

# Welcome

EXL Analyst and Investor Day

November 16, 2022

EXL

**Cautionary Statement Regarding Forward-Looking Statements** *This press release contains forward-looking statements. You should not place undue reliance on those statements because they are subject to numerous uncertainties and factors relating to EXL's operations and business environment, all of which are difficult to predict and many of which are beyond EXL's control. Forward-looking statements include information concerning EXL's possible or assumed future results of operations, including descriptions of its business strategy. These statements may include words such as "may," "will," "should," "believe," "expect," "anticipate," "intend," "plan," "estimate" or similar expressions. These statements are based on assumptions that we have made in light of management's experience in the industry as well as its perceptions of historical trends, current conditions, expected future developments and other factors it believes are appropriate under the circumstances. You should understand that these statements are not guarantees of performance or results. They involve known and unknown risks, uncertainties and assumptions. Although EXL believes that these forward-looking statements are based on reasonable assumptions, you should be aware that many factors could affect EXL's actual financial results or results of operations and could cause actual results to differ materially from those in the forward-looking statements. These factors, which include our ability to successfully close and integrate strategic acquisitions, our ability to respond to and manage public health crises, including the outbreak and continued effects of COVID-19 pandemic, are discussed in more detail in EXL's filings with the Securities and Exchange Commission, including EXL's Quarterly Report on Form 10-Q and Annual Report on Form 10-K. These risks could cause actual results to differ materially from those implied by forward-looking statements in this release. You should keep in mind that any forward-looking statement made herein, or elsewhere, speaks only as of the date on which it is made. New risks and uncertainties come up from time to time, and it is impossible to predict these events or how they may affect EXL. EXL has no obligation to update any forward-looking statements after the date hereof, except as required by federal securities laws.*

**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.**

# agenda

- Steven Barlow Welcome
- Rohit Kapoor Data-led approach
- Vivek Jetley Data analytics
- Anita Mahon Digital operations and solutions
- Ankor Rai Data-led digital
- Nalin Miglani Talent advantage
- Maurizio Nicoelli Financial review
- Questions and answers

# Data-led Approach

Rohit Kapoor

Vice Chairman and Chief Executive Officer

EXL

As the world shifts to new ways of working, it will create a massive economic opportunity

# \$3.4 Trillion

Worldwide Digital Transformation Investment

Personalized  
Customer  
Experience

Connected by data

Streamlined  
Intelligent  
Operations



A man in a dark suit and glasses is walking from left to right in a modern, brightly lit building with curved architectural elements. He is holding a laptop. Three white circles are overlaid on the image, each containing text. The background is a grayscale photograph of the man and the building.

# We make **sense of data** to drive your **business forward**

Enable

**Better  
Decisions**

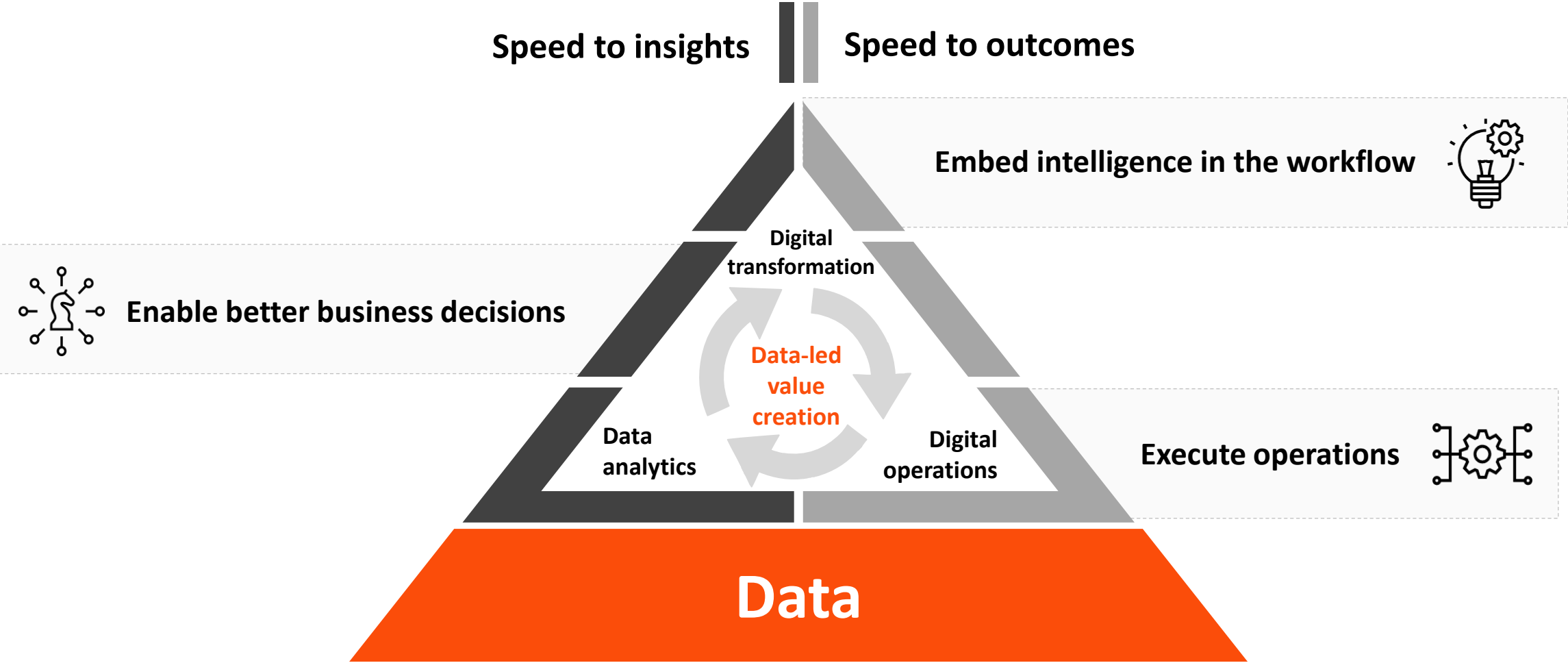
Deliver

**Superior  
CX**

Enhance

**Profitable  
Growth**

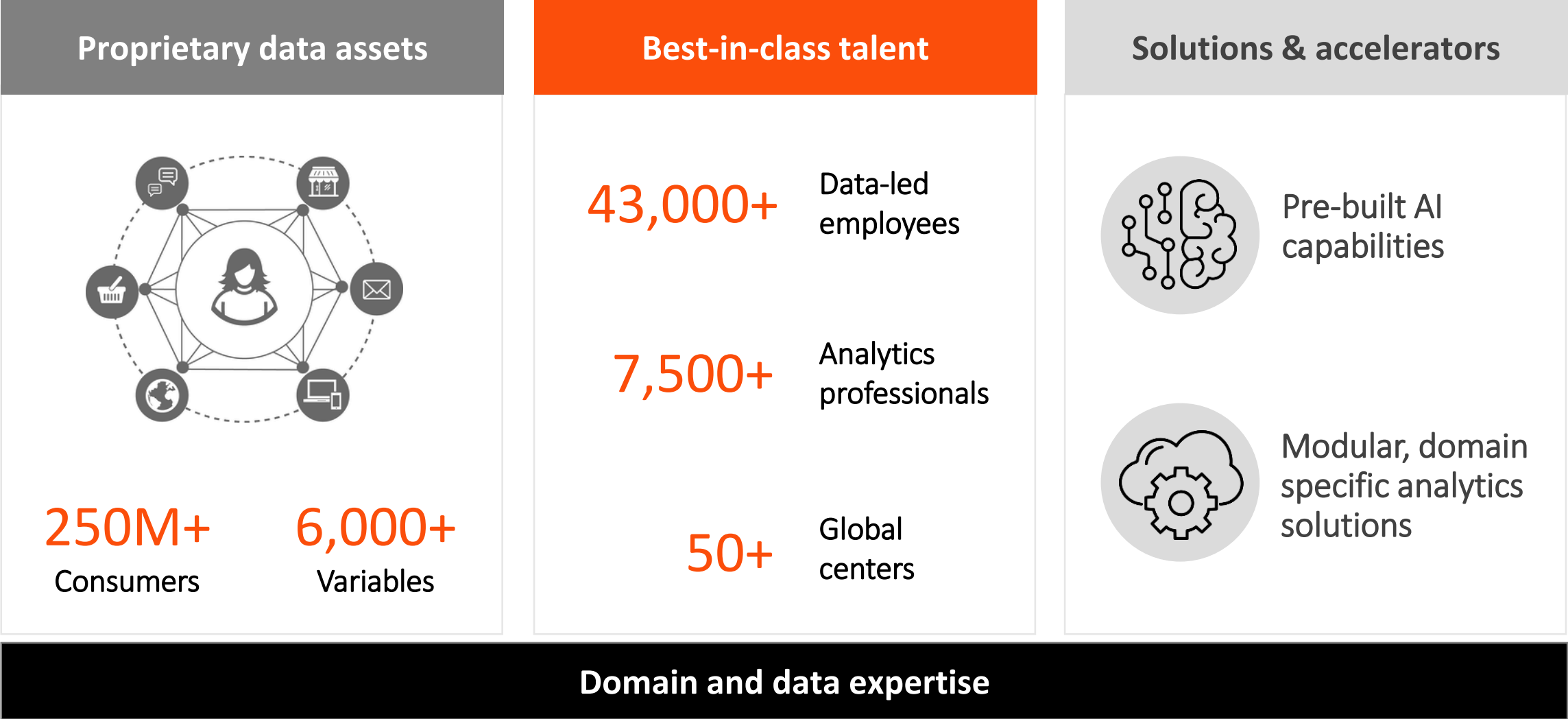
# EXL's data-led approach leverages our deep domain expertise



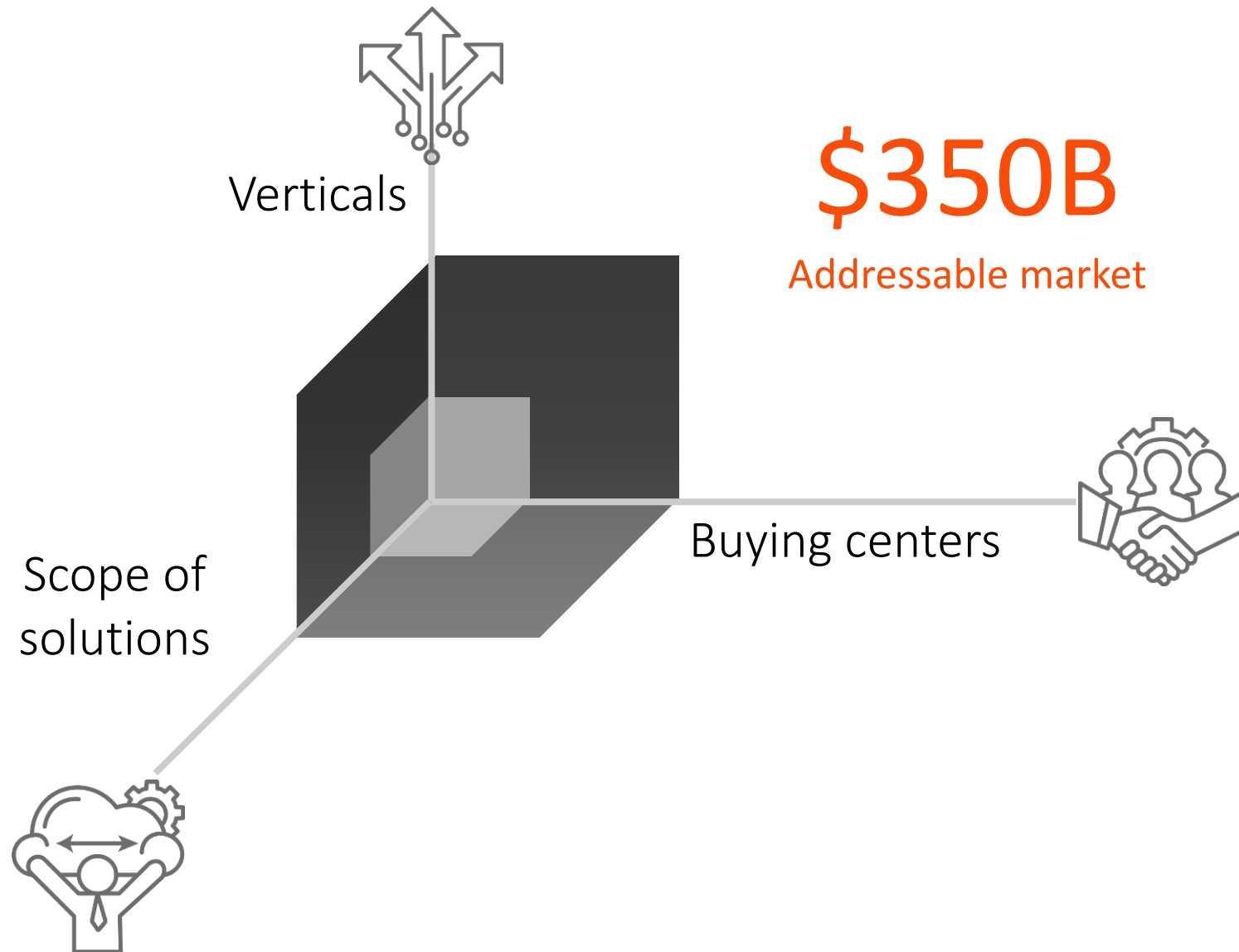
# Our framework enables clients to become data-led enterprises



Our offerings and capabilities create a sustainable competitive advantage



The data-led approach has significantly expanded our total addressable market



# We are the data-led provider of choice

## Insurance

**9** of the leading 10  
US insurers

**3** of the leading 5  
UK insurers

**4** of the leading 5  
Australian insurers

## Health

**6** of the top 10 US  
payers

**2** of the top 3 PBMs

**8** of the top 15 pharma  
& life sciences

**30+** hospital networks  
and IDNs

## Banking

**9** of the top 20  
global banks

**8** of the top 10  
US banks

**3** of the top 5  
UK banks

## Additional

**Top 3** US sports  
leagues

**Top 3** Global retailers

**2** of the top 3  
cable providers

**3** of the top 6 UK  
energy suppliers

Accelerated growth (2020- 2022E CAGR) post pandemic as we moved up the value chain



# Data-led @ work:

Leading P&C insurer

Detect and  
prevent non-  
compliant claims



Solutions



Buying centers

# 100%

automated real-time  
monitoring of claims

## 30%+

**reduction**  
in non-compliance  
penalties

## ~95%

quality target  
**impacting CX**

# Investment thesis

## Strengths

Large and growing TAM

Resilient business

Proven execution

Talent advantage

Stockholder  
Value  
Creation

## Outcomes

Higher revenue growth

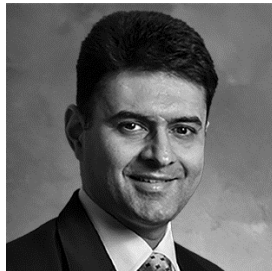
Improved adjusted  
operating margin

Strong EPS growth

# Proven and experienced management team



**Rohit Kapoor**  
Vice Chairman & Chief  
Executive Officer



**Vikas Bhalla**  
EVP & Business  
Head, Insurance



**Vivek Jetley**  
EVP & Business  
Head, Analytics



**Anita Mahon**  
EVP & Business  
Head, Health



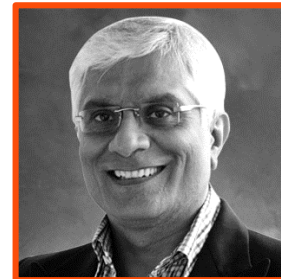
**Narasimha Kini**  
EVP & Business  
Head, Emerging



**Ankor Rai**  
EVP & Chief  
Digital Officer



**Maurizio Nicoletti**  
EVP & Chief  
Financial Officer



**Nalin Miglani**  
EVP & Chief Human  
Resource Officer



**Ajay Ayyappan**  
SVP & General  
Counsel

# Data Analytics

Vivek Jetley

Executive Vice President and Business Head, Analytics

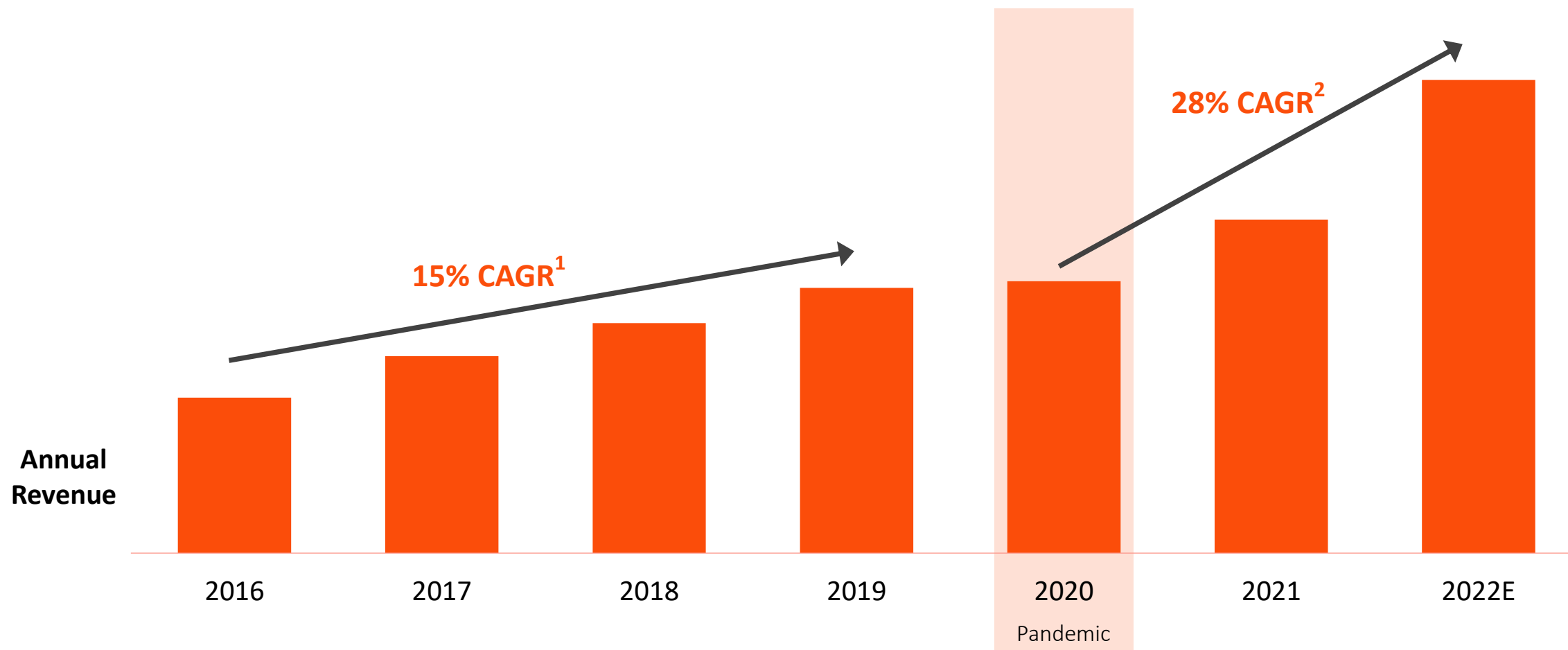
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# Key takeaways

1. Deliver sustainable growth
2. Data to insights to outcomes:  
The analytics value chain
3. High growth, high value  
business model



# Our Data Analytics business is growing at an accelerated pace



1. Organic CAGR (excluding acquisitions for 2016-2019)

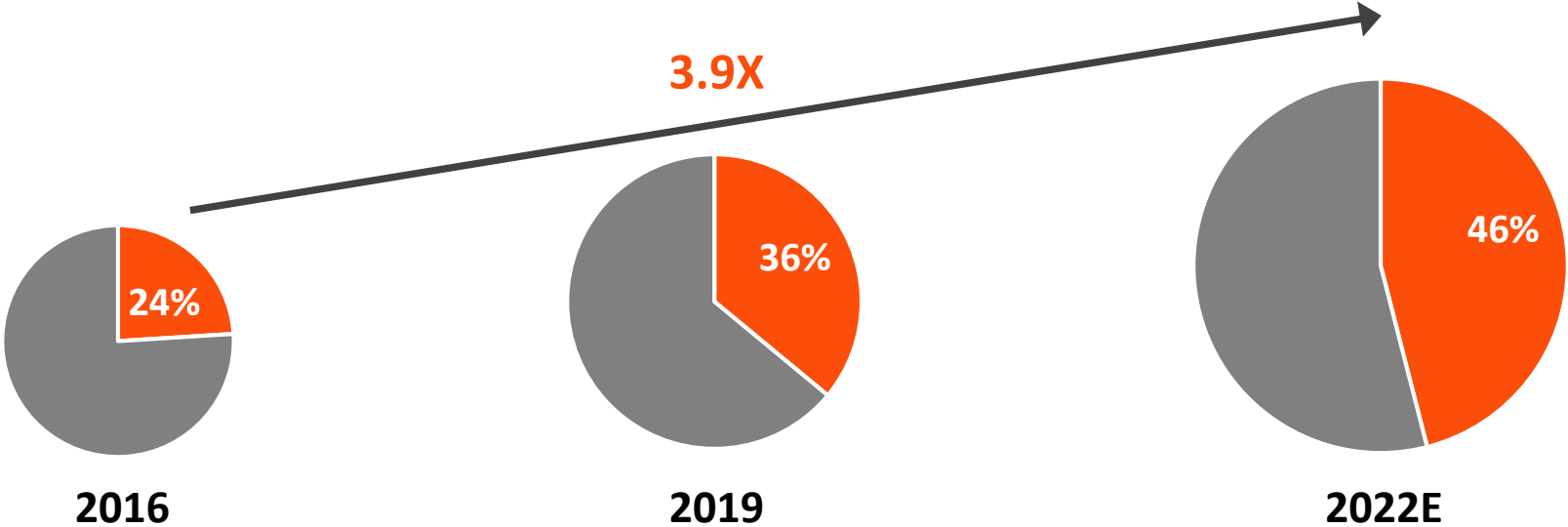
2. Organic CAGR (includes all acquisitions for prior periods and excludes 2020-2022E)

2022E is based on the mid point of current guidance

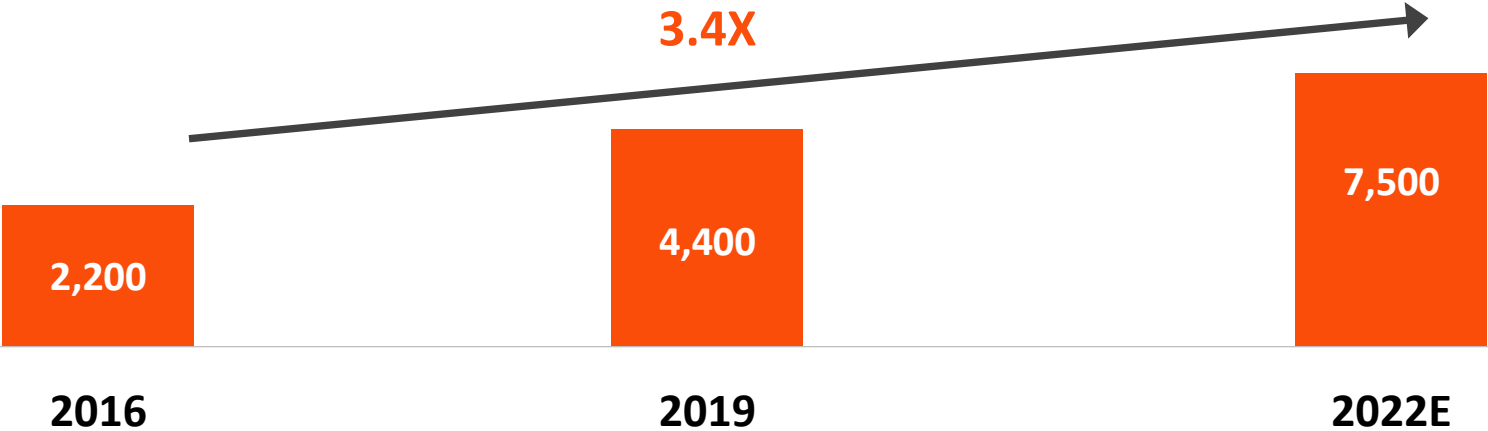
# Data Analytics now represents a larger share of EXL's revenue



EXL revenue share



Headcount



■ Data Analytics

FY average headcount

2022E is based on the mid point of current guidance

# We have a rapidly growing and engaged client base

## Expanding client base

**50+** new clients acquired  
in the past 2 years

## Delivering high value work

**~\$90K** annual revenue per  
headcount

## Focusing on customer engagement

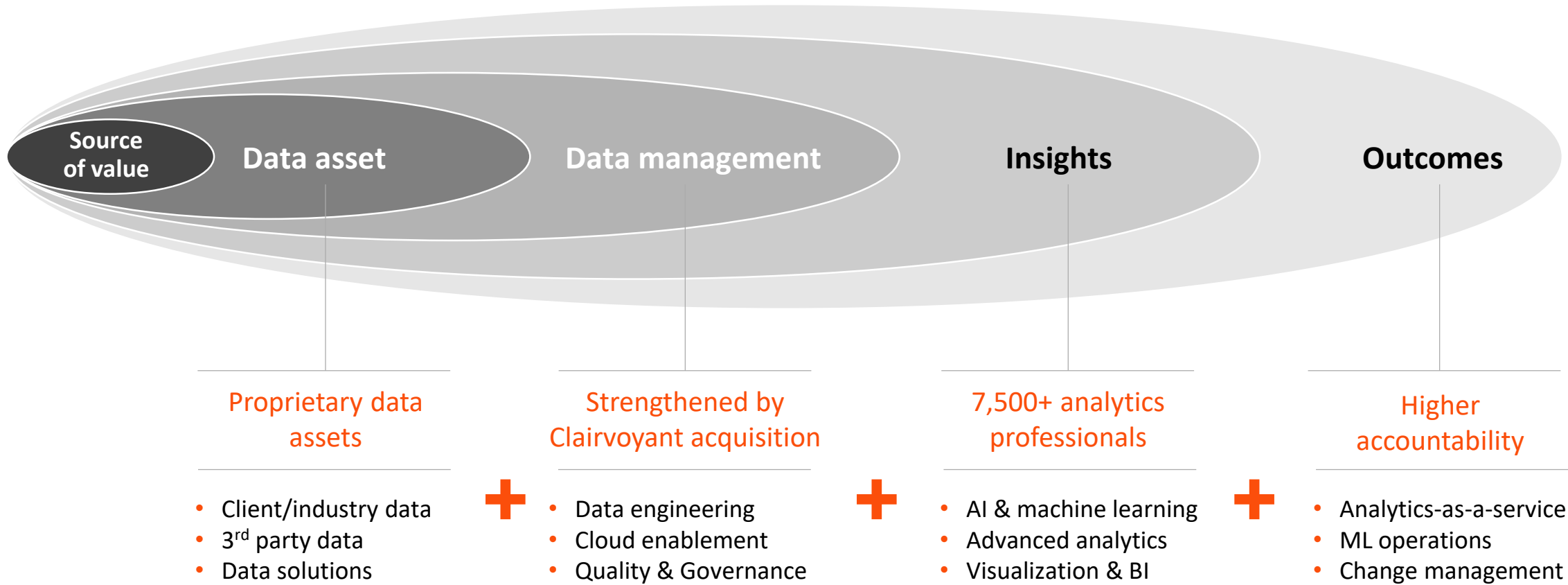
**4.9/5**  
customer experience  
rating



**100%**  
willingness to  
recommend

We solve business problems across the entire value chain with our end-to-end capabilities

## Analytics value creation



We play an  
instrumental role  
in the success of  
our clients

Data Analytics Center of Excellence (CoE) for a  
Leading global bank

\$600M+

revenue impact for 2022

\$70M+

savings from expense reduction  
initiatives in 2022



Buying  
centers

Payment Integrity solution for a  
Large multi-state health plan

\$900M+

in recovered payments

4M+

monthly claims analyzed



Solutions

Enterprise-wide analytics CoE for a  
Top automobile company

0 to 100

team size scaled up  
within six months

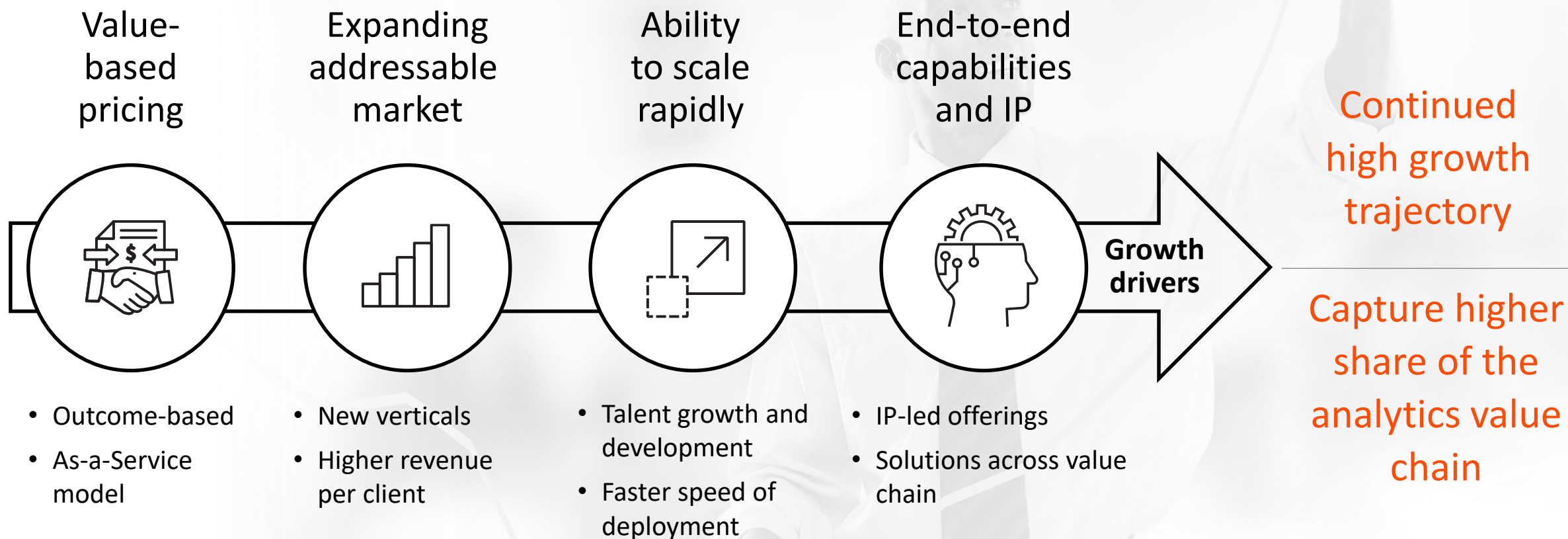
25+

teams supported across  
the enterprise



Verticals

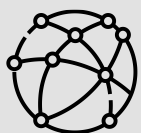
We are well-positioned to take advantage of the opportunity and continue to deliver higher value to our clients and for EXL



# Our key ingredients for winning in this market



Resilient business



Capture larger share of an expanding market



End-to-end offerings



IP-led solutions



High value business model

# Digital Operations and Solutions

Anita Mahon

Executive Vice President and Business Head Health

EXL

# Key takeaways

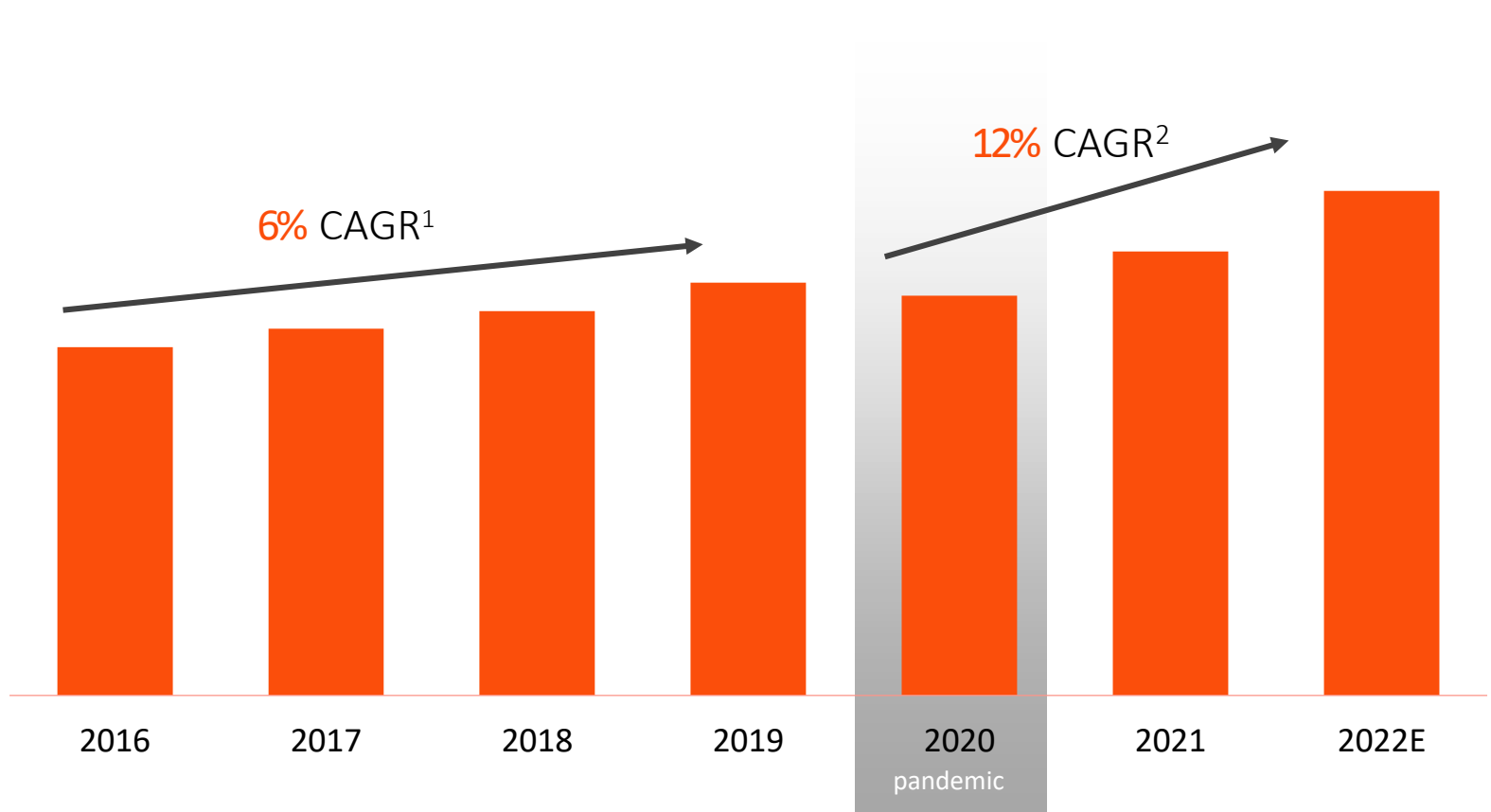
EXL is well-positioned for continued growth in Digital Operations and Solutions

1. Data-led approach is driving accelerated revenue growth
2. Clients are choosing us for our unique combination of capabilities
3. Expanding existing relationships and winning new clients
4. Leader with a resilient business model in a growing market



EXL

# Digital Operations and Solutions growth has accelerated since 2020



80+  
new clients

22%  
growth in top 25 clients

43%  
increase in number of \$5M+ clients

1. Organic CAGR (excluding acquisitions for 2016-2019)  
2. Organic CAGR (includes all acquisitions for prior periods and excludes 2020-2022E)  
2022E is based on the mid point of current guidance

Clients choose  
EXL for our  
unique  
combination of  
capabilities

Our data-led approach integrates:



Domain  
expertise



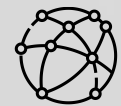
Digital solutions  
and accelerators



Global talent  
advantage



Outcome-oriented  
end-to-end solutions



Scalable delivery  
model



Execution of  
complex operations

# Data-led @ work:

Digital Operations & Solutions

Strong client relationships enable continued expansion and data-led growth

Digital operations and AI-driven claims for a

## Global life & benefits company

~8x

expansion across the value chain

~40%

reduction in average handling time



Buying centers



Solutions

Digital operations, analytics, and solutions for a

## National health plan

\$100M+

savings via campaign orchestration

100%

reduction in outsourced manual effort



Buying centers



Solutions

# Data-led @ work:

Digital Operations & Solutions

Data-led approach is enabling growth with new clients



Solutions

Next-gen digital operating model for a

## Leading insurance company

~50%

reduction in new product launch time

100%

transparency into back-end operations



Verticals

Customer service transformation for a

## UK multinational retailer

~30%

cost reduction

NPS

improved

# We are recognized as a leader in digital operations and solutions



## Leader

Healthcare Digital Services – Payer Digital Transformation Services (ISG Provider Lens™, 2022)



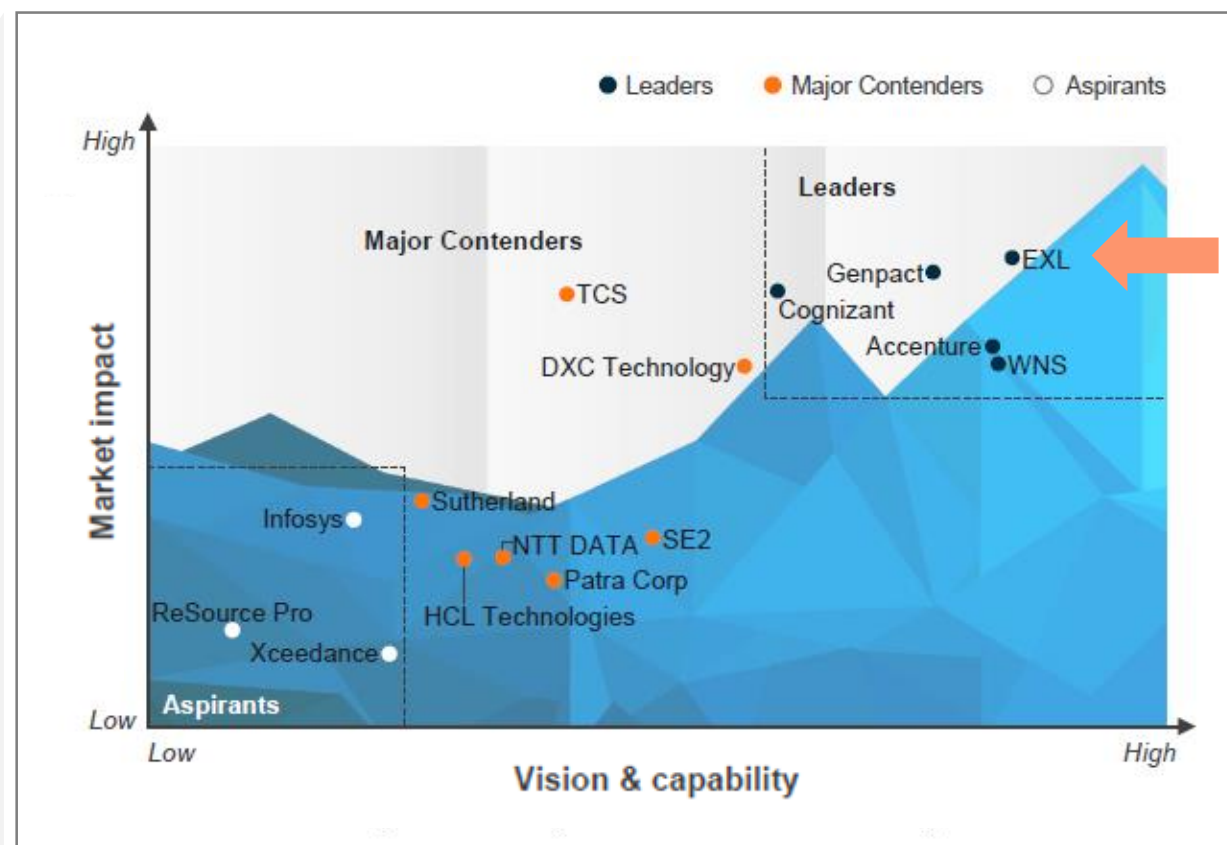
## Leader

Digital Platform & Augmentation in Insurance BPS (Everest PEAK Matrix, 2022)

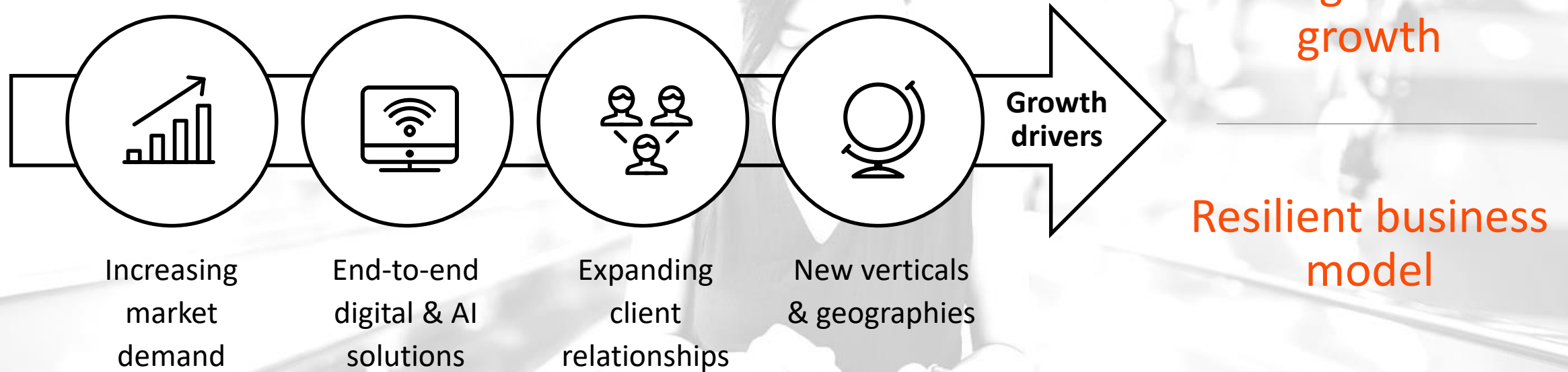


## Leader

Power and Utilities Services and Solutions, UK – Intelligent BPM Services (ISG Provider Lens™, 2022)



We are well-positioned for continued growth in Digital Operations and Solutions



# Data-led Digital

Ankor Rai

Executive Vice President and Chief Digital Officer

EXL

# Key takeaways

1. Need for “data-led digital”
2. New growth pathways and value pools for EXL
3. Expansion in addressable wallet and value capture



# Data has collapsed the divide between front and back office outcomes



## Frictionless CX

- Personalized
- Real-time
- Accurate
- Consistent
- Continuous Innovation



## Frictionless Ops

- Data-driven
- Straight-through
- Quality
- Predictable
- Human-in-the-loop

# SPEED is the unifying currency between the front and back office



Revenue



Efficiency



CSAT

# Data-led @ Work

Fortune 500 insurance client story

## Differentiated use of data

- **Data connecting legacy tech**  
avoiding lengthy transformation
- **Redesigned dataflows** based  
on real-time data insights
- **Upstream AI + downstream CX**  
accelerating E2E Adoption
- **Human-in-the-loop with AI**  
enabling iterative evolution

### Desired outcomes

CX↑

response time,  
accuracy, rework

\$500M+

cost reduction  
target

Data↑

personalization &  
better decisions

### Delivered impact

2X

increase  
in speed

30-40%

effort  
reduction

100+

new fields from  
“dark data”



Solutions



Buying centers

# Data-led Digital : Market Traction

80+

Data-led  
digital clients  
since 2021

New

Buying centers: CIO, CTO,  
CX, CDO, Audit &  
Compliance, New Product

Deal size ↑ E2E  
impact



Research

Winners Circle  
#1 Voice of the Customer

HFS OneOffice™ Services Top 10:  
Data and Decisions (2021)



#1 Leaders Quadrant

Digital Platform &  
Augmentation Services  
in Insurance

14x ↑

CX interactions

Conversational  
AI solutions

200% ↑

Volume processed

NLP and image  
AI solutions

\$100M+

debt collected

Digital collections &  
servicing solution

171%+ ↑

engagements

Workflow redesign, AI/automation  
engagements

# Why we win?

**Battle-tested AI/analytics  
deployments**



**Three flexible consumption  
models for clients**



**New value pools & growth  
pathways**



# Why we win?

**Battle-tested AI/analytics deployments**

Three flexible consumption models for clients

New value pools & growth pathways



## 50+ AI/analytics solutions deployed

### Data Analytics



POS  
lending



Digital  
collections



Small business  
underwriting



Bank statement  
mining



CX  
transformation



Fund  
accounting

### Digital Operations & Solutions



New business  
underwriting



Mailroom  
automation



Medical  
records



E-commerce  
servicing



Precertification  
(healthcare)



Insurance  
brokerage

# Why we win?

Battle-tested AI/analytics deployments



**Three flexible consumption models for clients**



New value pools & growth pathways



## Meet clients where they are



### DIGITAL TRANSFORMATION OF OPERATIONS

- Speed to value & best-of-breed AI
- Larger deal size & sharper differentiation



### DIGITAL CONSULTING & IMPLEMENTATION

- Accelerated execution of enterprise capability
- Quickest sales cycle & entry point



### SOLUTION-AS-A-SERVICE

- Speed & transaction-based commercials
- Scalability & high revenue per FTE

# Why we win?

Battle-tested AI/analytics deployments



Three flexible consumption models for clients



**New value pools & growth pathways**



New ways to “land.” Multiple ways to “expand.”

## “Land”

## “Expand”

Customer onboarding operations

*E2E value chain* →

E2E Order to Cash Operations

AI for document processing

*Enterprise data-led partner* →

Broad expansion of AI use cases + workflow redesign & automation

Digital collections

*Multiple AI solutions* →

AI for servicing calls, AI driven underwriting

# Focused investments driving higher value

## Targeted Investments

1. Industrialize digital talent acquisition
2. Cloud / AI solutions development
3. Cloud architecture & engineering
4. Digital sales and solutioning talent



## For Clients

IMPACT ↑ RETURN ON INVESTMENT ↑

## For EXL

ADDRESSABLE WALLET ↑ REVENUE PER FTE ↑

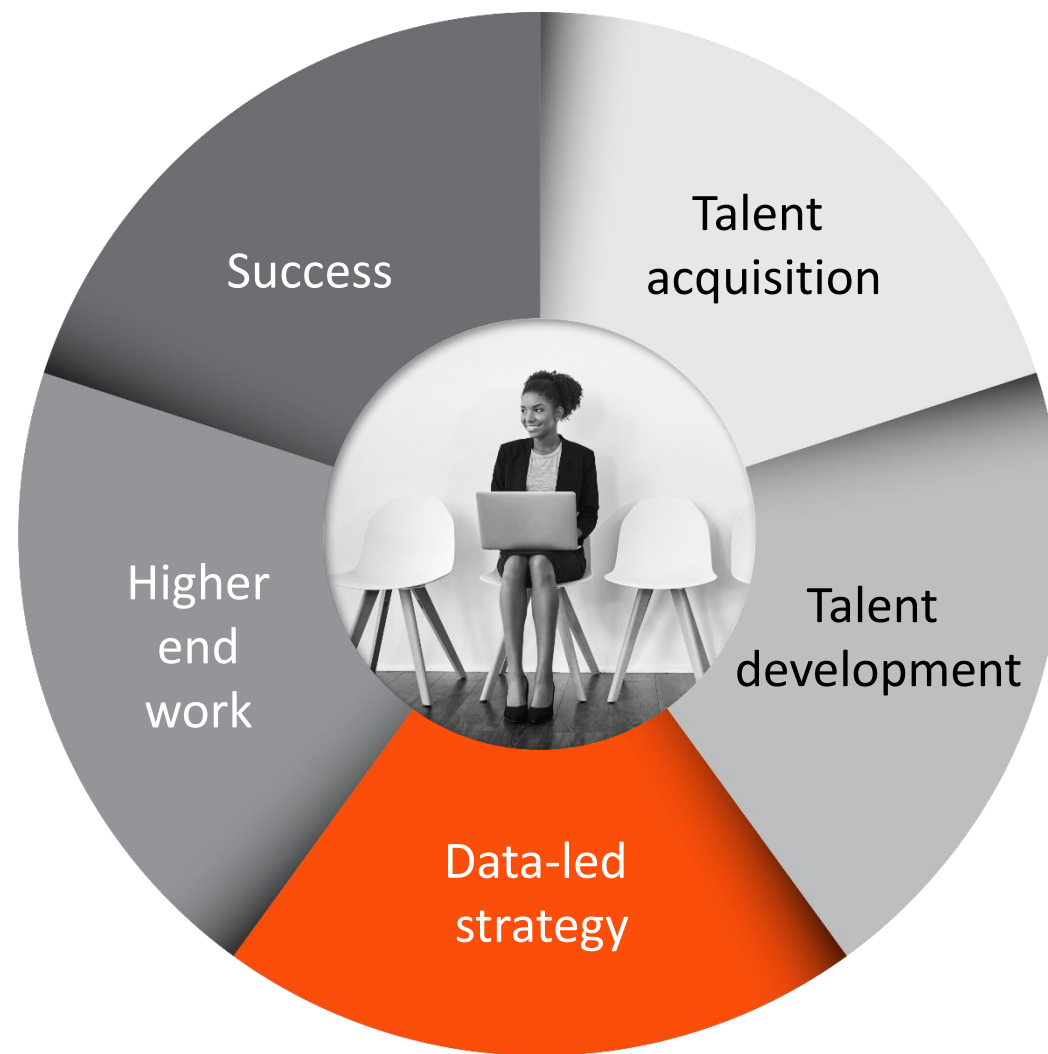
# EXL Talent Advantage

Nalin Miglani

Executive Vice President and Chief Human Resource Officer

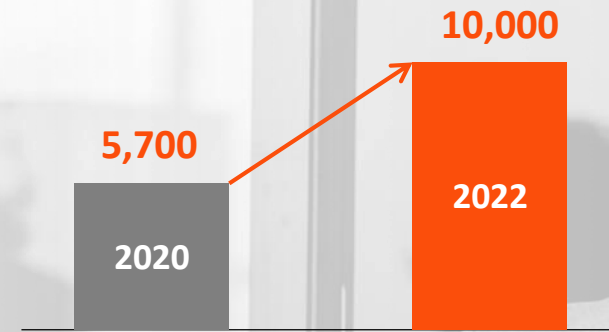


# Our Talent Advantage



In a hot talent market, talent supply was not a constraint for EXL's growth

**75% increase**  
in digital and analytics talent



**Hiring focus  
skillsets**

- Cloud
- AI
- CX
- Agile
- Product management
- Engineering & architecture

**100+** schools/  
campuses

in India and U.S. to hire from for  
digital and analytics skillsets

# Building our own talent

450+

cloud certifications on AWS,  
AZURE, GCP from Jan-Oct 2022

Average of  
3 courses

completion per person in  
2022

~70%

of employees on learning  
platforms quarterly



# EXL Employee Experience is top quartile

2022 ESAT scores



Above 75<sup>th</sup> percentile  
across industries

~68%

of overall EXL employees  
are either working remotely  
or in a hybrid environment

~300,000

employee interactions  
with digital HR in 2022

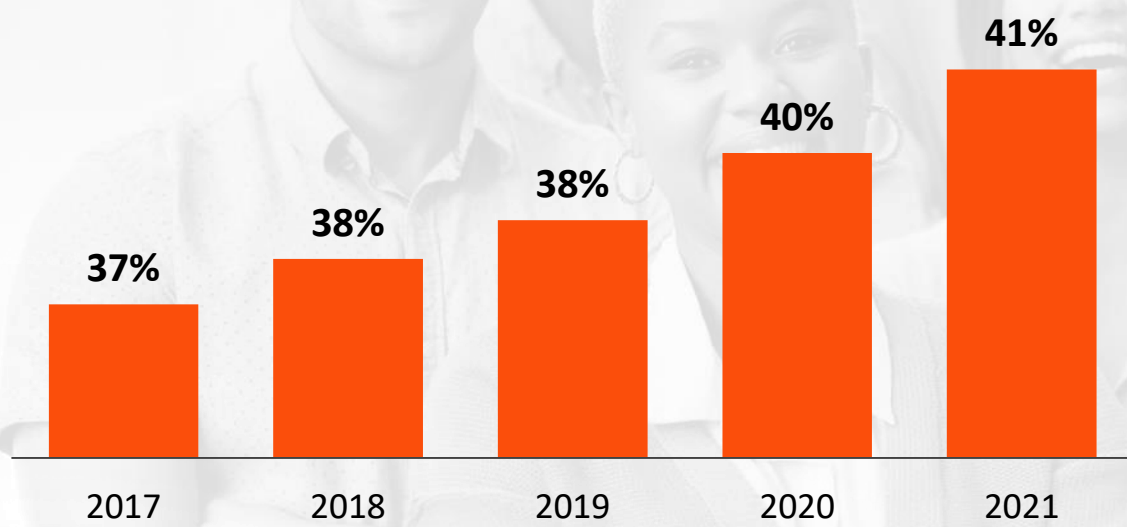
Resulting in

~34%

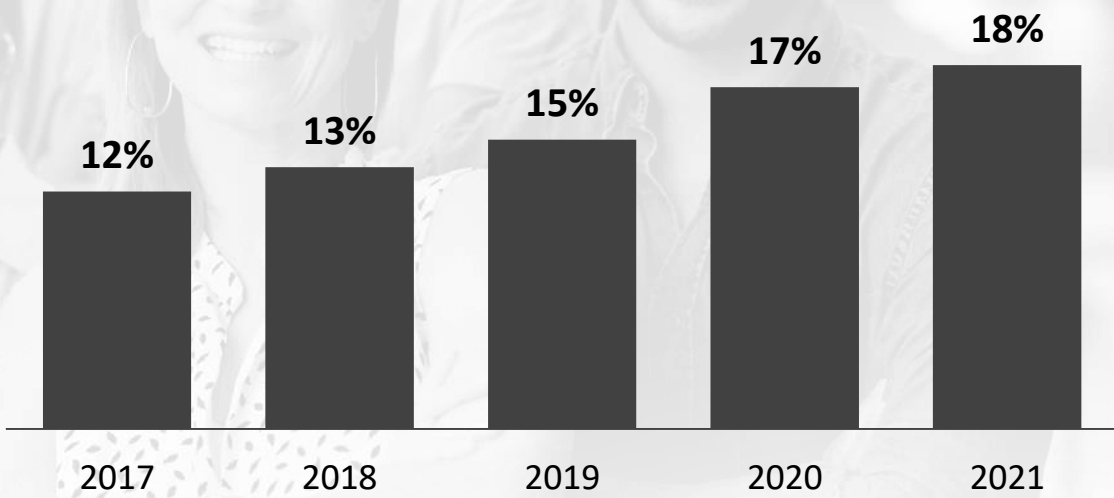
Attrition\*,  
an improvement of ~400bps

# Focusing on diversity

EXL gender diversity



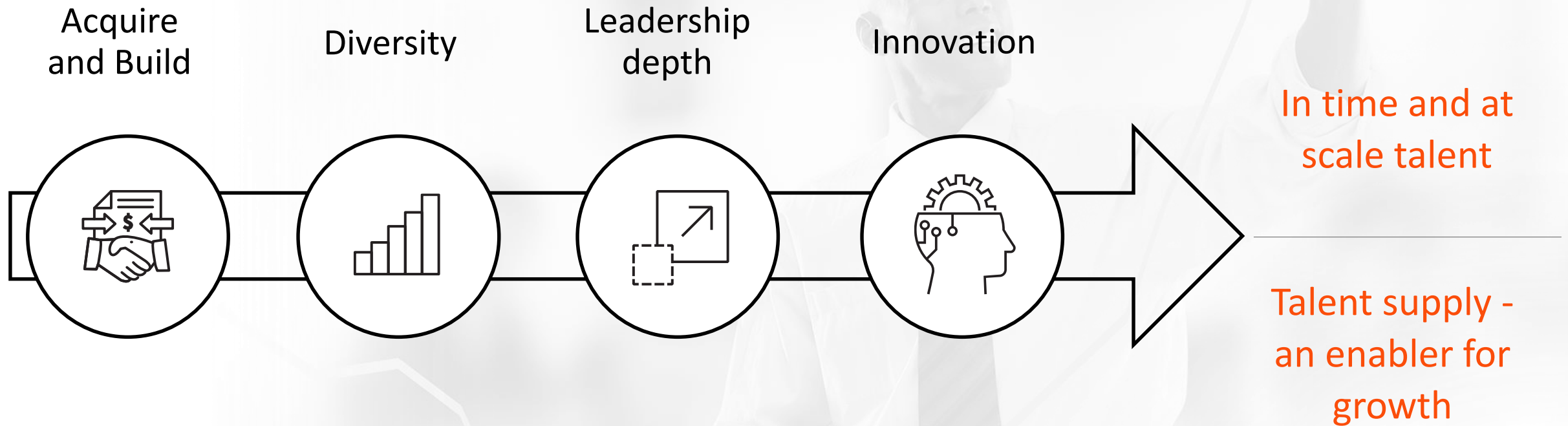
Leadership gender diversity



Employee figures are approximate



# Continued focus on data-led talent strategy



# Financial Review

Maurizio Nicoelli

Executive Vice President and Chief Financial Officer

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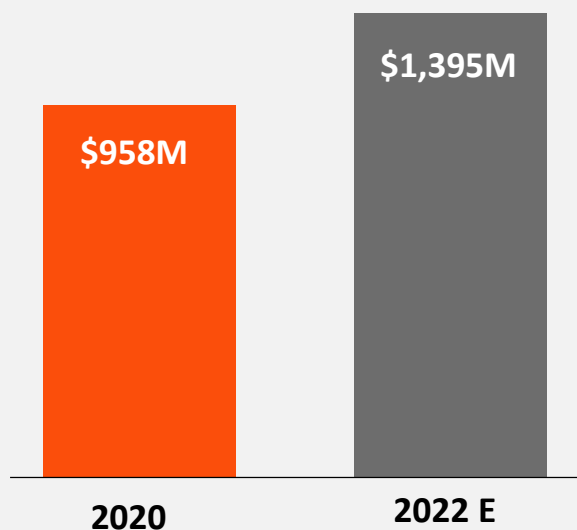
# Key takeaways

1. Continued revenue growth momentum for Analytics and Digital Operations & Solutions
2. Strong margin performance
3. Strong balance sheet and improved ROIC
4. 2022 guidance and medium-term targets



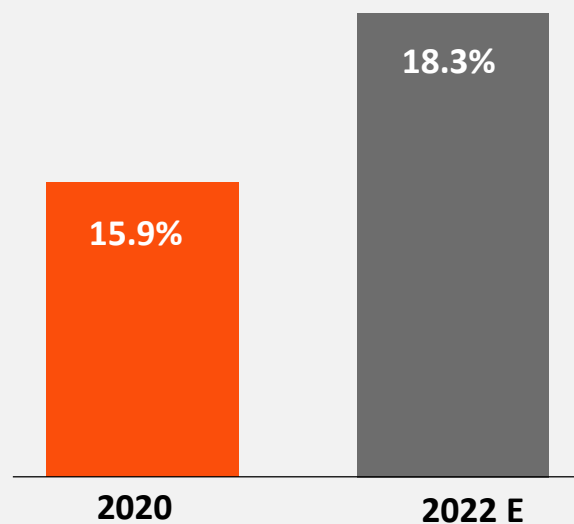
# Strong financial performance

## Revenue growth



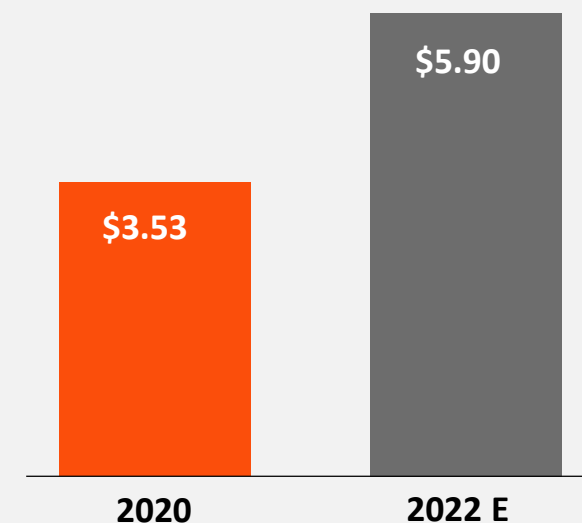
**21%** CAGR 2022/2020  
Revenue/Employee **↑ 15%**

## Margin expansion



Operational excellence  
supporting **240bps AOPM**  
expansion and investments for  
growth

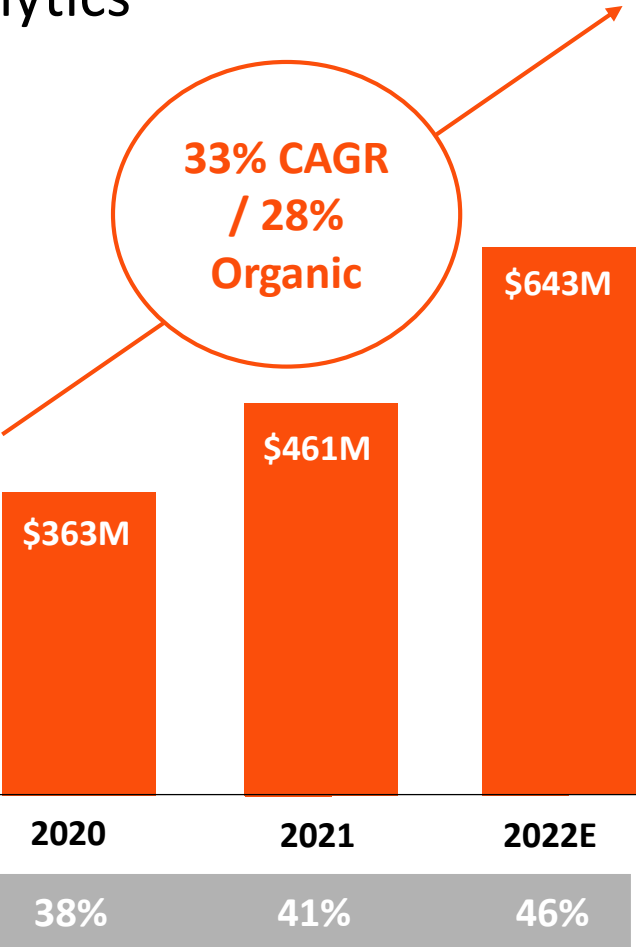
## Earnings growth



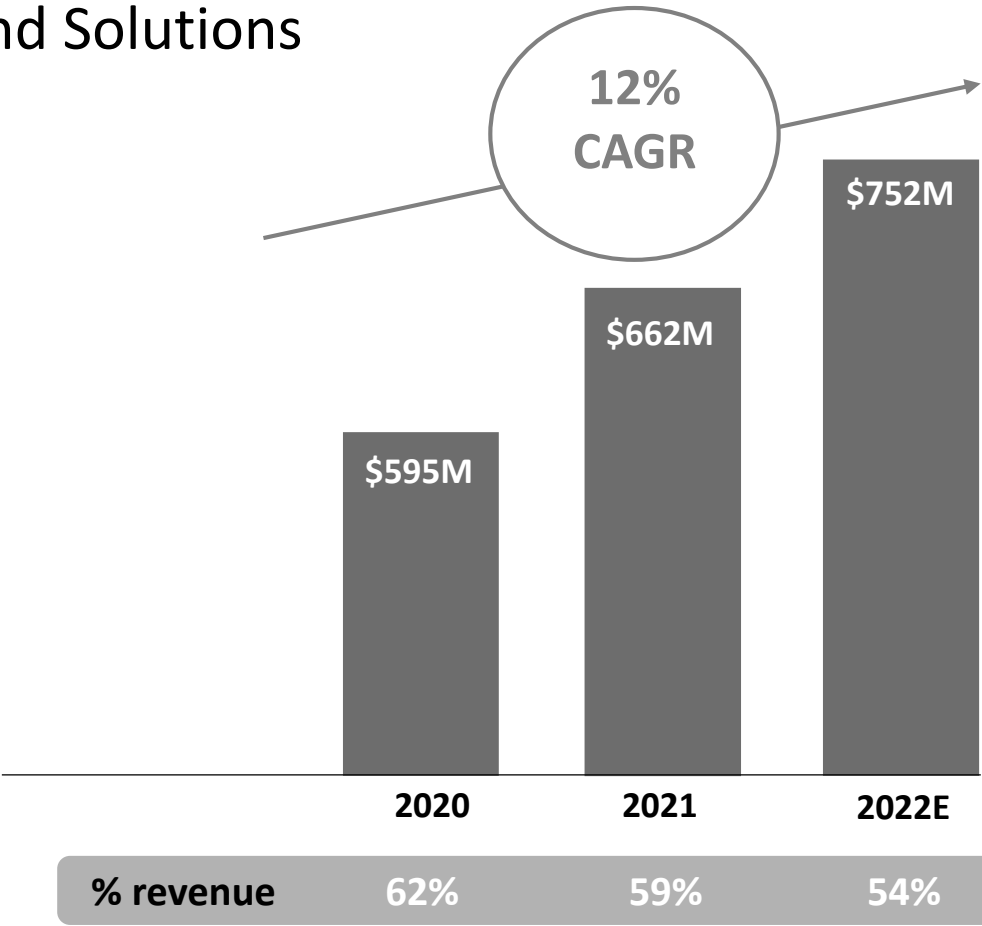
**29%** CAGR 2022/2020  
EPS growing faster than  
revenue

# Double digit growth across our businesses

## Data Analytics



## Digital Operations and Solutions

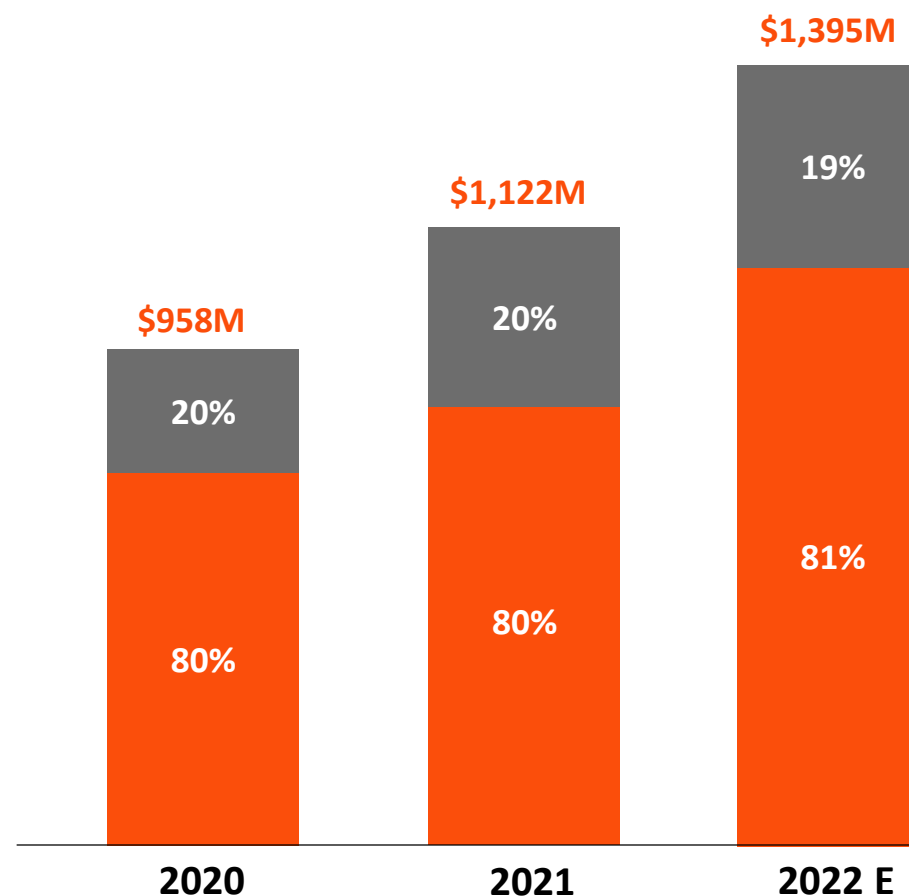


2022E is based on the mid point of current guidance

# Annuity-based revenue driving growth

- Proportion of annuity business has increased
- Average contract length in Digital Operations and Solutions is **~4-5 years**

■ Project based ■ Annuity



2022E is based on the mid point of current guidance

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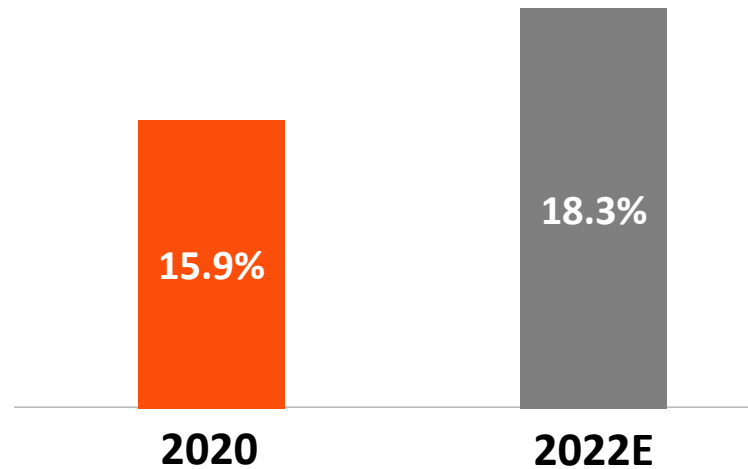
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# Expanding adjusted operating profit margins

## Significant improvement in last two years

1. Growing share of more profitable digital deals
2. High value business mix
3. Disciplined operating framework driving leverage

### Adjusted operating profit margins

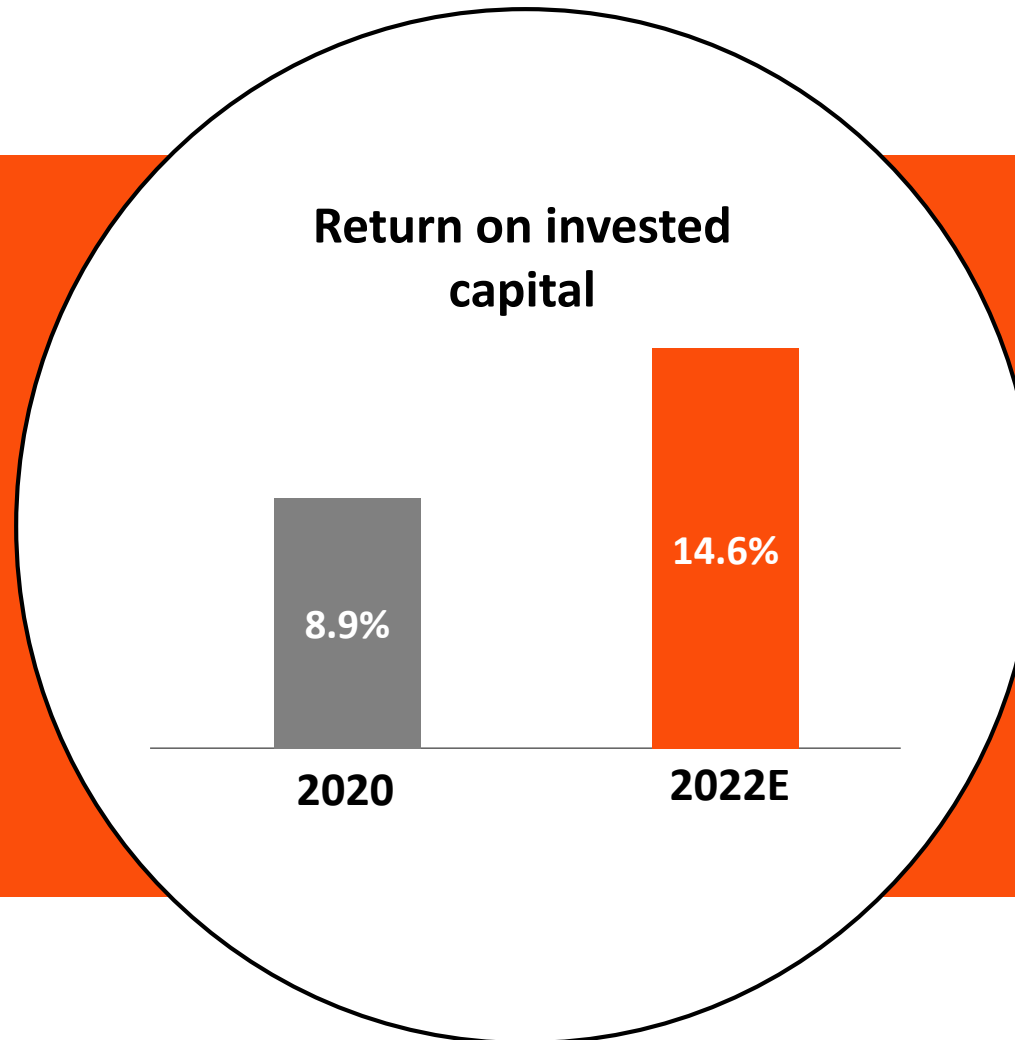


## Foreseen headwinds in 2023

1. High wage inflation
2. Potential recessionary environment
3. Return to office expenses/travel

# Significant expansion in ROIC

1. Accelerated revenue growth
2. Higher profitability from margin improvement
3. Effective tax rate optimization
4. Efficient management of assets



5. Effective stock buyback program
6. Efficient capital management limiting exposure to rising interest rates
7. Disciplined M&A

# Improving leverage

- Favorable net debt position limits our exposure to rising interest rates
- Adequate debt capacity to fund strategic acquisitions

Total Debt

\$270M

Cash & Cash  
Equivalent

\$294M

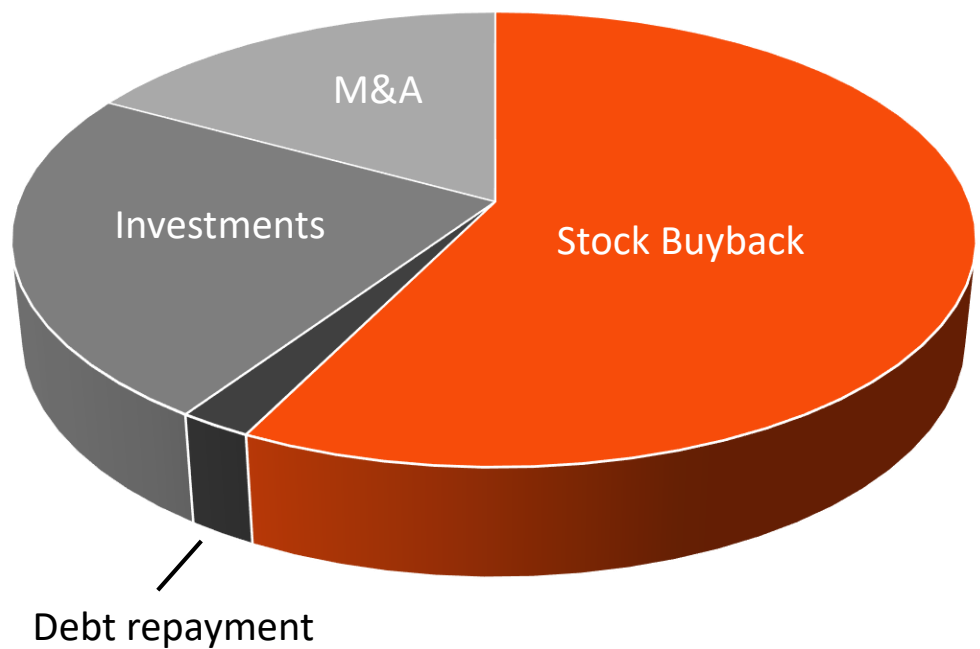
Net Cash  
Position

\$24M



# Capital allocation

## Medium-term strategy of balanced capital allocation


Capital allocation 2020-2022





### Investments

-  Invest using shareholder value creation lens
-  TSR, and ROIC guiding financial decisions

### M&A

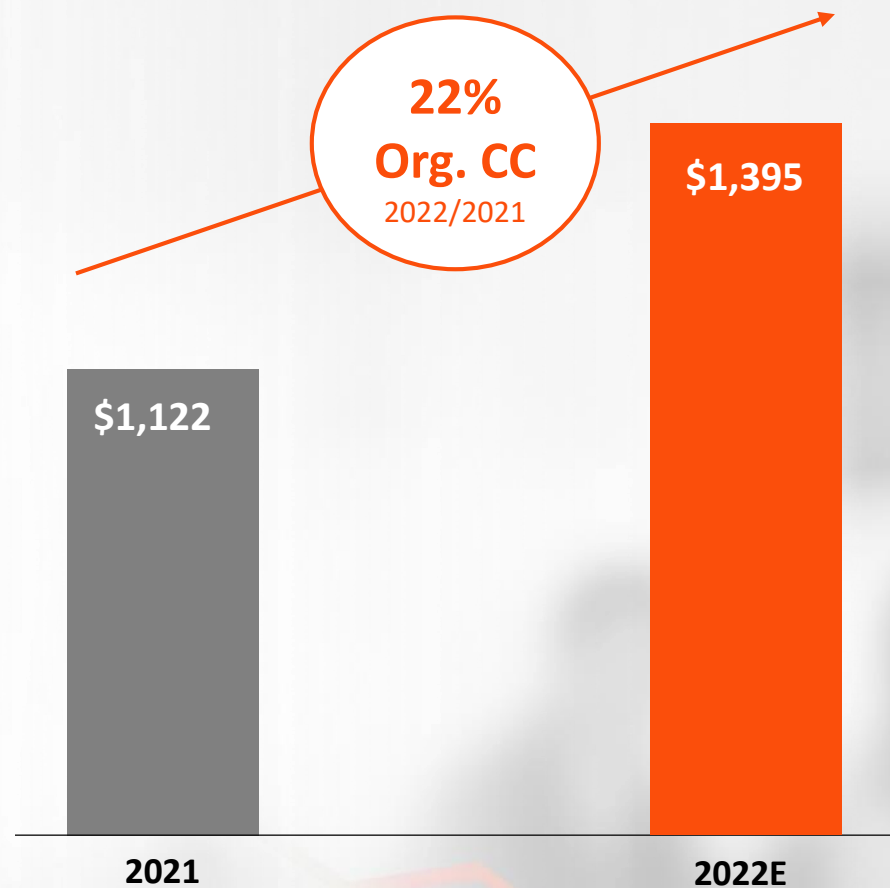
-  Focus on digital analytics, cloud & industry solutions

### Stock Buyback/ Debt repayment

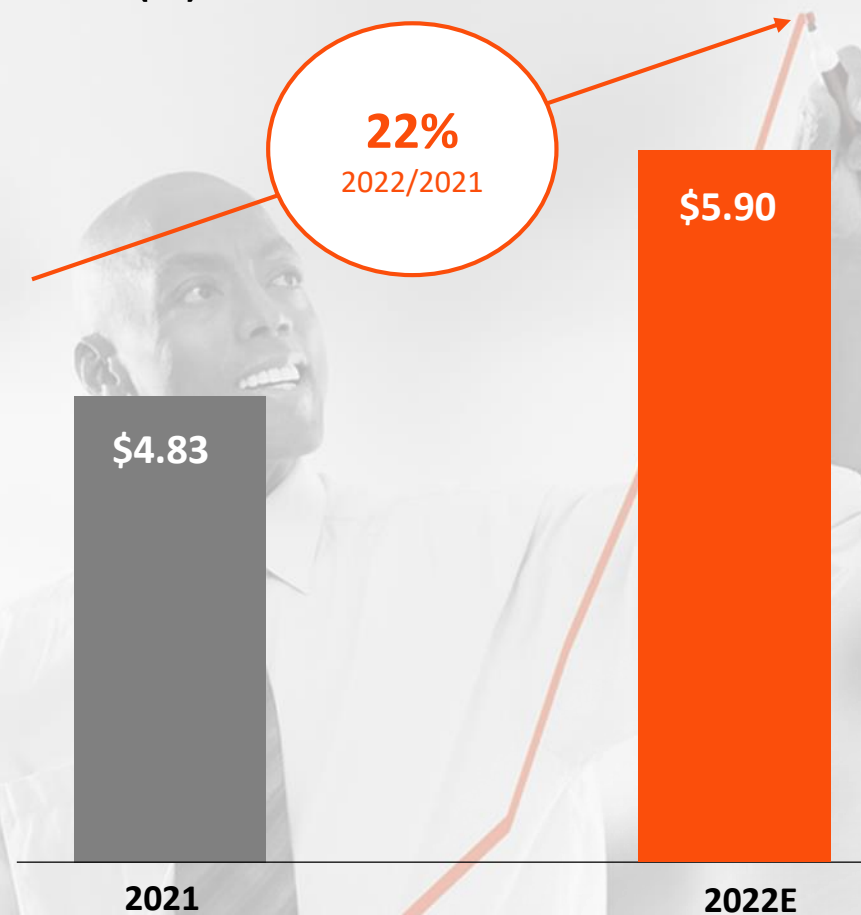
-  Opportunistically repurchase stock to offset dilution and reduce share count over time
-  Use excess cash to pay down debt

# 2022 Guidance

Revenue (\$M)



Adj. EPS (\$)



2022E is based on the mid point of current guidance

2022 Guidance is as of 10/27/22

# Medium-term targets

2022E - 2024E  
CAGR

November 2020

10%+

Revenue growth

13%-15% Analytics growth

6%-8% Digital Operations  
& Solutions growth

16%-17%

AOPM

10%++

EPS growth

November 2022

11%-13%

Revenue growth

15%-18% Analytics growth

8%-10% Digital Operations  
& Solutions growth

18%+

AOPM

11%-13%

EPS growth

# Closing Remarks

Rohit Kapoor

Vice Chairman and Chief Executive Officer

EXL

# EXL's data-led business is well positioned

## Growth Oriented and Defensible Business

Large and Growing TAM

Resilient business

Proven execution

Talent advantage

Stockholder  
Value  
Creation

## Attractive Financial Fundamentals

Double Digit Revenue Growth

Sustainable Adjusted Operating  
Margin

Double Digit EPS Growth

# Questions & Answers