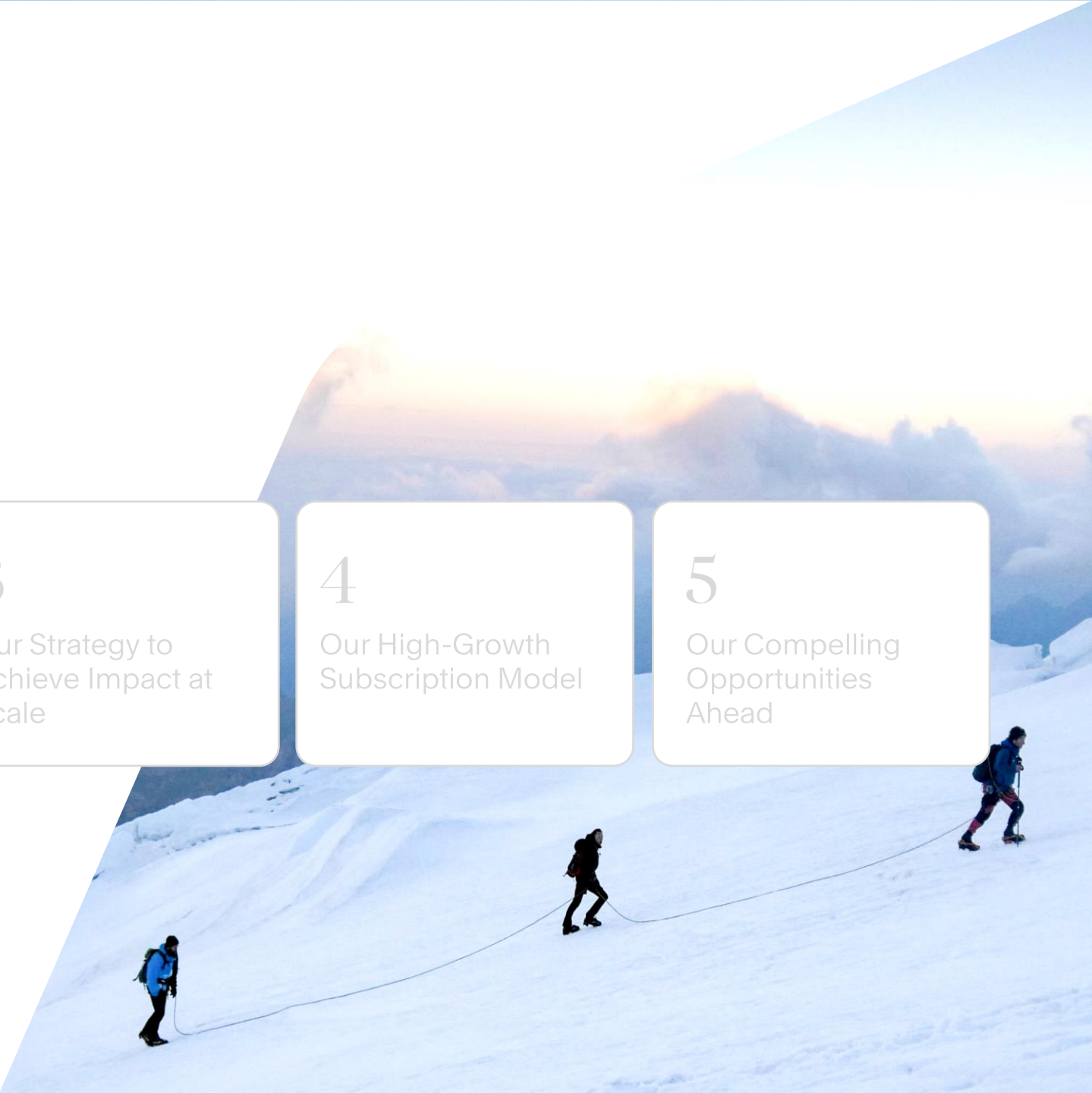
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**Our Mission**

We enable greatness in people  
and organizations everywhere.

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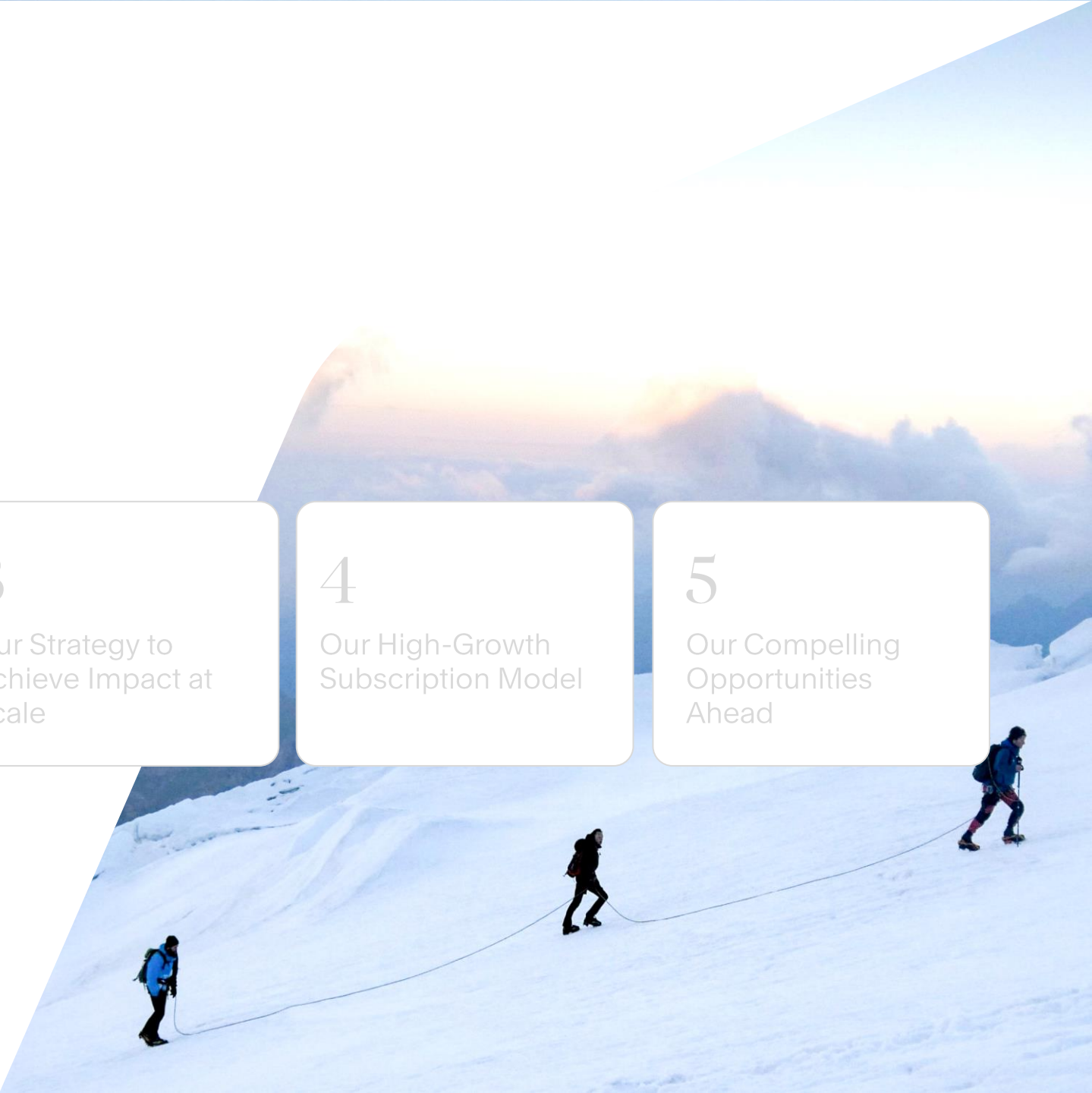
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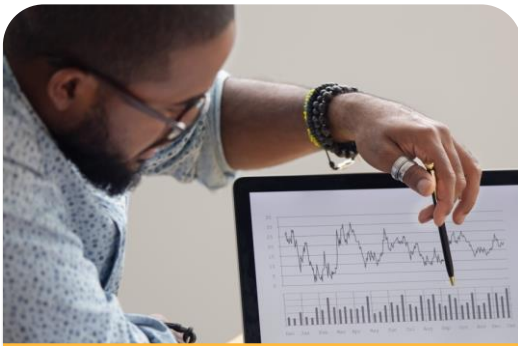
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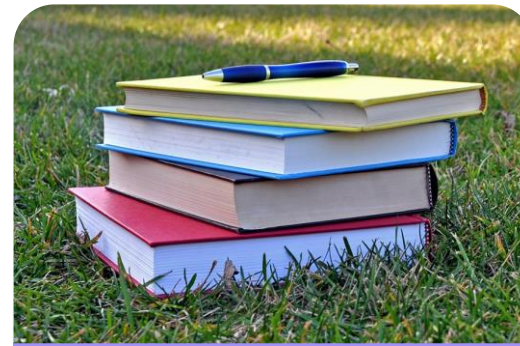
# Examples of Impact



Sales  
Performance



Customer Success /  
Leadership  
Development



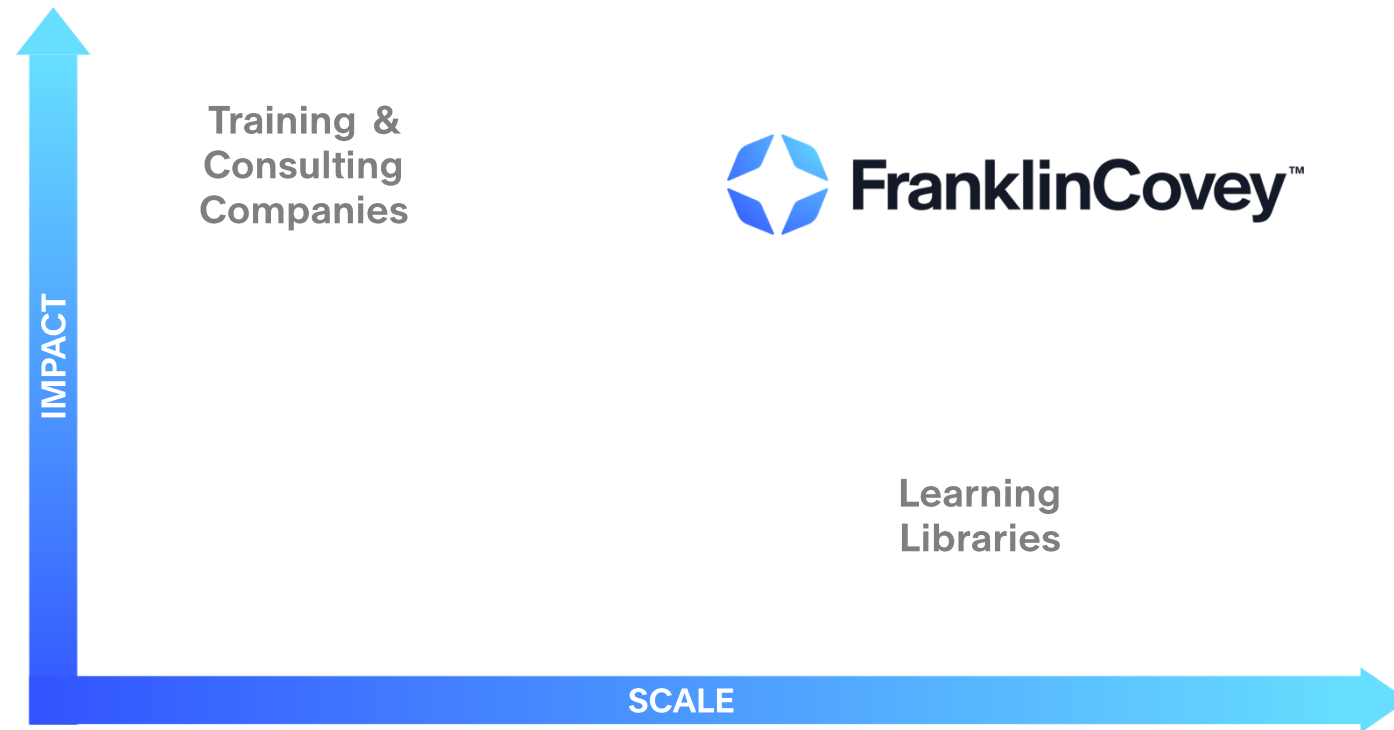
Personal  
Leadership Skills



Framework  
for Culture

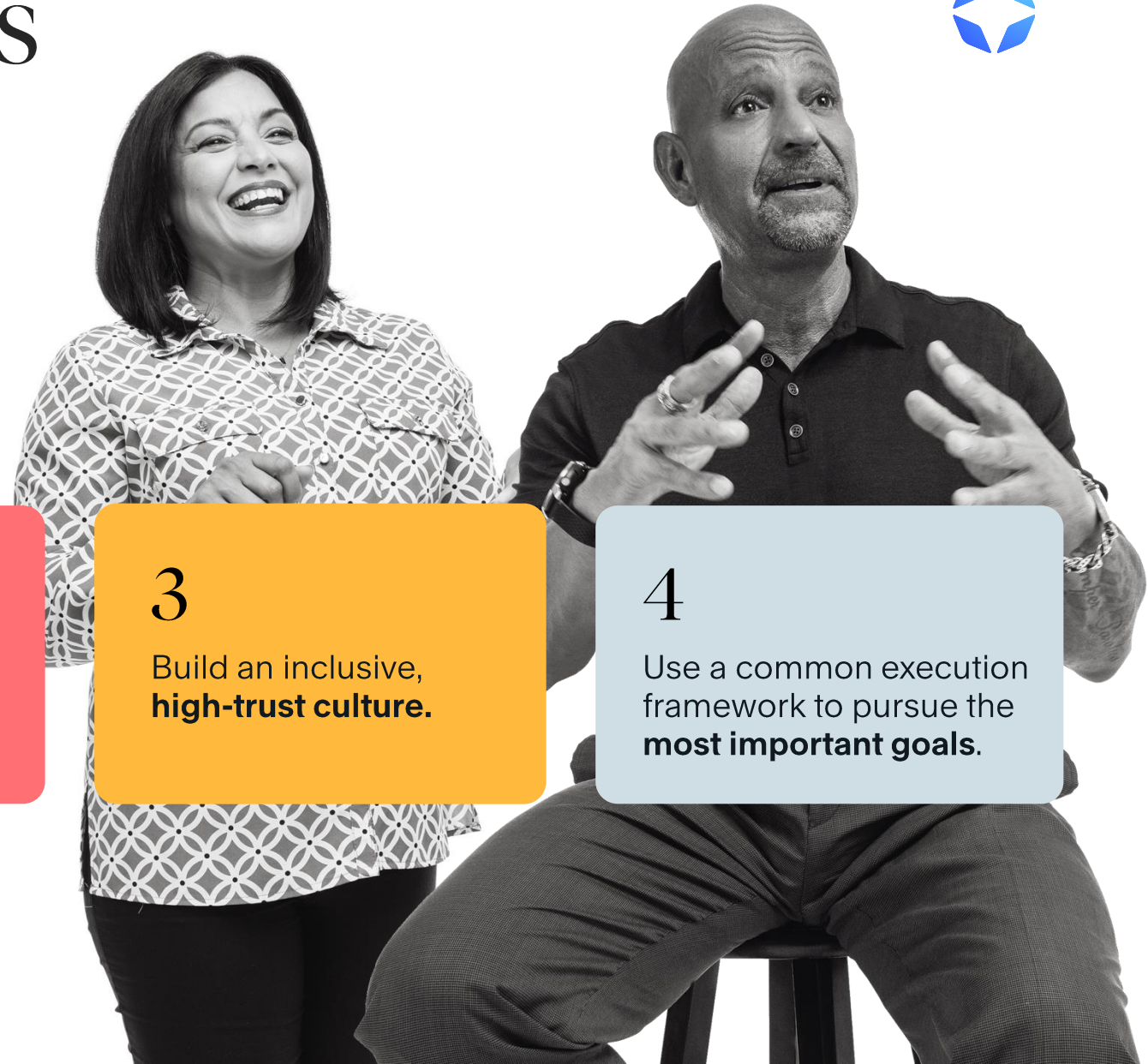


# Impact at Scale



# Areas Organizations Must Get Right

Everything we do is designed to help our clients succeed in four key areas.



1

Develop  
**exceptional leaders**  
at every level.

2

Instill **Habits of Effectiveness** in every individual.

3

Build an inclusive,  
**high-trust culture.**

4

Use a common execution framework to pursue the **most important goals.**

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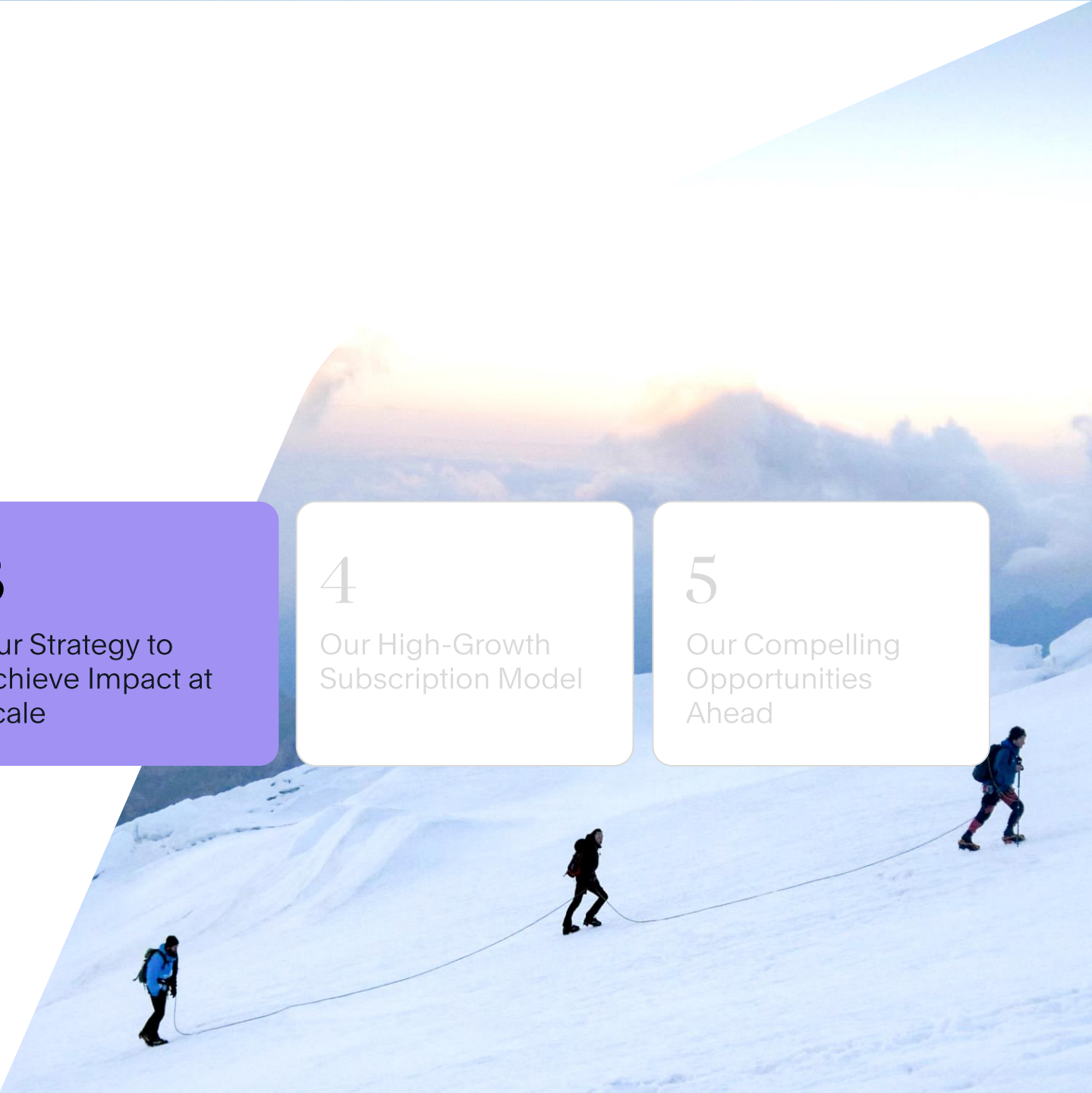
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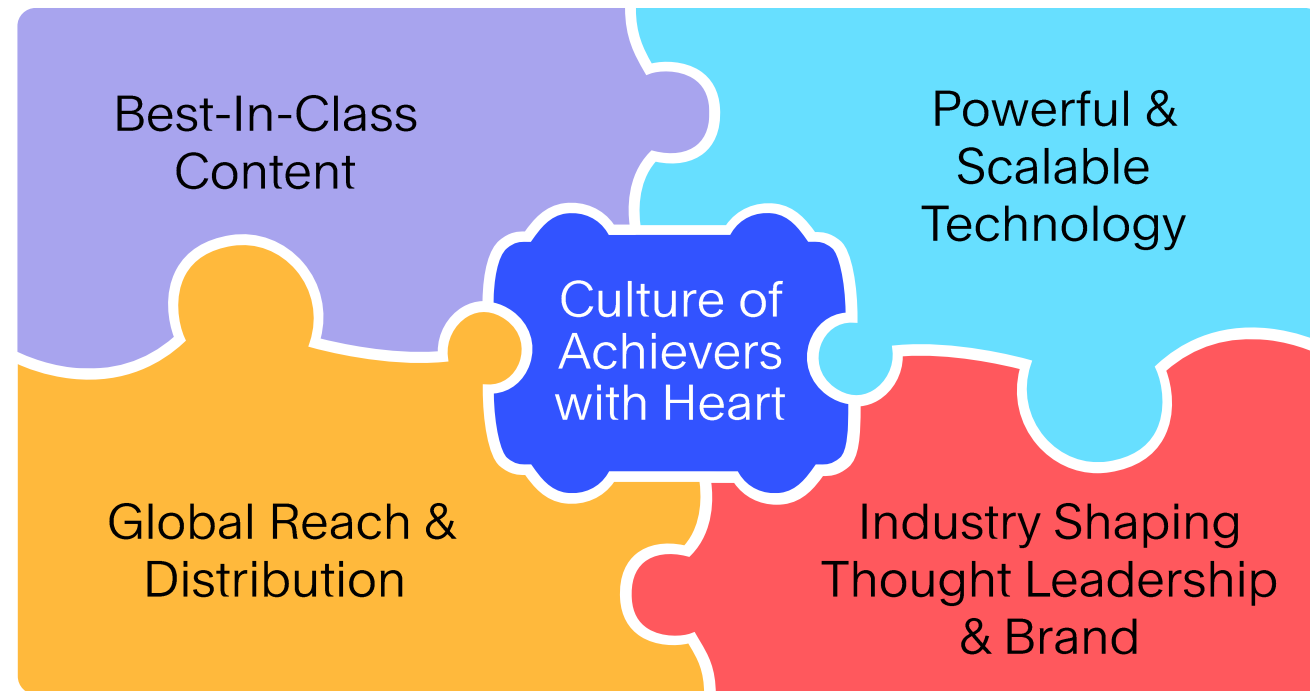
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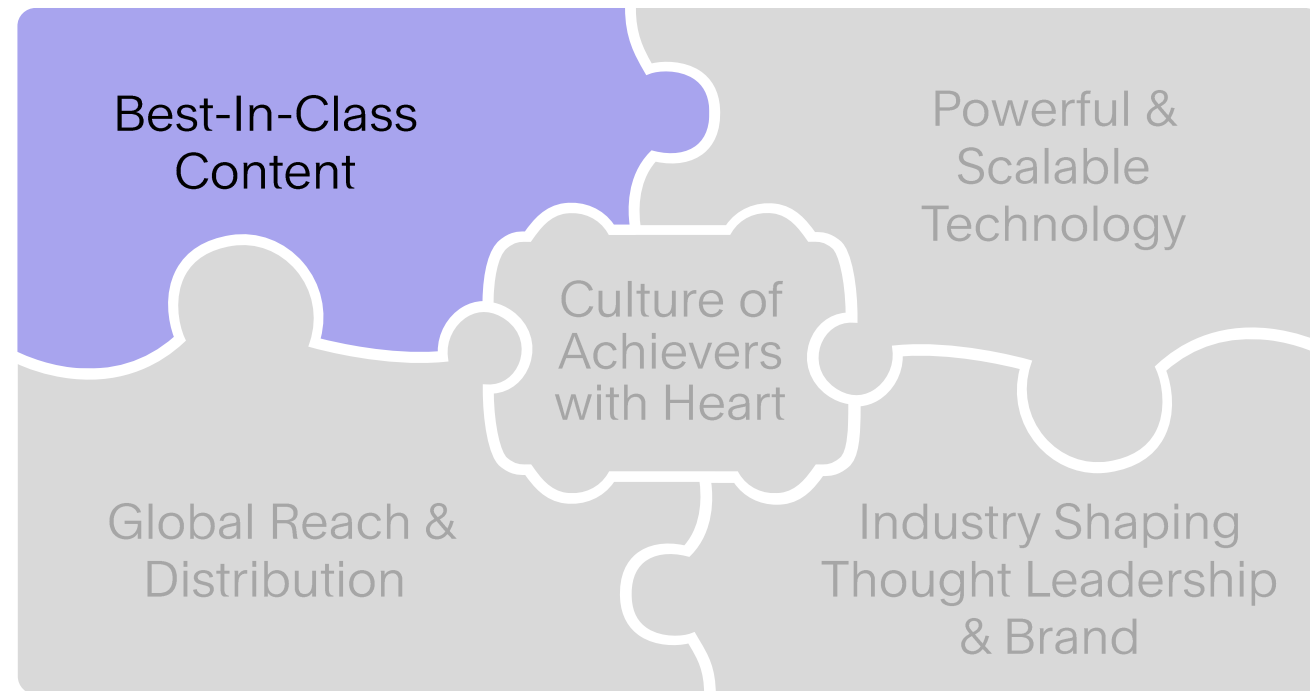
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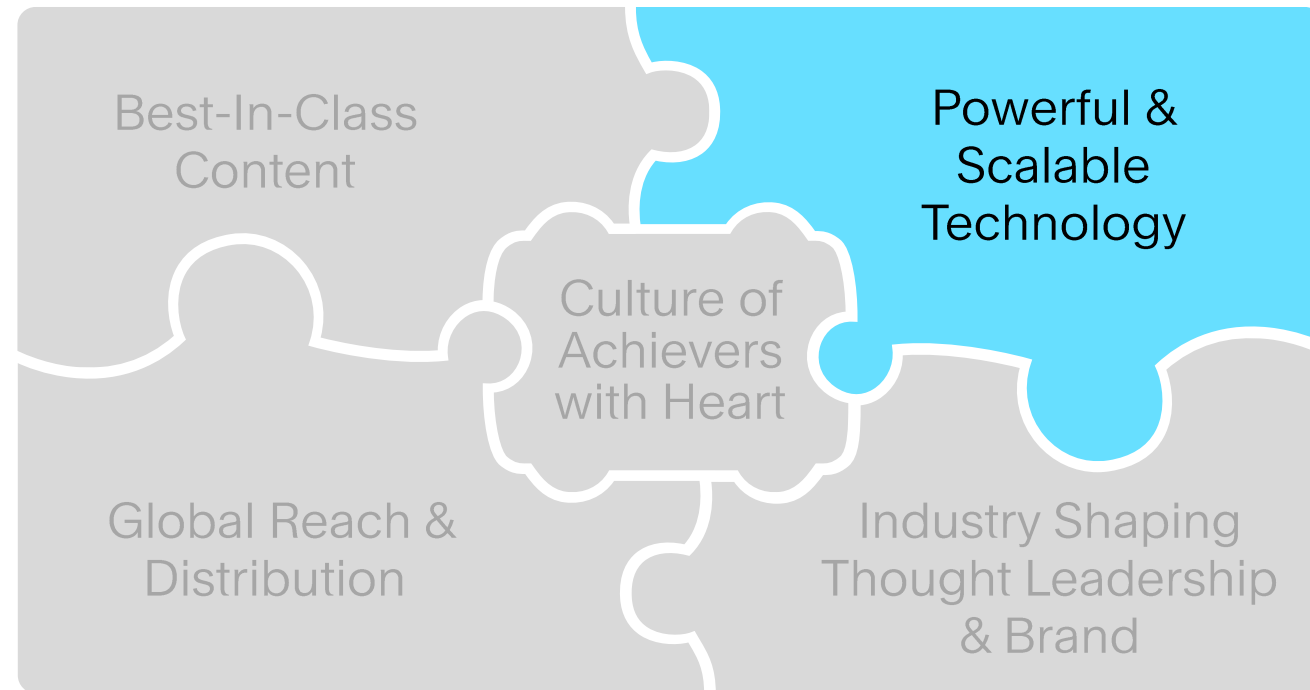
# Our Strategy for Achieving Impact at Scale



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# Our Strategy for Achieving Impact at Scale



# FranklinCovey uniquely combines content, people and technology to generate impact at scale.



## Content

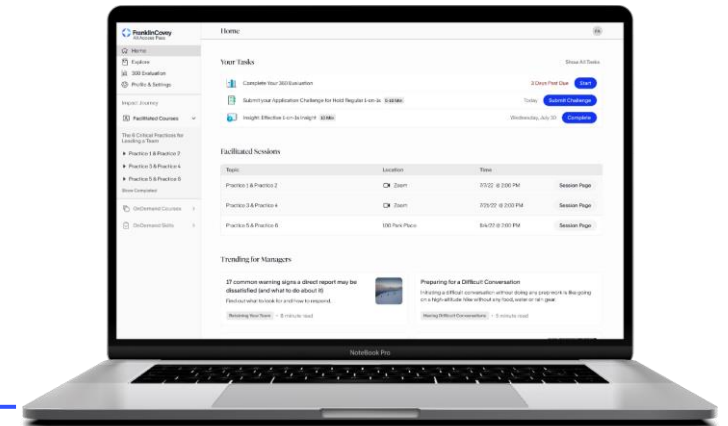
Leadership,  
Individual Effectiveness,  
Culture,  
Business Outcomes

## People

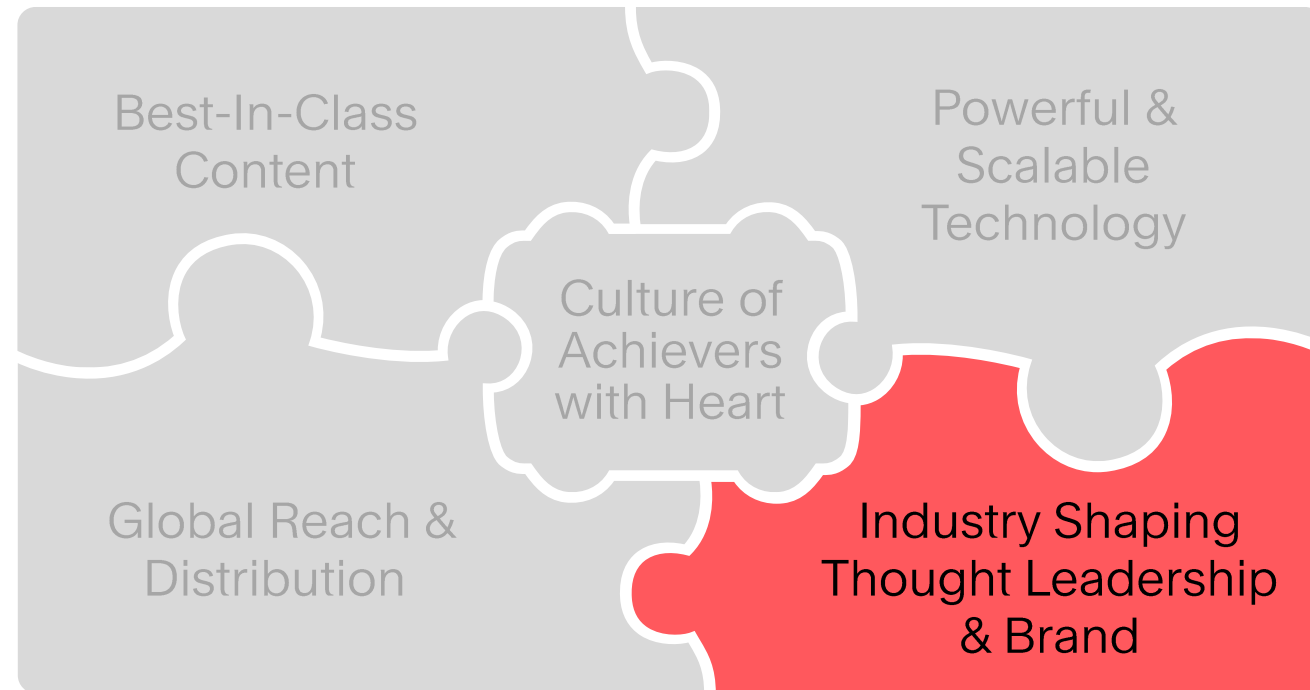
Implementation Strategists,  
Coaches, &  
Delivery Consultants

## Technology

360 Assessments,  
OnDemand Impact  
Journeys,  
FC & Client-Facilitated  
Impact Journeys



# Our Strategy for Achieving Impact at Scale





# Industry Shaping Thought Leadership & Brand



## Customer Intelligence

Deep insight into customer needs and circumstances to shape our products and services.

- Buyer Circumstance/ JTBD research
- Win/Loss interviews
- Voice of the Customer interviews (client experience)
- Ongoing NPS surveys
- Administrator surveys & interviews
- Learner surveys & interviews

## Strategic Partner Council

Forward-looking insight from a cross-industry group of some of our most thoughtful and strategic clients.

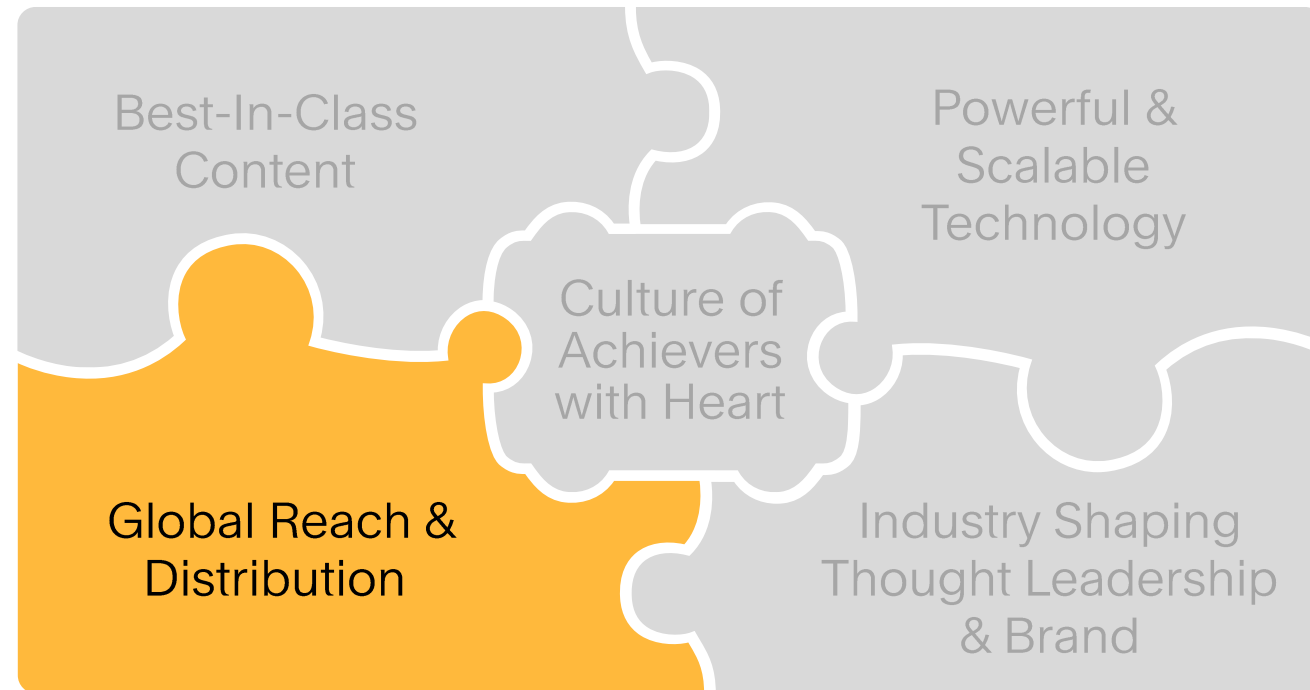


## FranklinCovey Institute

Highly credible research that shapes thinking and drives interest in FranklinCovey solutions.



# Our Strategy for Achieving Impact at Scale



# Global Footprint



## ■ Direct Offices

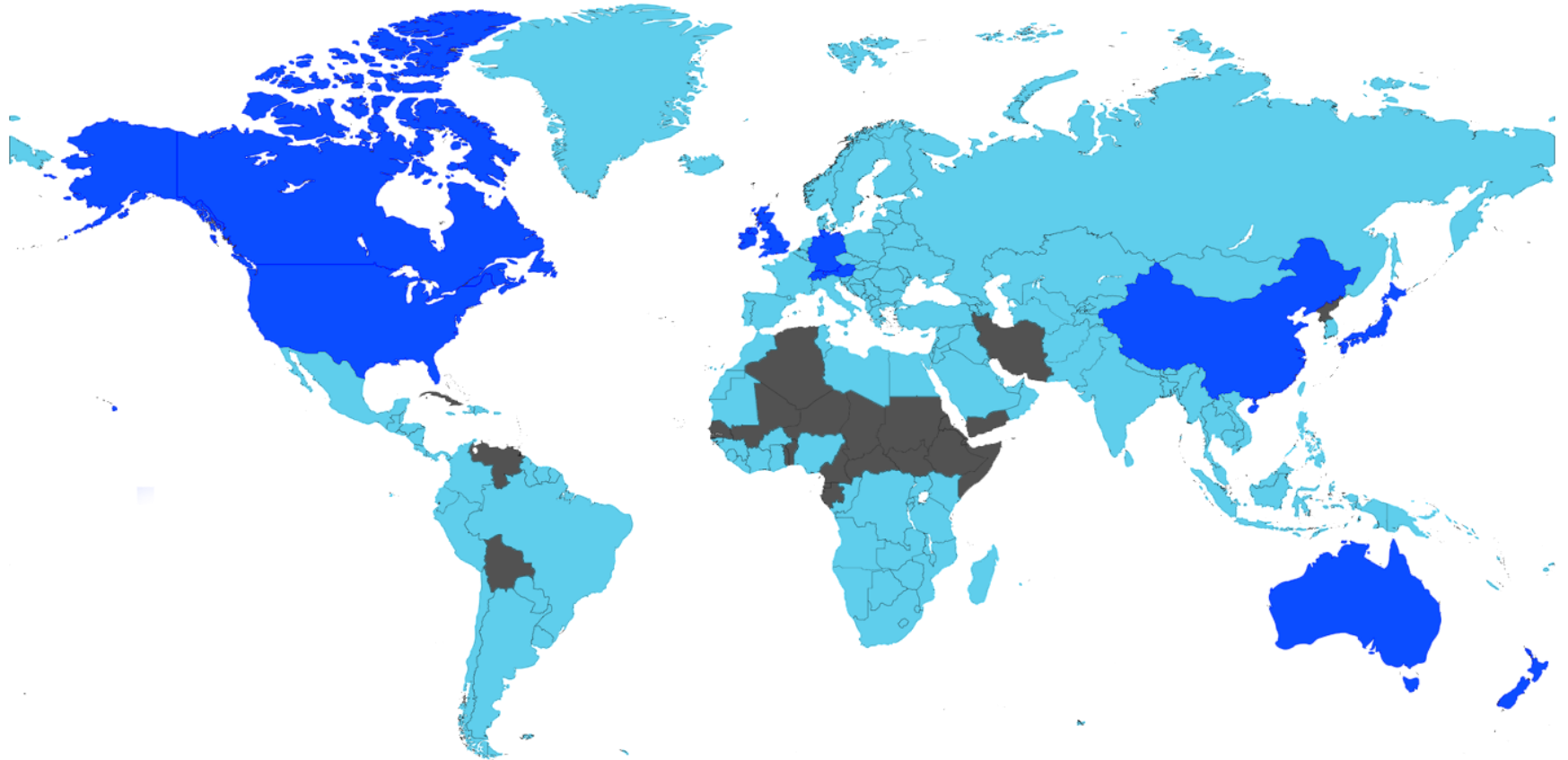
- US, Canada, UK, Ireland, Germany, Switzerland, Austria, China, Japan, Australia, and New Zealand

## ■ Licensees

- 140+ countries

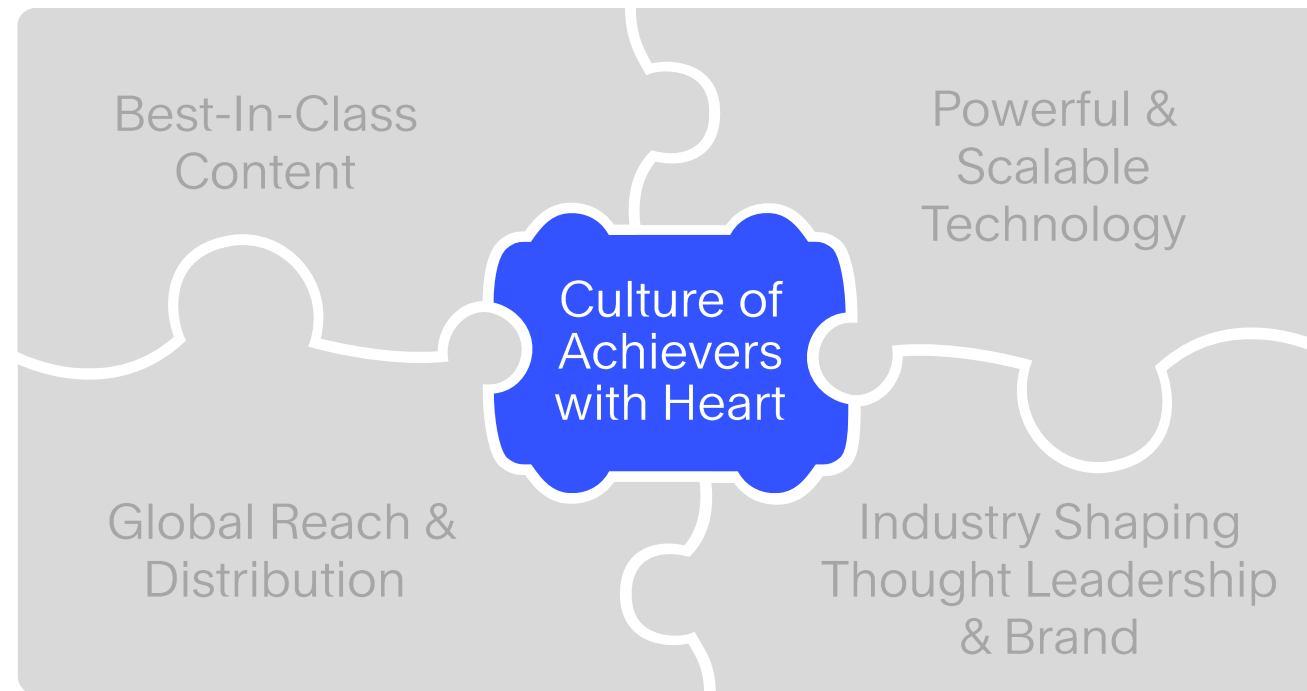
## ■ Direct Sales Force

- ~300 Client Partners



Created with mapchart.net

# Our Strategy for Achieving Impact at Scale



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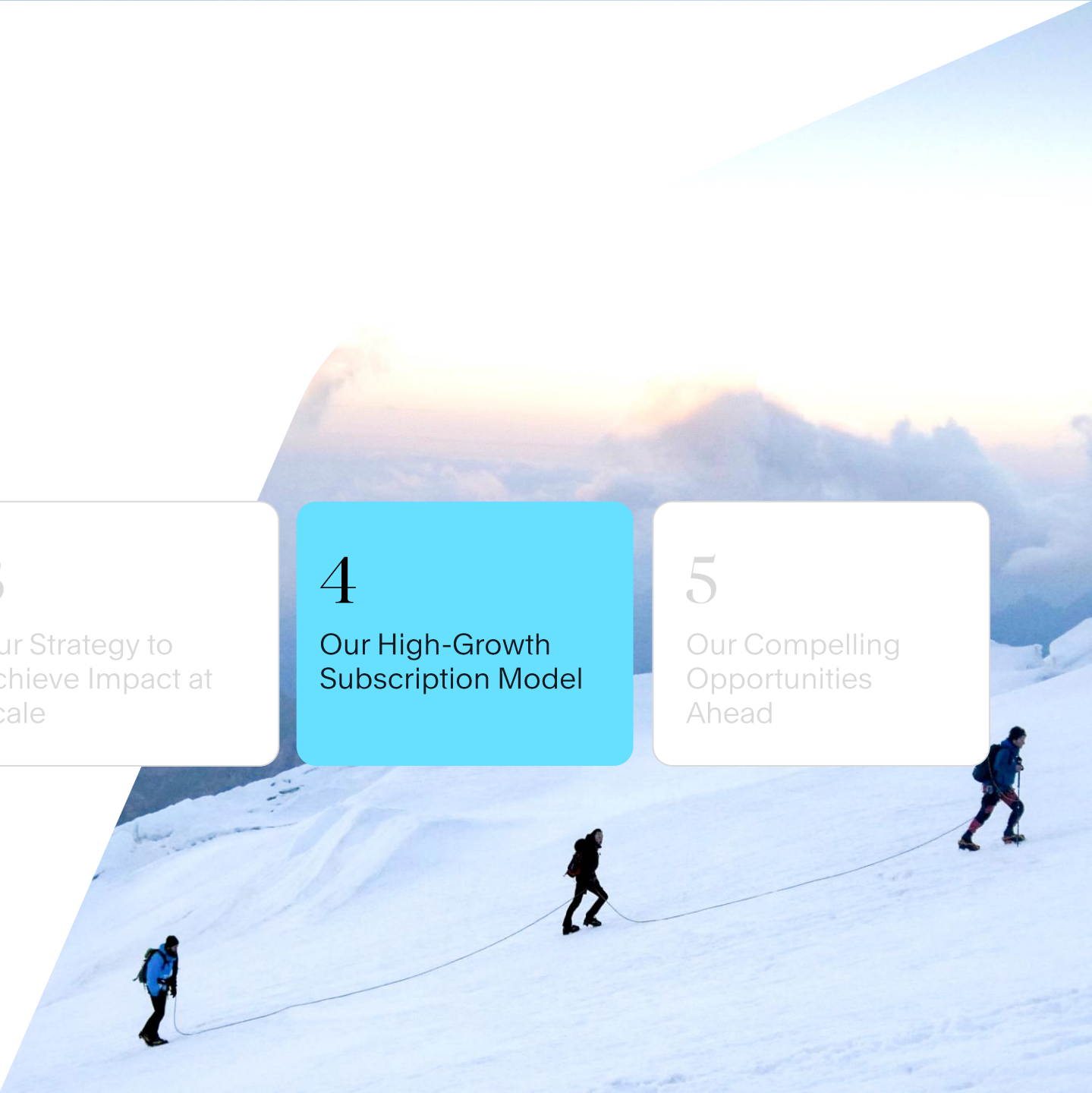
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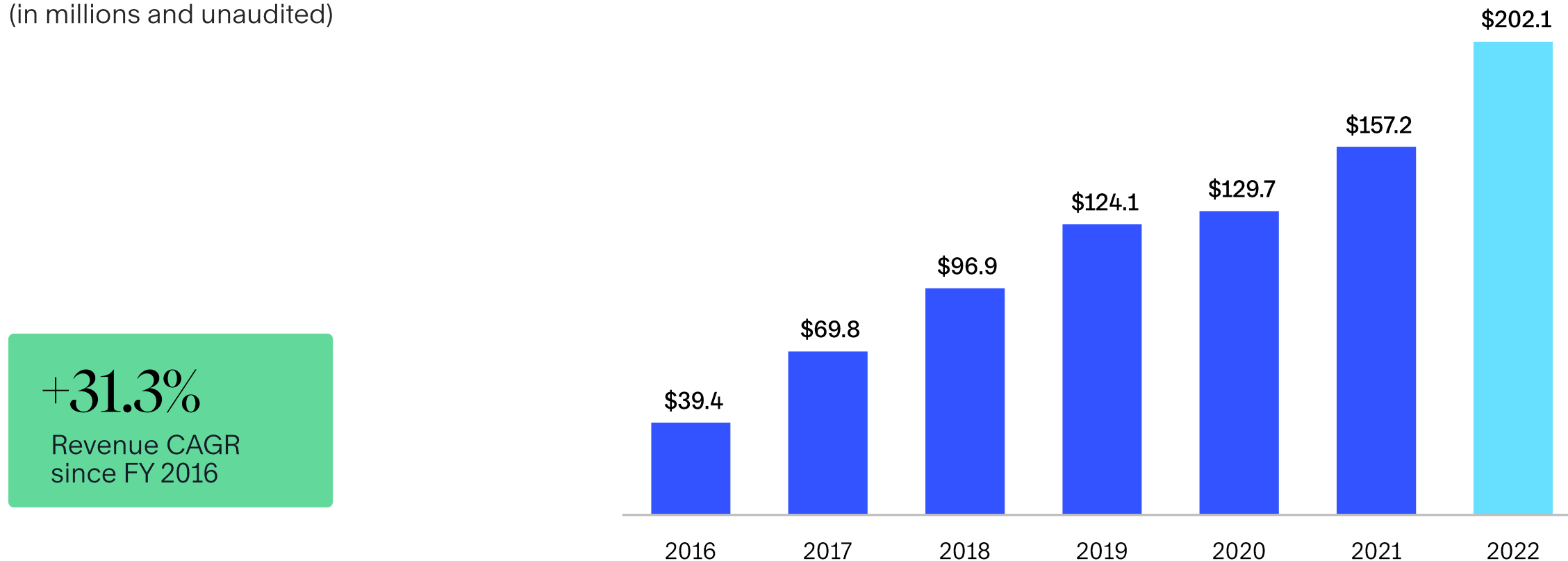


# Subscription Revenue Model

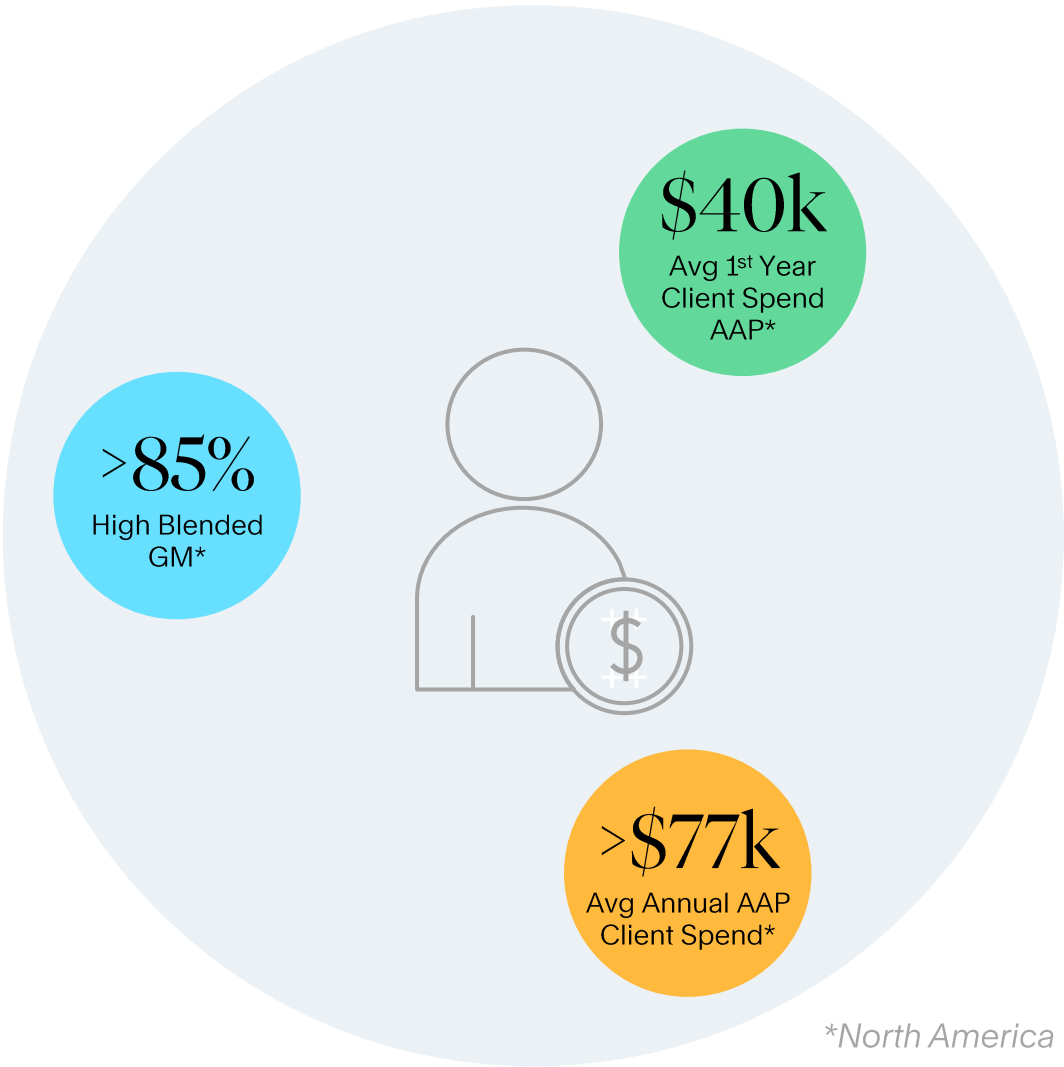


Total Company Revenue from  
Subscription & Subscription Services

(in millions and unaudited)



# High All Access Pass Lifetime Customer Value



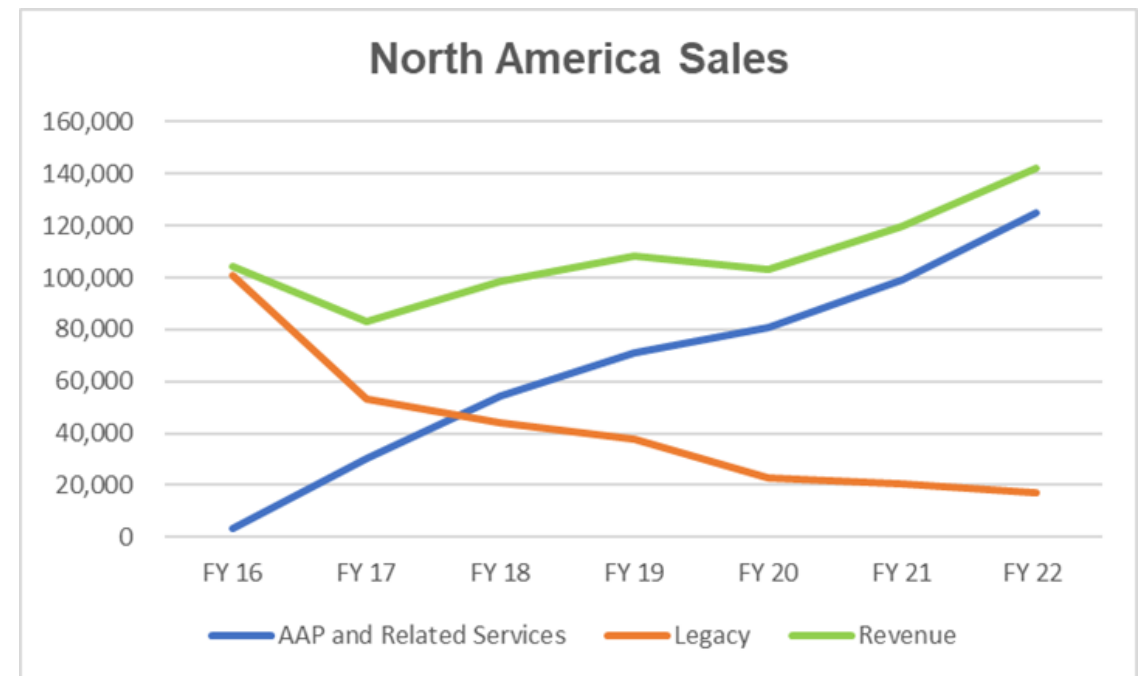
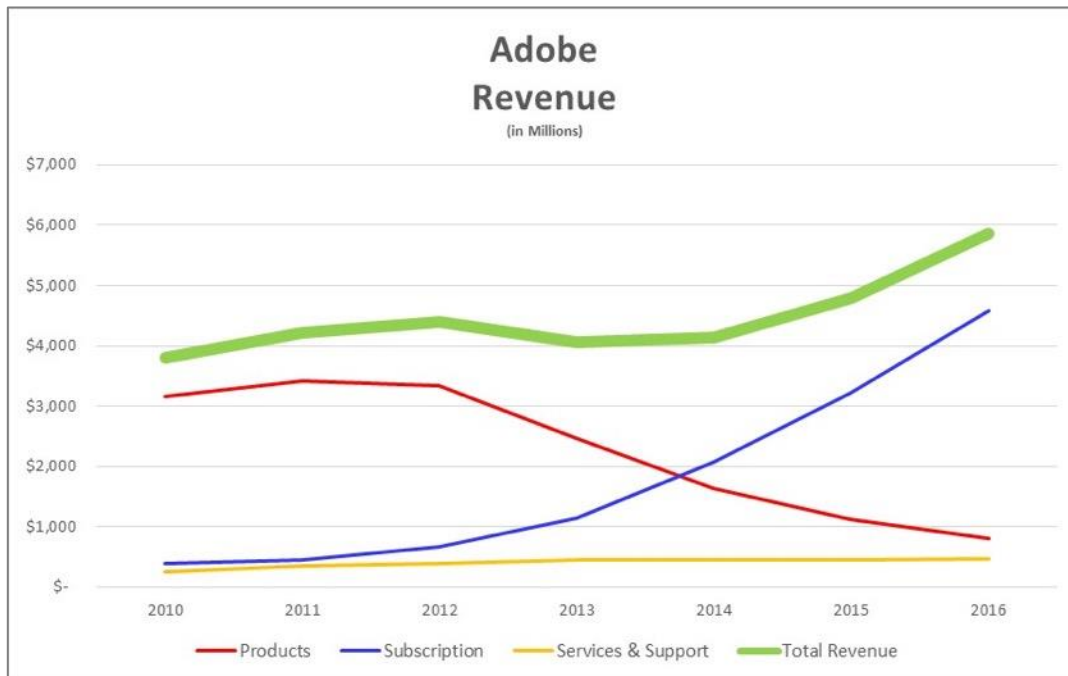
\*North America LTM

# Transition to Subscription Model



## FC's Transition in North America compared to Adobe's Transition

(in millions and unaudited)





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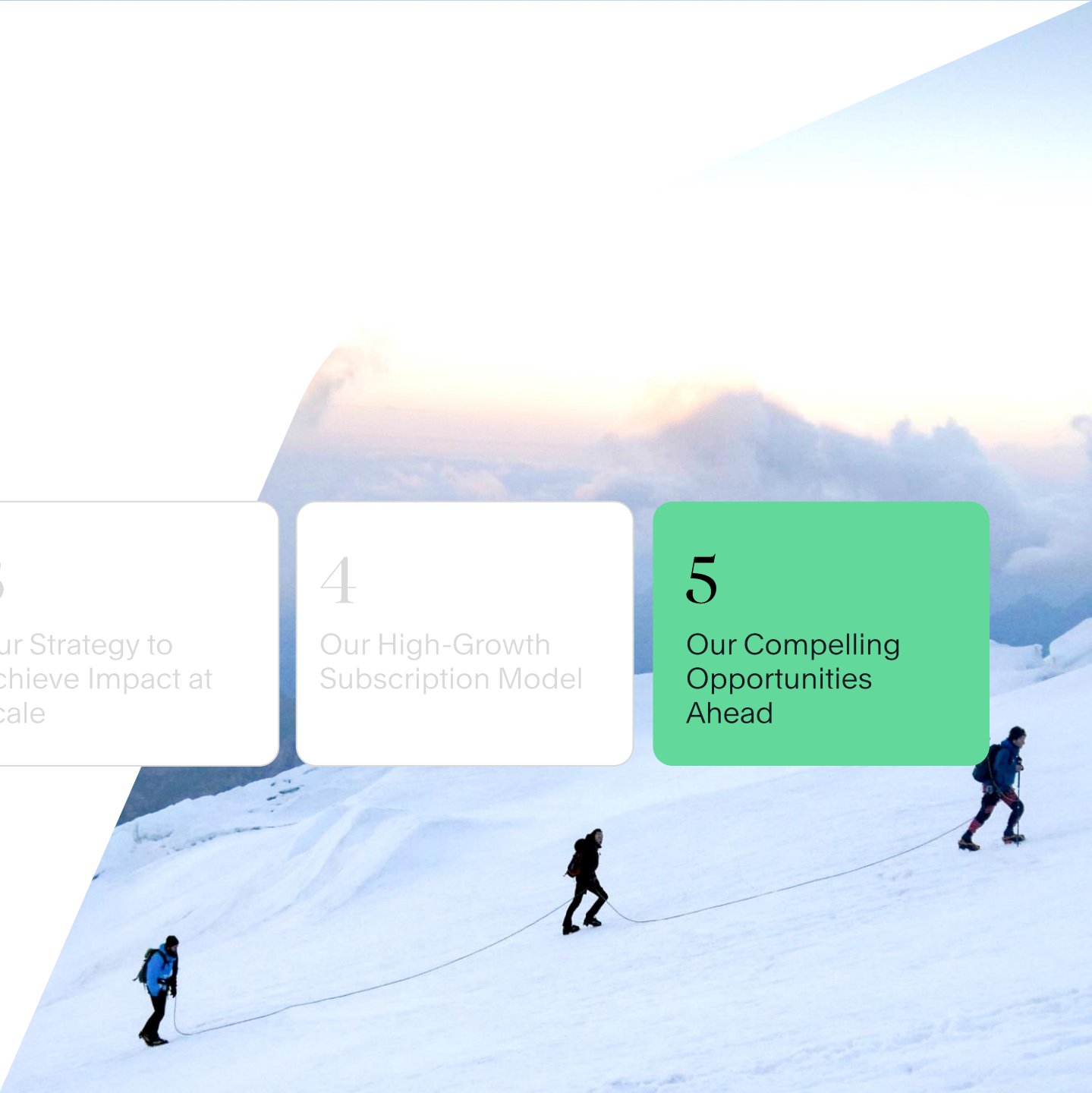
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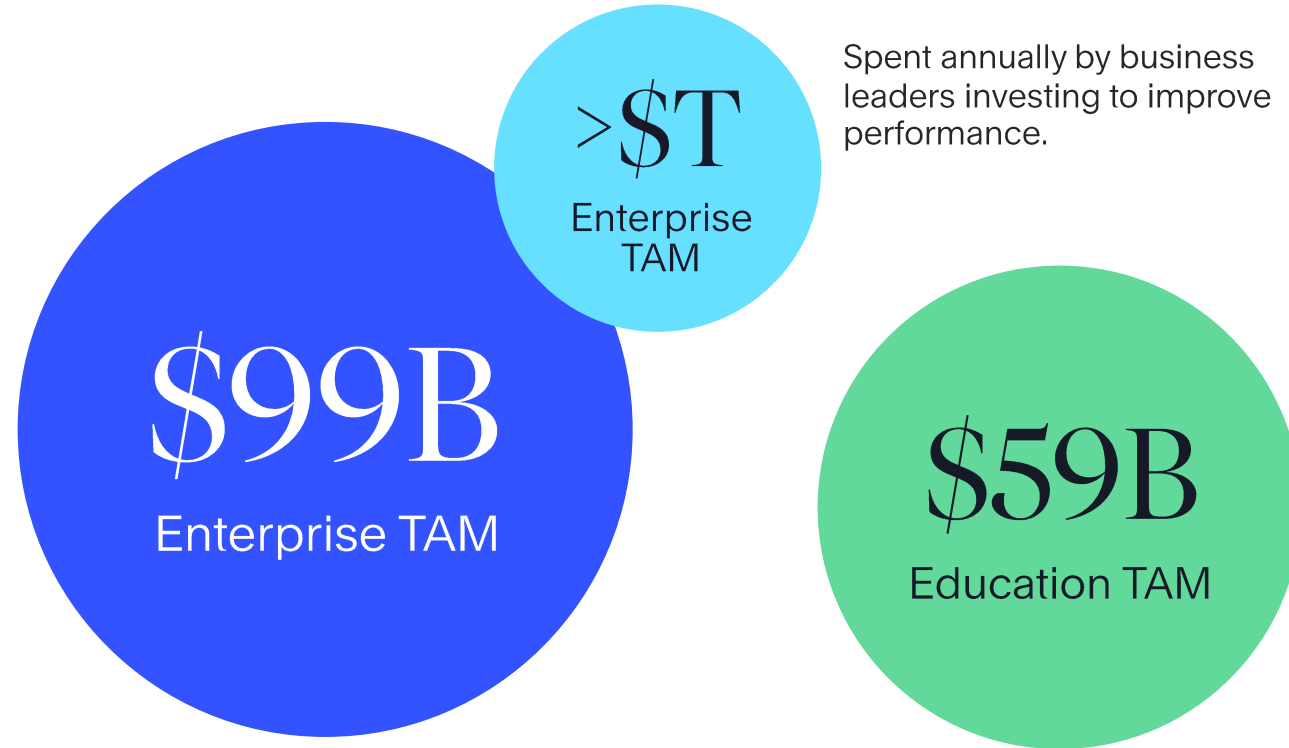
# Significant Headroom for Growth



## Existing Clients



## New Clients

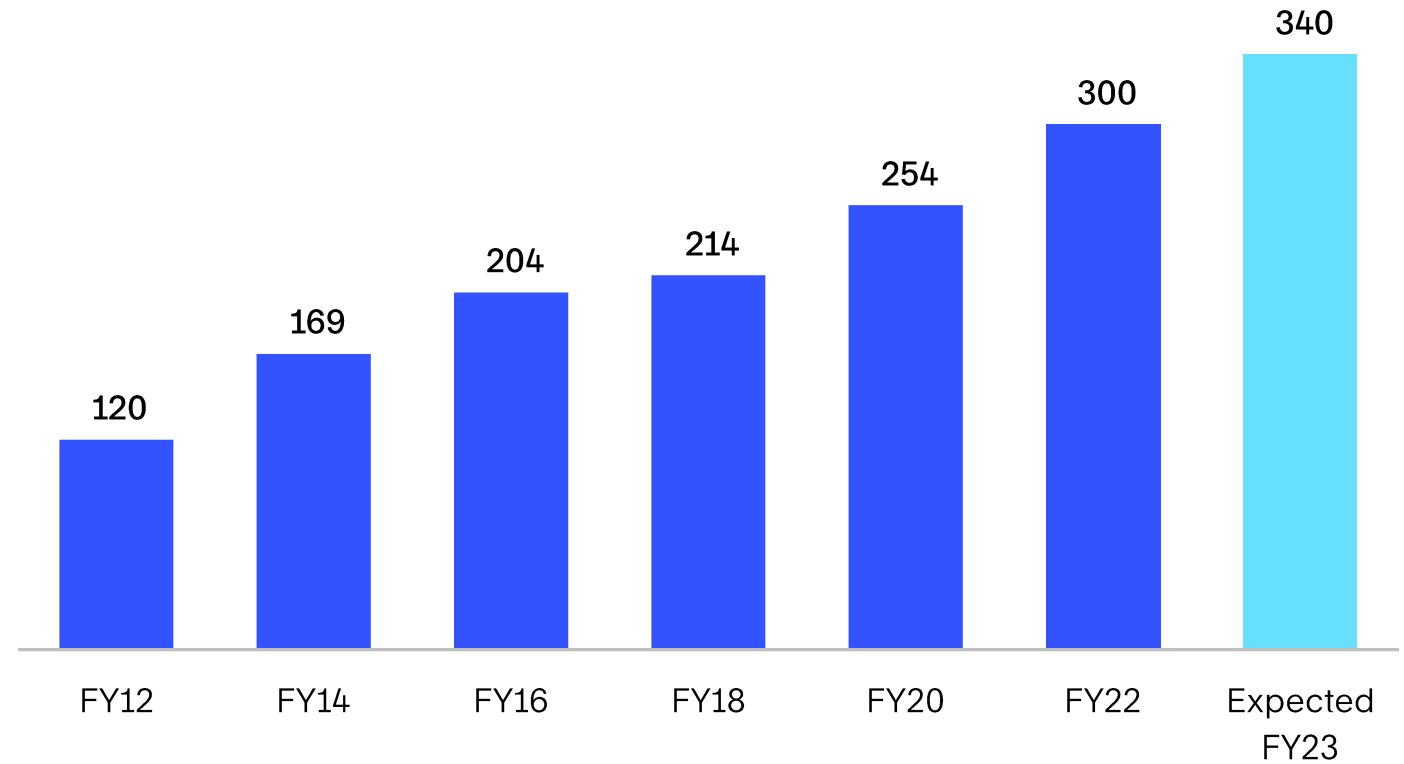


Spent annually by business leaders investing to improve performance.

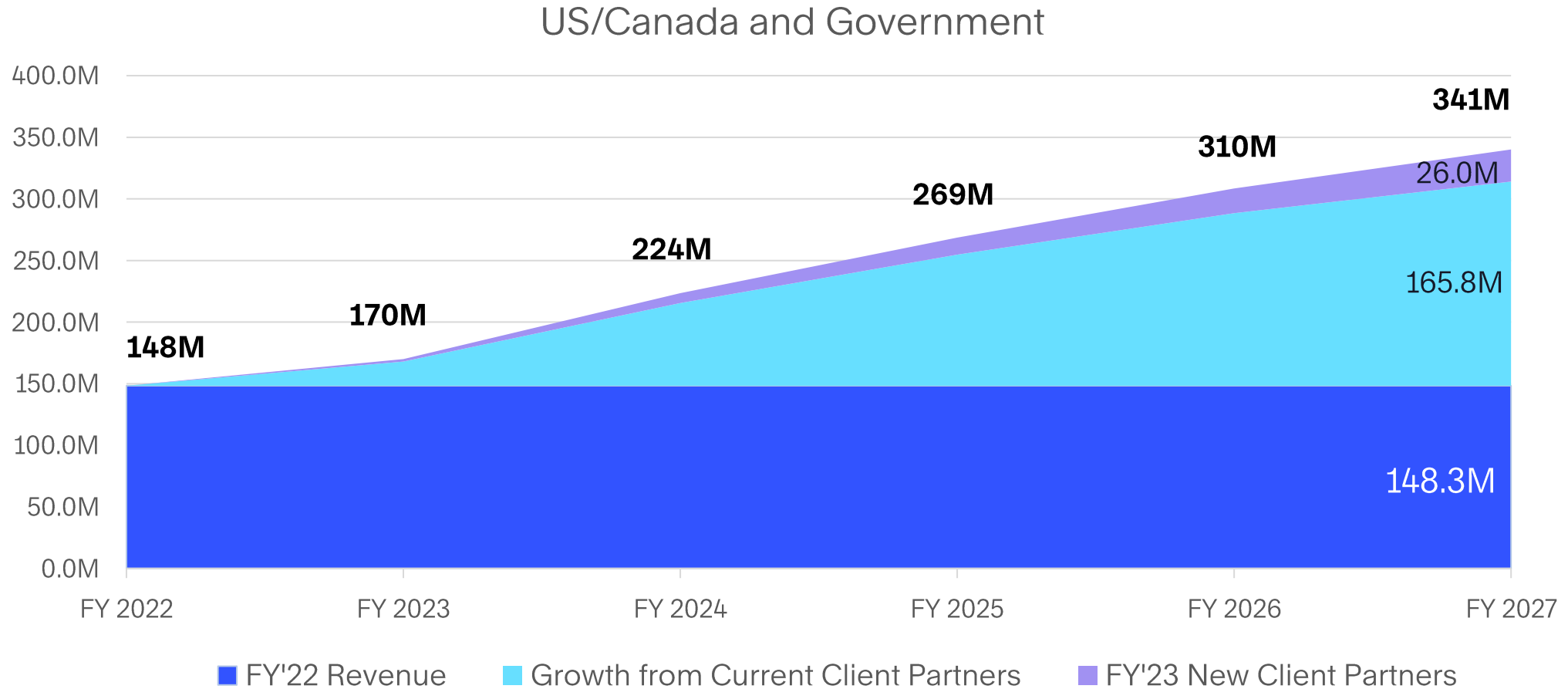
Global corporate training market spent annually on external providers.

US K-12 market spent annually on instructional resources and services that are beyond faculty salaries and benefits.

# Client Partner Growth



# Revenue Growth Potential by Client Partner Class



# Our Strategy for Achieving Impact at Scale

