

Morneau Shepell expands global EAP reach with acquisition of Chestnut Global Partners

Purchase includes the Bloomington-based EAP organization and ownership stakes in five EAP joint ventures

CHICAGO, December 1, 2017 – Morneau Shepell (the "Company" or "Morneau Shepell") (TSX: MSI), a leading human resources consulting and technology firm and one of the largest global providers of employee assistance programs (EAPs), today announced that it has completed the acquisition of Chestnut Global Partners, an EAP and wellness services provider based in Bloomington, Illinois.

“Chestnut Global Partners offers particular expertise in addiction treatment, mental health services, and credit counseling, and is recognized in the EAP industry as a leader in research,” said Rita Fridella, executive vice president and general manager, employee support solutions, Morneau Shepell. “The company has a strong presence in the United States and around the world, and Morneau Shepell’s clients will now benefit from our expanded capabilities. As a result, our combined global reach will be unparalleled in the industry.”

The acquisition is aligned with Morneau Shepell’s growth strategy, and further expands its presence in the U.S. and global marketplace. As part of the CGP acquisition, Moreau Shepell acquires ownership stakes in five joint venture companies that provide employee assistance services to client companies in Brazil, China, Eastern Europe, India and Russia.

"With this acquisition by Morneau Shepell, Chestnut Global Partners (CGP), takes the next step in its evolution as a global provider of employee assistance services," said Russ Hagen, Chief Executive Officer, Chestnut Health Systems. "CGP's reputation for high quality services that enhance the health and productivity of workers at companies around the world complements Morneau Shepell's size, scope of services, and sophisticated technology platforms. This is a "win-win" transaction, one that will benefit both organizations, their client customers and the employees of those clients."

“Our immediate focus is on ensuring a seamless transition for Chestnut Global Partners’ clients and welcoming its employees to Morneau Shepell,” added Fridella. “We look forward to leveraging the skills, knowledge and experience of both our teams to ensure we continue to deliver globally consistent, locally relevant health and wellness services worldwide. Over time, the clients of Chestnut Global Partners will benefit from Morneau Shepell’s award-winning EAP innovation and technology, infrastructure, and the depth and breadth of our global provider network.”

The acquisition represents approximately two per cent of Morneau Shepell's revenue and is not expected to have a material impact on the Company's financial performance.

About Morneau Shepell

Morneau Shepell is the only human resources consulting and technology company that takes an integrated approach to employee assistance, health, benefits and retirement needs. The Company is a leading provider of employee assistance programs and administrator of retirement and benefits plans, and has a growing presence in the North American market for absence and disability management solutions. Through strategic HR consulting, innovative plan design and comprehensive technology solutions, the Company helps clients solve complex workforce problems, increase employee productivity, reduce costs and improve their competitive position. Established in 1966, Morneau Shepell serves approximately 20,000 clients, ranging from small businesses to some of the largest corporations and associations. With more than 4,000 employees in offices across North America, Morneau Shepell provides services to organizations across Canada, in the United States and around the globe. For more information, visit morneaushepell.com.

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