

Integrated Long-Term Plan Presentation



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Interviewer
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Fortune




EXL

CECP Investor Presentation

Rohit Kapoor

Winning with Domain + Data + AI

November 19, 2024



Make sense of data and
drive your business forward



Nasdaq

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Financial and certain other information contained in this presentation is derived from reports or other public disclosures previously made by the company and has not been updated as of the date hereof. Certain non-GAAP financial information included in this presentation are not substitutes for financial information prepared under GAAP; please see our SEC filings for descriptions and reconciliations.

EXL at a glance

800+ Clients

57K+ Employees

\$1.83B 2024 revenue guidance*

80+ Client NPS for past five years

50+ Global locations

Primary Industries we serve

 Insurance


 Healthcare/Life Sciences

 Banking

 Retail, Media & Tech

 Media & Tech

Markets we serve

 US, UK, Europe, Australia, New Zealand

Powering the success of global leaders



40+
global retail & CPG clients



16 of the 20
leading US, UK & AU insurers

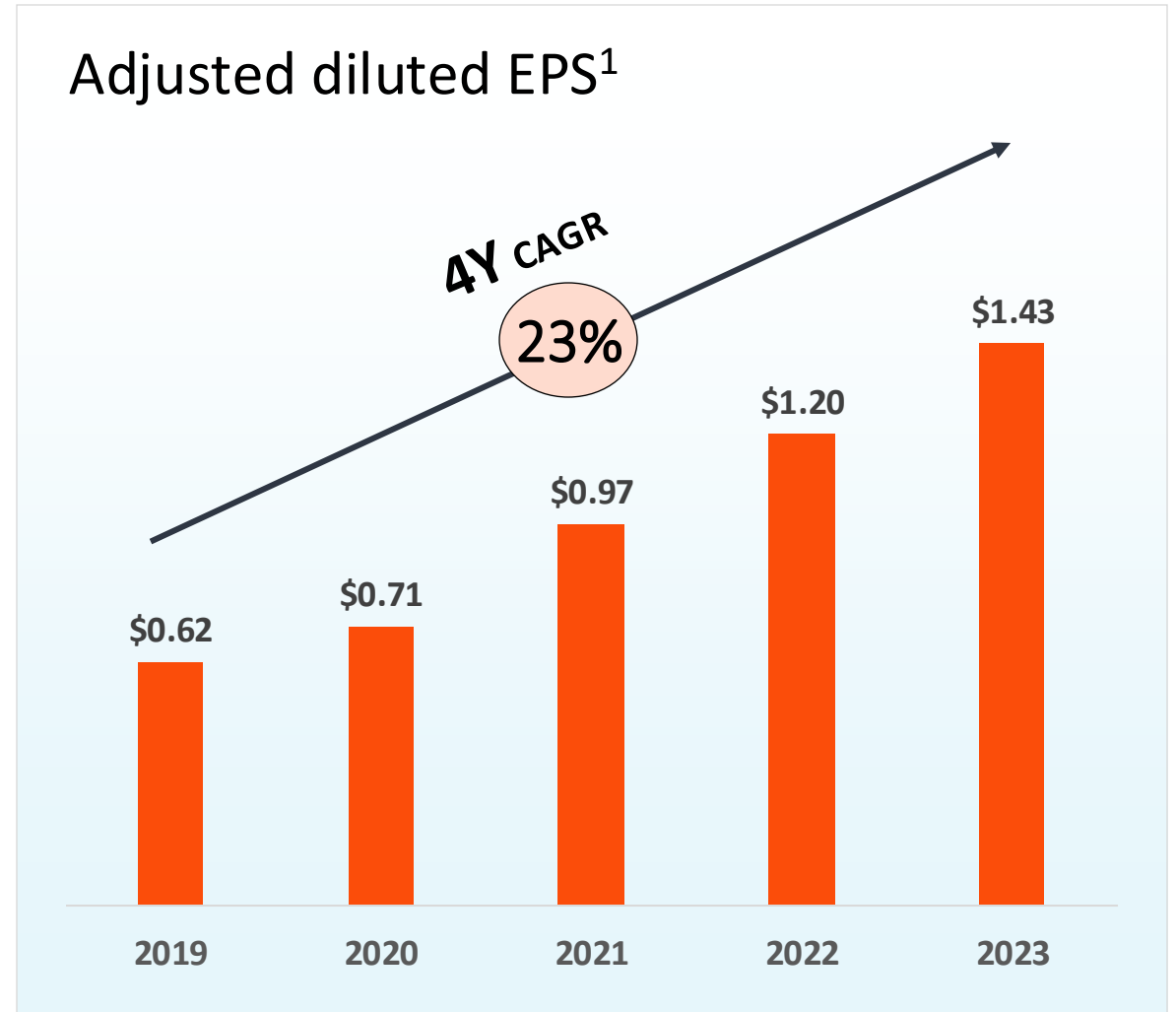
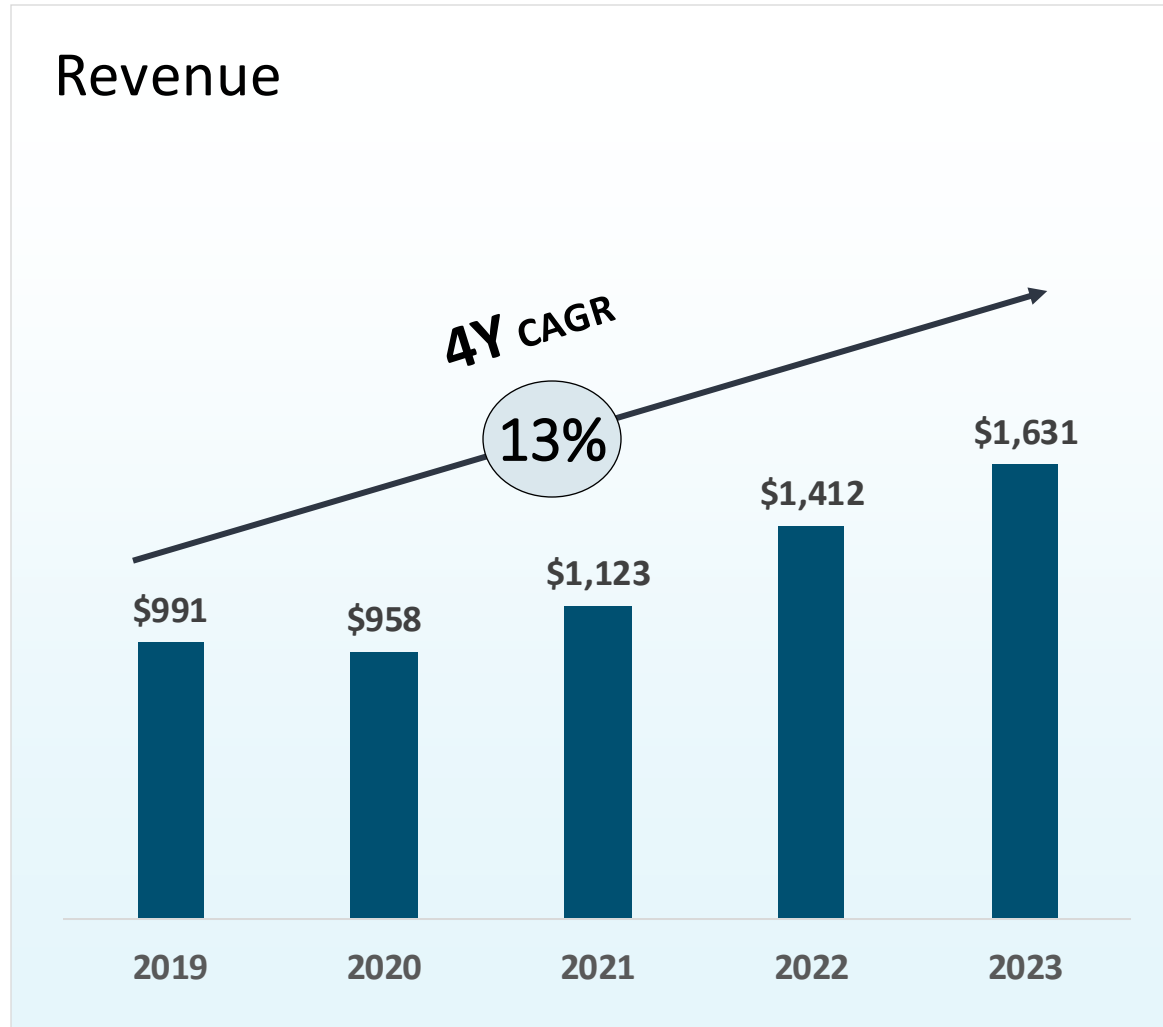


10 of the 19
top US, UK & AU banks



7 of the 10
top US health payers

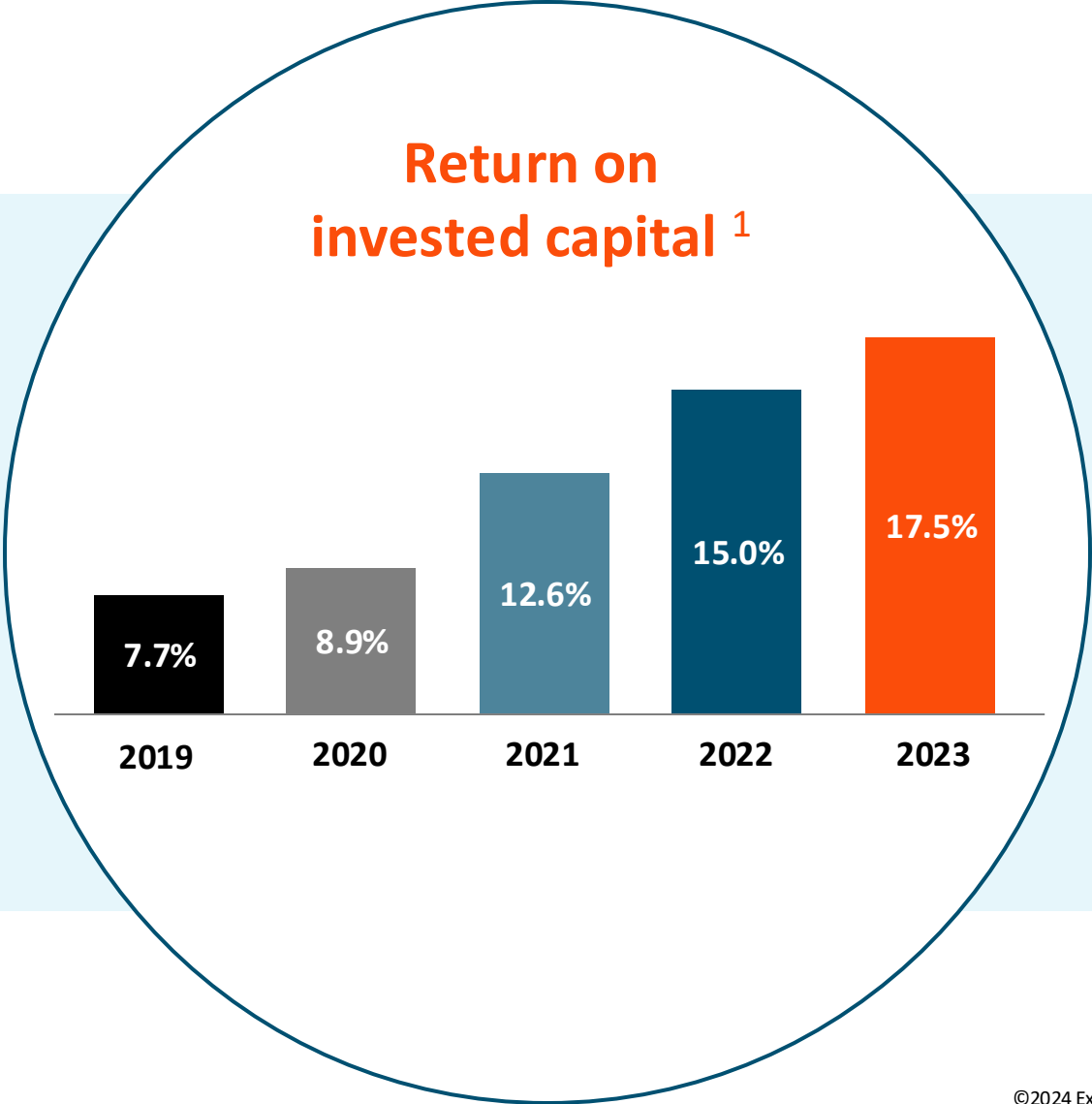
Strong execution and growth over time



¹. See "Appendix" slides for information regarding the use of our non-GAAP financial measures.

Effective capital allocation

- 1. Investments in business to accelerate high-value revenue growth
- 2. Effective tax rate optimization
- 3. Efficient management of assets



- 4. Meaningful stock buyback program
- 5. Efficient capital management
- 6. Disciplined M&A

¹ Return on Invested Capital is calculated as Net Operating Profit after tax / Avg. (Debt +Equity)



Sustainability at the core of our Data and AI-led strategy



Competitive Differentiator

01 Sustainability is a competitive differentiator helping us grow revenue, while helping us provide our services and solutions responsibly at lower costs



Pioneer Sustainable Solutions

02 Harness our expertise in **Domain + Data + AI** ensuring every aspect of our operations contributes to a more sustainable future



Empower Talent

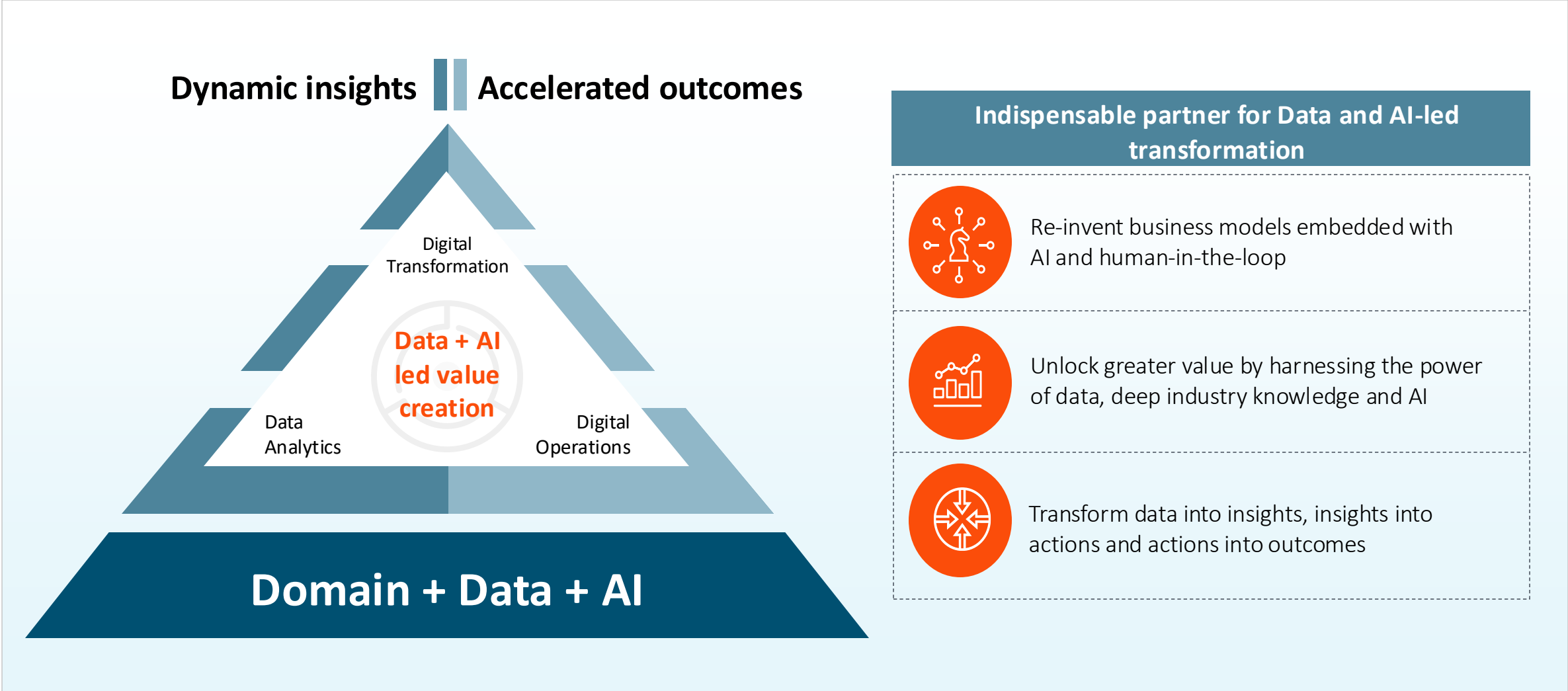
03 Cultivate a culture where **every employee is equipped and empowered** to champion sustainable initiatives



Engage our Communities

04 Actively engage with the communities in which we operate, protect local ecosystems and foster economic and environmental resilience

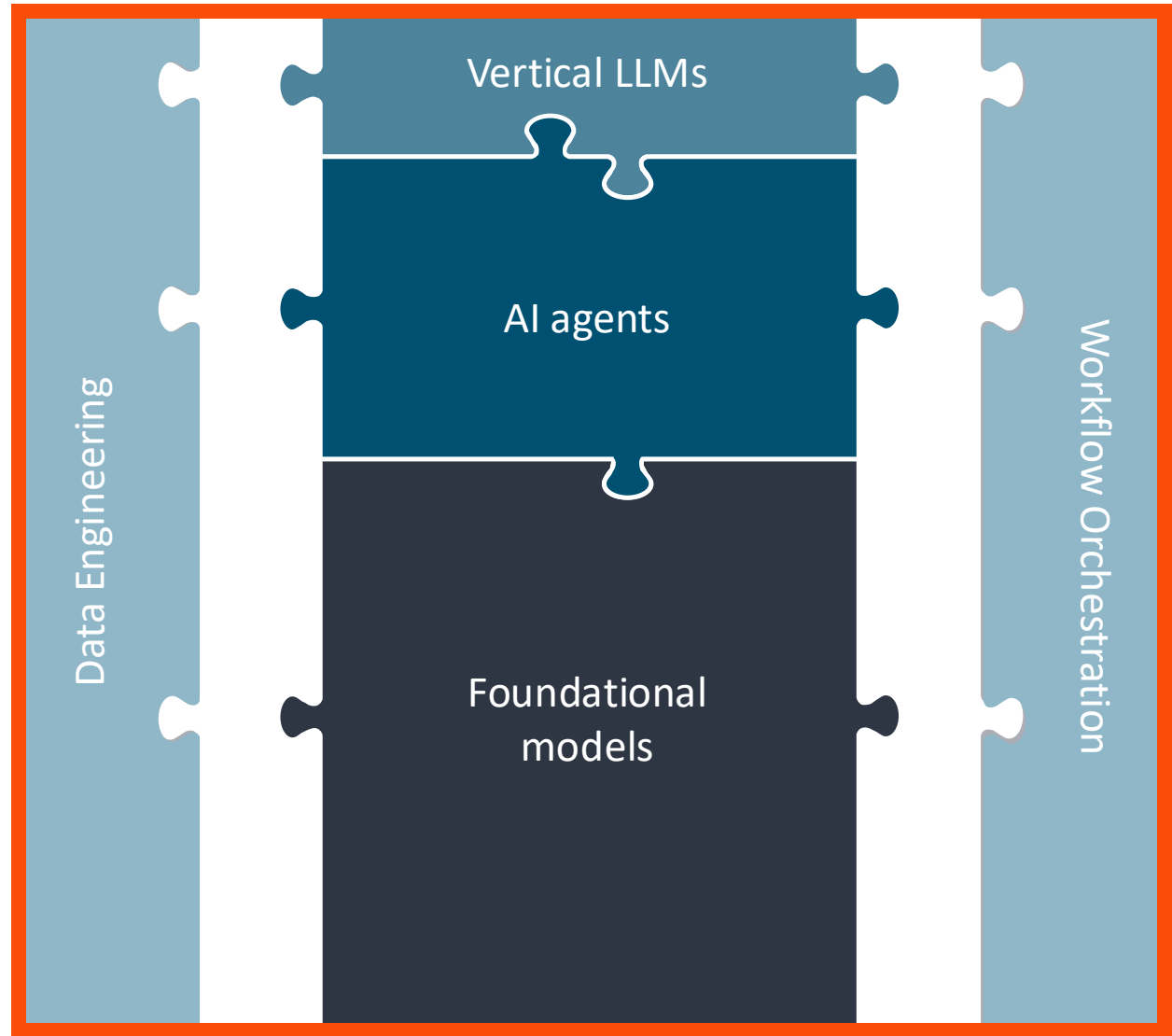
Our Data and AI-led strategy



Value creation

We help clients across end-to-end AI value chain i.e., establishing data foundation, optimizing the AI stack, embedding AI into client workflows all while balancing for cost, accuracy and latency

AI Stack



EXL Play

EXL
Insurance LLM

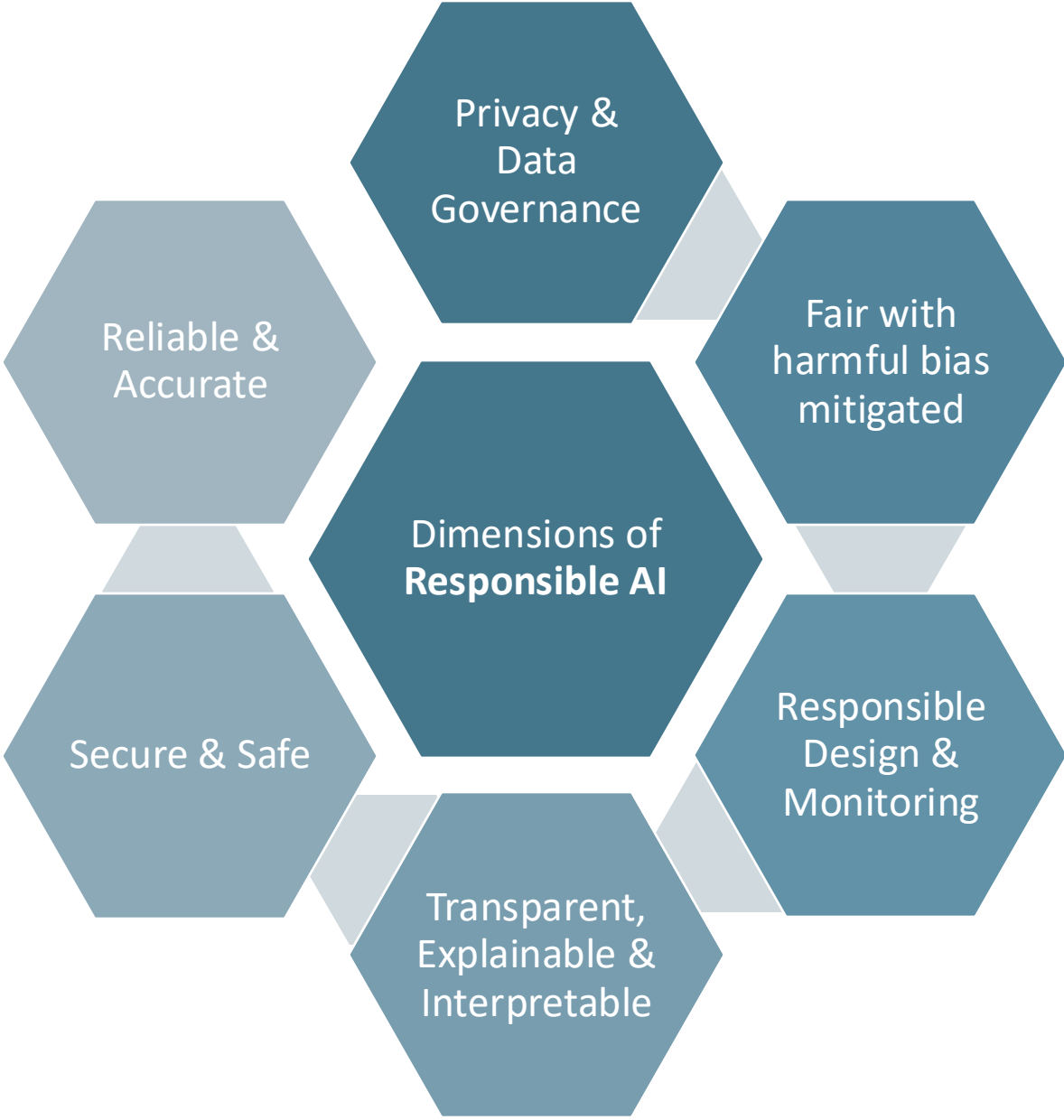
Microsoft
salesforce
servicenow
EXL
Autonomous agents

AI
Meta
OpenAI

Responsible AI

Ensure our development and application of AI is based on the principles of **fairness, security, reliability, transparency, accountability and privacy**

Global Responsible AI Policy and Framework ensures a rigorous review process that mitigate risks relating to bias, data management and privacy.



Talent



Diverse backgrounds

- 50+ Global delivery centers
- 25+ Languages
- 43% representation of women in EXL
- 48.5% racial and ethnic diversity in the US



Skillsets

- 13K+ AI, Gen AI, Data & Digital experts
- 400+ Insurance actuarial experts
- 2.1K+ Clinicians
- 13.5K+ Financial and legal services professionals
- 26K+ Digital operations professionals



Growth and upskilling

- ~19% 3-year average Headcount growth
- ~13K+ Specialized in Domain, Data & AI
- 1.3M+ hours of training in 2023
- 15K+ employees trained in gen AI capabilities
- 31K+ employees trained on digital skills

Community engagement



CSR participation:

- **19,000+** employees
- **37,000+** hours
- **99%** operations covered globally



- **Significantly lower** attrition rates for volunteers
- **Higher** employee engagement



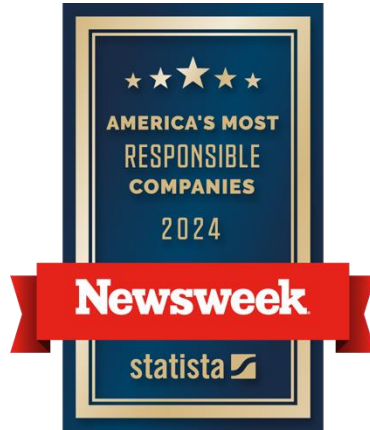
31,300+ beneficiaries, with focus on:

- **STEM** education
- Impart **Digital / AI skills**
- **Career readiness** and strengthen talent pipeline

Award winning sustainability program



Sustainability Award - 2024
ESG Award – 2023
Environment Management
Award - 2023



BARRON'S
Top 100 Most Sustainable
Companies 2022-2024

USA TODAY
America's Climate
Leaders List 2024

transformance
forums India
ESG Best Performer
of the Year - 2023



Our sustainable strategy positions us to win in 2024 and beyond



¹ Medium term represents 2024-2025
See "Appendix" slides for information regarding the use of our non-GAAP financial measures.

Continuously evolving business model propels sustainable growth



Our **proactive business model evolution** allows us to quickly address emerging client needs and trends, driving consistent outperformance



We are **uniquely positioned with Domain + Data + AI** to win in today's changing market landscape



We're strengthening our competitive differentiation by **attracting, developing and retaining industry-leading talent**



This is enabling us to sustain our **growth momentum** and deliver **long-term shareholder value** responsibly

Non-GAAP financial measures and reconciliations

In addition to our reported operating results in accordance with U.S. generally accepted accounting principles (GAAP), we have included certain financial measures that are considered non-GAAP financial measures, including the following:

- Adjusted operating income and adjusted operating income margin;
- Adjusted EBITDA and adjusted EBITDA margin;
- Adjusted net income and adjusted diluted earnings per share; and

These non-GAAP financial measures are not based on any comprehensive set of accounting rules or principles, should not be considered a substitute for, or superior to, financial measures calculated in accordance with GAAP, and may be different from non-GAAP financial measures used by other companies. Accordingly, the financial results calculated in accordance with GAAP and reconciliations from those financial statements should be carefully evaluated. We believe that providing these non-GAAP financial measures may help investors better understand our underlying financial performance. We also believe that these non-GAAP financial measures, when read in conjunction with our reported results, can provide useful supplemental information for investors analyzing period-to-period comparisons of our results and comparisons with the results of other companies. Additionally, management considers some of these non-GAAP financial measures to determine variable compensation of its employees. EXL believes that it is unreasonably difficult to provide its earnings per share financial guidance in accordance with GAAP, or a qualitative reconciliation thereof, for a number of reasons, including, without limitation, EXL's inability to predict its future stock-based compensation expense under ASC Topic 718, the amortization of intangibles associated with further acquisitions and the currency fluctuations and associated tax impacts. As such, we present guidance with respect to adjusted diluted earnings per share. EXL also incurs significant non-cash charges for depreciation that may not be indicative of our ability to generate cash flow.

EXL non-GAAP financial measures exclude, where applicable, stock-based compensation expense, amortization of acquisition-related intangible assets, provision for litigation settlement, non-cash interest expense on convertible senior notes, impairment charges on acquired long-lived and intangible assets including goodwill, gains or losses on settlement of convertible notes, restructuring charges, effects of termination of leases, certain defined social security contributions, other acquisition-related expenses or benefits and effect of any non-recurring tax adjustments. Acquisition-related expenses or benefits include, changes in the fair value of contingent consideration, external deal costs, integration expenses, direct and incremental travel costs and non-recurring benefits or losses. Our adjusted net income and adjusted diluted EPS also excludes the effects of income tax on the above pre-tax items, as applicable. The effects of income tax of each item is calculated by applying the statutory rate of the local tax regulations in the jurisdiction in which the item was incurred.

Non-GAAP financial measures and reconciliations

Continued

A limitation of using non-GAAP financial measures versus financial measures calculated in accordance with GAAP is that non-GAAP financial measures do not reflect all of the amounts associated with our operating results as determined in accordance with GAAP and exclude costs that are recurring, namely stock-based compensation and amortization of acquisition-related intangible assets. EXL compensates for these limitations by providing specific information regarding the GAAP amounts excluded from non-GAAP financial measures to allow investors to evaluate such non-GAAP financial measures.

The information provided on an organic constant currency basis reflects a comparison of current period results translated at the prior period currency rates and exclude the impact from an acquisition for a twelve-month period from the date of the acquisition. This information is provided because EXL believes that it provides useful comparative incremental information to investors regarding EXL's true operating performance. EXL's primary exchange rate exposure is with the Indian rupee, the U.K. pound sterling and the Philippine peso. The average exchange rate of the U.S. dollar against the Indian rupee increased from 82.31 during the quarter ended December 31, 2022 to 83.28 during the quarter ended December 31, 2023, representing a depreciation of 1.2% against the U.S. dollar. The average exchange rate of the U.S. dollar against the Philippine peso decreased from 56.76 during the quarter ended December 31, 2022 to 55.86 during the quarter ended December 31, 2023, representing a appreciation of 1.6% against the U.S. dollar. The average exchange rate of the U.K. pound sterling against the U.S. dollar increased from 1.19 during the quarter ended December 31, 2022 to 1.25 during the quarter ended December 31, 2023, representing a application of 5.4% against the U.S. dollar.

Reconciliation of GAAP to Non-GAAP measures

\$'M	2019	2020	2021	2022	2023
Revenue	991.3	958.4	1122.3	1412.0	1630.7
Income from Operations	76.5	110.0	155.9	192.2	238.8
add: Amortization of acquisition-related intangibles	21.6	14.4	12.8	17.1	14.7
add: Stock-based compensation expense	26.1	28.2	38.6	49.4	58.4
add: Provision for litigation settlement				0.4	0.9
add: Acquisition-related expenses			0.8	0.1	
add/(subtract): Other (benefits)/expense			0.6	-0.6	1.9
add: Impairment and restructuring costs	8.7				
Adjusted Operating Income	132.8	152.7	208.6	258.6	314.7
Adjusted Operating Income %	13.4%	15.9%	18.6%	18.3%	19.3%
Net Income	67.7	89.5	114.8	143.0	184.6
add: Stock-based compensation expense	26.1	28.2	38.6	49.4	58.4
add: Amortization of acquisition-related intangibles	21.6	14.4	12.8	17.1	14.7
add: Provision for litigation settlement				1.1	0.6
add: Acquisition-related expenses/(income)	-0.8		0.8	0.1	
add: Non-cash interest expense related to convertible senior notes	2.5	2.6	1.8		
add: Impairment and restructuring costs	8.7				
add/(subtract): Allowance/(reversal) for expected credit losses					1.4
add/(subtract): Other (benefits)/expense		-0.6	0.6	-0.6	0.5
subtract: Tax impact on stock compensation expense	-8.0	-8.3	-9.5	-9.8	-17.3
subtract: Tax impact on amortization of acquisition-related intangibles	-4.6	-3.4	-3.0	-4.2	-3.6
add/(subtract): Effects of changes in fair value of contingent consideration				8.5	1.9
subtract: Tax impact on provision for litigation settlement				-0.2	-0.2
add/(subtract): Tax impact on other (benefits)/expense	0.2	0.1	-0.1	0.1	-0.1
subtract: Tax impact on non-cash interest expense related to convertible senior notes	-0.6	-0.6	-0.4		
add/(subtract): Non-recurring tax expense/(benefits)	-3.1	0.0	-0.2	-1.1	0.2
subtract: Tax impact on impairment and restructuring costs	-2.1				
add/(subtract): Tax impact on allowance/(reversal) for expected credit losses					-0.4
add: Tax impact on effects of changes in fair value of contingent consideration					0.2
add: Loss on settlement of convertible senior notes			12.8		
subtract: Tax impact on settlement of convertible senior notes			-3.2		
Adjusted Net Income	107.4	121.9	165.6	203.5	240.9
Adjusted Diluted earnings per share	0.62*	0.71*	0.97*	1.20*	1.43*
Diluted Shares (millions)	174*	173*	171*	169*	168*

* EXL effected a 5:1 forward stock split on 8/1/23. The 2019-2023 adj. EPS and diluted shares figures are calculated on a post-split basis.



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