Forrester 2021
Investor Summary

George Colony,
Chairman and CEO

Chris Finn,
Chief Financial Officer

Scott Chouinard,
Chief Accounting Officer and Treasurer

September 2021
Safe Harbor

This presentation may contain projections or other forward-looking statements regarding future events or the future financial performance of the Company. These projections or statements are only predictions. Actual events or results may differ materially from those in the projections or other forward-looking statements. Please see the Company’s Annual Report to shareholders and its filings with the SEC, including its recent filings on Forms 10-K and 10-Q, for a discussion of important risk factors that could cause actual events or results to differ materially from those in the projections or forward-looking statements.
Forrester creates research that enables companies to grow profit and revenue in an age of tech-empowered customers.
Three Types of Research

Vision
Strategy
Execution
Functions We Serve: Executives and Their Teams
Research Drives Client Profitability

Forrester clients are 34% more profitable than non-clients.

$+34\%$

Forrester’s most engaged clients are 52% more profitable than non-clients.

$+52\%$

*Based on 2019 analysis of public $1B+ revenue companies*
Total Available Research Market

$78 Billion

*Based on internal Forrester Estimates
## Forrester’s Competitive Position

<table>
<thead>
<tr>
<th>Subscription</th>
<th>Back Office Tech</th>
<th>Customer Tech</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gartner</td>
<td>FORRESTER®</td>
<td></td>
</tr>
<tr>
<td>Deloitte…</td>
<td></td>
<td>Nielsen…</td>
</tr>
<tr>
<td>Accenture…</td>
<td></td>
<td>WPP…</td>
</tr>
</tbody>
</table>
Forrester’s Global Reach

Offices and operations in 41 cities across 27 countries

1,700+ employees

2,900+ clients
Forrester Is In Three Businesses

Research
Consulting
Events
The goal is to increase research Contract Value (CV) by double digits every year.
The Forrester Contract Value Growth Model

Invest in:
Revenue Engine
Product Innovation
Acquisitions

Generate Cash

Grow CV
Salesperson productivity has increased during 16 of the last 18 quarters

- Productivity dipped in 2020 due to the pandemic
- Four consecutive quarters of increased productivity from Q2 2020
Product Innovation

Touchless FeedbackNow

New digital experience

Launch of Forrester Decisions in August 2021
Forrester Decisions

Premium research portfolio of 15 services for executives and their teams

Combines the best of Forrester Research and SiriusDecisions

Vision + Execution

Flagship Forrester offering that will drive increased wallet retention and new business
Financial Overview
In-depth pandemic research

Successfully pivoted Events to virtual

Bookings contraction in H1 2020 with growth returning in H2 2020

Maintained sales organization

Continued to invest for growth
## Adjusted Income Statement – FY 2020

<table>
<thead>
<tr>
<th>(in $M)</th>
<th>FY20</th>
<th>FY19</th>
<th>Y/Y $\Delta$</th>
<th>Y/Y %$\Delta$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Research</td>
<td>$294.9</td>
<td>$307.4</td>
<td>-$12.5</td>
<td>-4%</td>
</tr>
<tr>
<td>Consulting</td>
<td>144.4</td>
<td>136.0</td>
<td>8.4</td>
<td>6%</td>
</tr>
<tr>
<td>Events</td>
<td>10.1</td>
<td>29.5</td>
<td>-19.4</td>
<td>-66%</td>
</tr>
<tr>
<td>Total Revenue</td>
<td>449.4</td>
<td>473.0</td>
<td>-23.5</td>
<td>-5%</td>
</tr>
<tr>
<td>Expenses</td>
<td>399.7</td>
<td>419.5</td>
<td>-19.8</td>
<td>-5%</td>
</tr>
<tr>
<td>Operating Income</td>
<td>49.7</td>
<td>53.4</td>
<td>-3.7</td>
<td>-7%</td>
</tr>
<tr>
<td>Operating Margin</td>
<td>11.1%</td>
<td>11.3%</td>
<td>-0.2%</td>
<td>-2%</td>
</tr>
<tr>
<td>Interest &amp; Other Expense</td>
<td>5.7</td>
<td>8.6</td>
<td>-2.9</td>
<td>-33%</td>
</tr>
<tr>
<td>Net Income</td>
<td>$30.4</td>
<td>$31.0</td>
<td>-$0.6</td>
<td>-2%</td>
</tr>
<tr>
<td>EPS</td>
<td>$1.60</td>
<td>$1.65</td>
<td>-$0.05</td>
<td>-3%</td>
</tr>
</tbody>
</table>
**Adjusted Income Statement – H1 2021**

<table>
<thead>
<tr>
<th>(in $M)</th>
<th>H1-21</th>
<th>H1-20</th>
<th>Y/Y $Δ</th>
<th>Y/Y %Δ</th>
</tr>
</thead>
<tbody>
<tr>
<td>Research</td>
<td>$156.0</td>
<td>$149.6</td>
<td>$6.3</td>
<td>4%</td>
</tr>
<tr>
<td>Consulting</td>
<td>79.5</td>
<td>65.5</td>
<td>14.0</td>
<td>21%</td>
</tr>
<tr>
<td>Events</td>
<td>7.0</td>
<td>5.1</td>
<td>1.8</td>
<td>36%</td>
</tr>
<tr>
<td>Total Revenue</td>
<td>242.5</td>
<td>220.2</td>
<td>22.2</td>
<td>10%</td>
</tr>
<tr>
<td>Expenses</td>
<td>208.7</td>
<td>189.8</td>
<td>19.0</td>
<td>10%</td>
</tr>
<tr>
<td>Operating Income</td>
<td>33.7</td>
<td>30.5</td>
<td>3.3</td>
<td>11%</td>
</tr>
<tr>
<td>Operating Margin</td>
<td>13.9%</td>
<td>13.8%</td>
<td>0.1%</td>
<td>1%</td>
</tr>
<tr>
<td>Interest &amp; Other Expense</td>
<td>2.9</td>
<td>2.7</td>
<td>0.1</td>
<td>5%</td>
</tr>
<tr>
<td>Net Income</td>
<td>$21.3</td>
<td>$19.1</td>
<td>$2.2</td>
<td>11%</td>
</tr>
<tr>
<td>EPS</td>
<td>$1.10</td>
<td>$1.02</td>
<td>$0.08</td>
<td>8%</td>
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</table>
Increased 2021 Guidance (after Q1 and Q2 results)

Margin and EPS are shown on an adjusted basis

- Revenue: $485MM to $495MM
- Op. Margin: 11% to 12%
- EPS: $1.75 to $1.85
- Performance vs. PY: 8% to 10%
- Performance vs. PY: Flat to +1pt
- Performance vs. PY: +9% to +16%
CV & Wallet Retention Trend

CV shown at 2021 foreign currency rates.
Client Count & Client Retention Trend

<table>
<thead>
<tr>
<th></th>
<th>Q2-19</th>
<th>Q3-19</th>
<th>Q4-19</th>
<th>Q1-20</th>
<th>Q2-20</th>
<th>Q3-20</th>
<th>Q4-20</th>
<th>Q1-21</th>
<th>Q2-21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clients</td>
<td>2,866</td>
<td>2,889</td>
<td>2,884</td>
<td>2,835</td>
<td>2,760</td>
<td>2,750</td>
<td>2,808</td>
<td>2,907</td>
<td>2,940</td>
</tr>
<tr>
<td>Client Retention</td>
<td>76%</td>
<td>77%</td>
<td>76%</td>
<td>74%</td>
<td>72%</td>
<td>71%</td>
<td>72%</td>
<td>75%</td>
<td>77%</td>
</tr>
</tbody>
</table>
Cash Flow Trends – Six Months Ending Q2

<table>
<thead>
<tr>
<th></th>
<th>H1 2018</th>
<th>H1 2019</th>
<th>H1 2020</th>
<th>H1 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Flow from Operations</td>
<td>$28.3</td>
<td>$33.5</td>
<td>$25.0</td>
<td>$70.1</td>
</tr>
<tr>
<td>Free Cash Flow</td>
<td>$25.7</td>
<td>$28.9</td>
<td>$19.9</td>
<td>$64.9</td>
</tr>
</tbody>
</table>

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Cash Flow Trends – Annual

- **Cash Flow from Operations**
  - 2017: $37.5
  - 2018: $38.4
  - 2019: $48.4
  - 2020: $47.8

- **Free Cash Flow**
  - 2017: $29.6
  - 2018: $33.4
  - 2019: $36.5
  - 2020: $38.8
Summary

Continued momentum in the business resulting in increased financial guidance after both Q1 and Q2.

CV and client metrics trending upwards from their lows in Q3 20, with CV growth of 9% as of June 20, 2021.

Achieved record operating cash flow in first half of 2021 of over $70 million.

Successful launch of Forrester Decisions, which should lead to increased wallet retention and new business.

Balance sheet is strong with $146.4 million in cash at the end of Q2 and a $75 million revolving line of credit available.
Appendix
Metric Definitions

**Contract Value (CV)** represents the value attributable to all of our recurring research-related contracts. It is calculated as the annualized value of all contracts in effect at a specific point in time, without regard to how much revenue has already been recognized. Contract value primarily consists of subscription-based contracts for which revenue is recognized on a ratable basis, except for the entitlements embedded in our subscription products, such as event tickets and advisory sessions, for which the revenue is recognized when the item is utilized. Contract value also includes our reprint products, as these products are used throughout the year by our clients and are typically renewed.

**Wallet Retention** represents a measure of the CV that we have retained with clients over a twelve-month period. Wallet retention is calculated on a percentage basis by dividing the annualized contract value of our current clients, who were also clients a year ago, by the total annualized contract value from a year ago.
Metric Definitions

**Client Retention** represents the percentage of client companies (defined as all clients that buy a CV product) at the prior year measurement date that have active contracts at the current year measurement date.

**Client Count** is calculated at the enterprise level as all clients that have an active CV contract.

**Free Cash Flow** is calculated as cash flow generated from operating activities less cash paid for property and equipment.
Thank You.