

Exponent[®]

Engineering and Scientific Consulting



Forward Looking Statements & Non-GAAP Financial Measures

This presentation release contains, and incorporates by reference, certain “forward-looking” statements (as such term is defined in the Private Securities Litigation Reform Act of 1995, and the rules promulgated pursuant to the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended) that are based on the beliefs of the Company’s management, as well as assumptions made by and information currently available to the Company’s management. When used in this document and in the documents incorporated herein by reference, the words “intend,” “anticipate,” “believe,” “estimate,” “expect” and similar expressions, as they relate to the Company or its management, identify such forward-looking statements. Such statements reflect the current views of the Company or its management with respect to future events and are subject to certain risks, uncertainties and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, the Company’s actual results, performance, or achievements could differ materially from those expressed in, or implied by, any such forward-looking statements. Factors that could cause or contribute to such material differences include the COVID-19 pandemic (including factors relating to measures implemented by governmental authorities or by us to promote the safety of our employees, vendors and clients; other direct and indirect impacts on our business and the businesses of our clients, vendors and other partners; impacts which may, among other things, adversely affect our clients’ ability to utilize our services at the levels they have previously; disruptions of access to our facilities or those of our clients or third parties; and increased and potentially significant economic uncertainty and volatility, including credit and collectability risks and potential disruptions of capital and credit markets), the possibility that the demand for our services may decline as a result of changes in generally applicable and industry-specific economic conditions, the timing of engagements for our services, the effects of competitive services and pricing, the absence of backlog related to our business, our ability to attract and retain key employees, the effect of tort reform and government regulation on our business, and liabilities resulting from claims made against us. Additional risks and uncertainties are discussed in our Annual Report on Form 10-K under the heading “Risk Factors” and elsewhere in the report. The inclusion of such forward-looking information should not be regarded as a representation by the Company or any other person that the future events, plans, or expectations contemplated by the Company will be achieved. The Company undertakes no obligation to release publicly any updates or revisions to any such forward-looking statements.

When Getting It Right Matters

Exponent harnesses the power of technical excellence, objectivity and disciplinary diversity to solve our clients' toughest science, engineering and business challenges

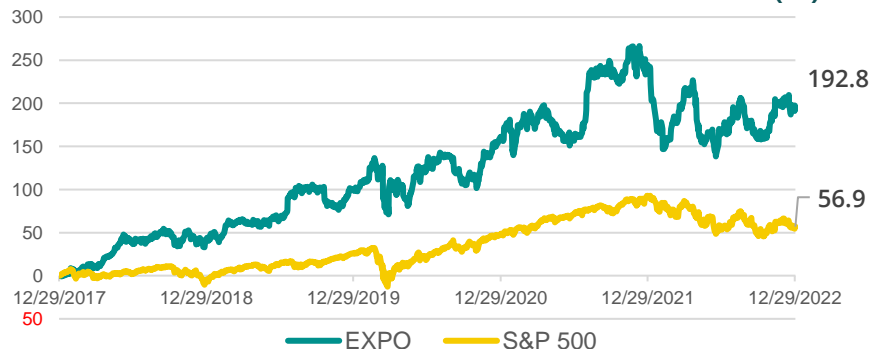


Empowering Our Clients with Solutions for a Safe, Healthy, Sustainable and Technologically Complex World

Overview

- Multidisciplinary Consulting Capabilities
- World Class Talent Leveraging Robust Scientific and Engineering Expertise
- Solving High Exposure Challenges Across the Globe

Cumulative Total Returns: EXPO vs. S&P 500 (%)



EXPO by the Numbers



\$513M
FY22
Revenue



\$1.96
FY22
EPS



30%
FY22 EBITDA
Margin^{1,2}



\$0.26
Quarterly
Dividend

Awards & Recognitions

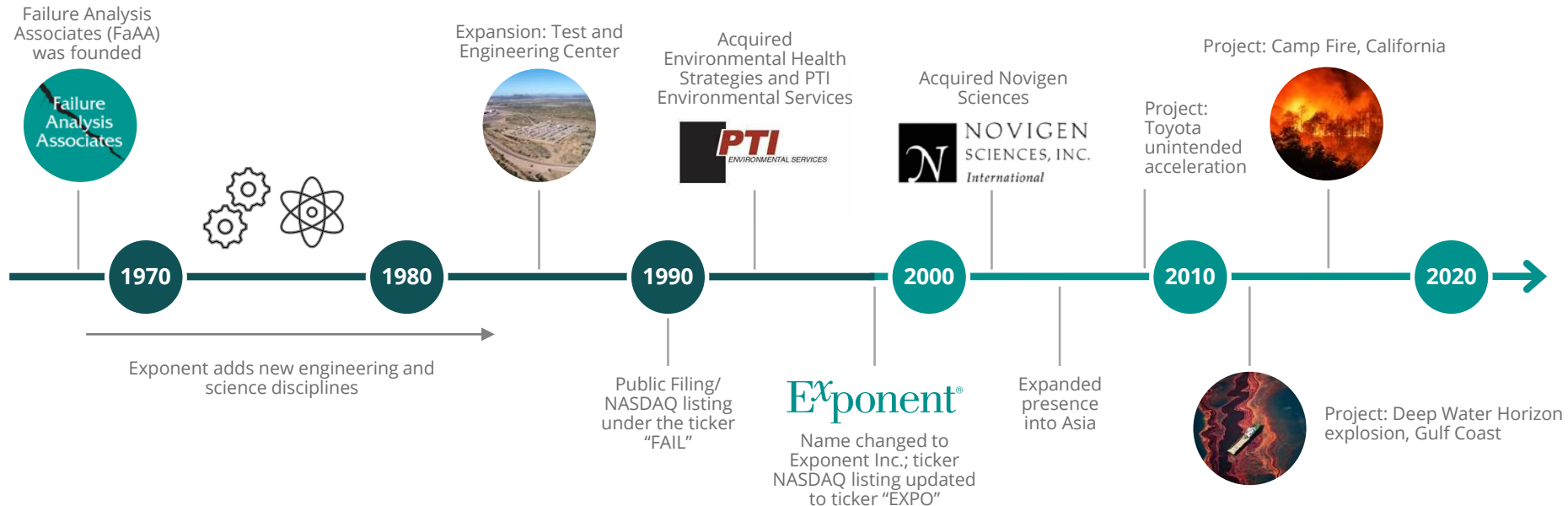


¹Refer to non-GAAP reconciliation on slide 22

²EBITDA Margin % = EBITDA/Revenues before Reimbursements

50+ Years of Positioning Exponent and Our Clients for the Future

Our ecosystem of knowledge has grown and evolved to help our clients meet the challenges they face



Our Global Footprint



Why Invest in Exponent?



Strong Growth Momentum Through Safety, Health and Environmental Trends



Multidisciplinary Solutions Driven by Data, Speed and Scale



Deep Bench of Scientists and Engineers Across Industries and Geographies

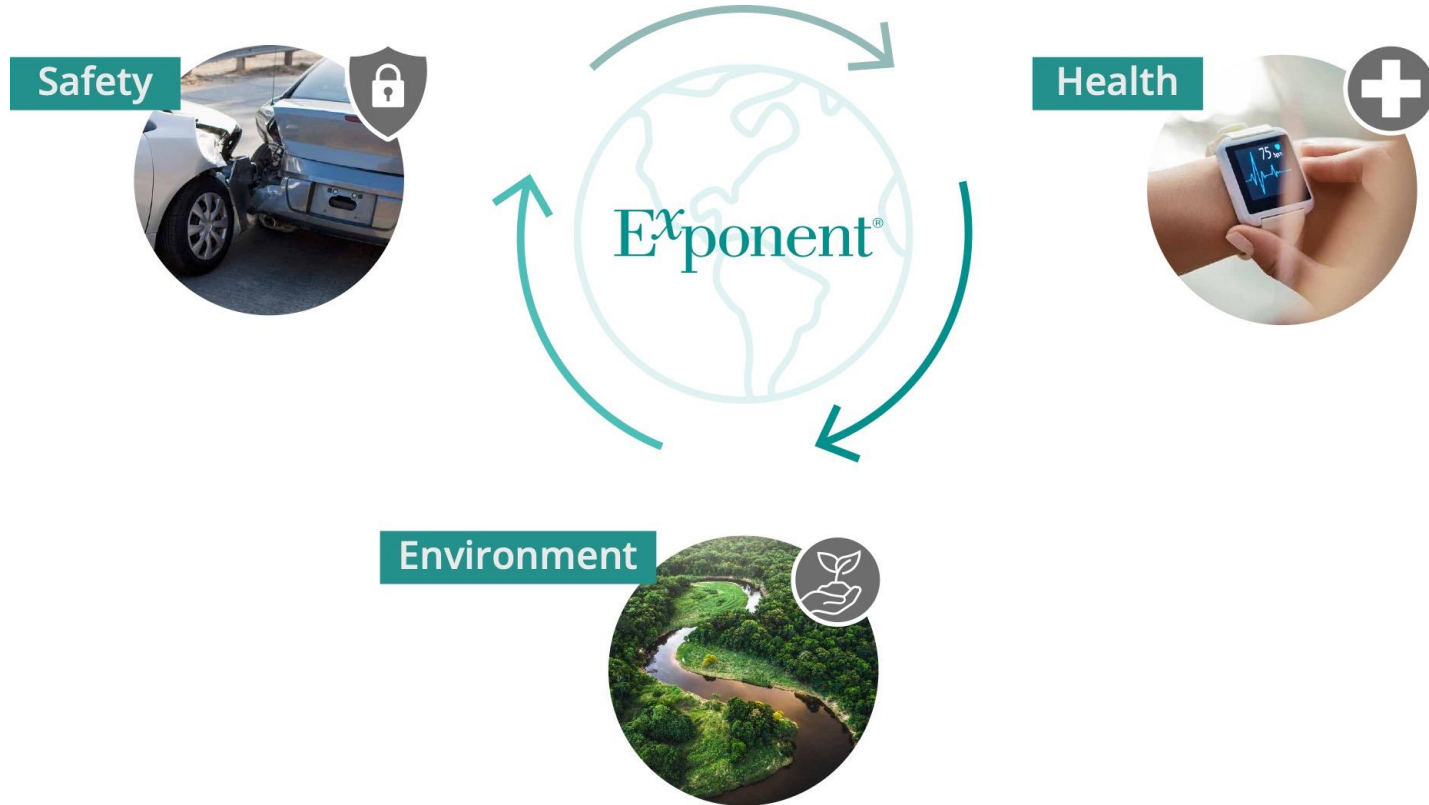


Scientific Rigor Positions Our Clients Ahead of the Curve



Healthy Balance Sheet and Strong Free Cash Flow Generation

Exponent Is in the Center of Global Macro Trends



Providing a Multidisciplinary Set of Offerings

Reactive

Understanding the past with the ultimate goal of determining root causes of events

- Litigation Support
- Insurance Investigations
- Product Recalls
- Regulatory Actions

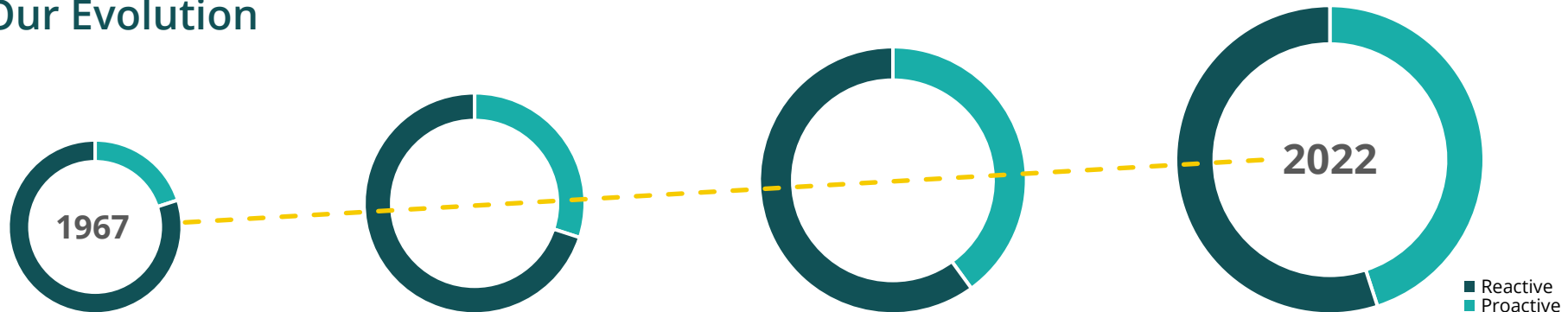
Leverage Insights

Proactive

Empowering our clients to chart a course for the future across a full product life cycle

- Risk Management
- Design Consulting
- Product & Process Improvement
- Research & Development

Our Evolution



Our World Class Talent

950+

Consulting
Staff

640+

Doctoral-level
professionals

50+

Staff working
at
Universities

35+

Staff serving
on editorial
review
boards/peer
reviewers

250+

Standards
committees
and advisory
boards
served

1200+

Staff
academic
articles
published

Attracting, Developing and Rewarding Exceptional People with Diverse Backgrounds and Expertise Is Central to Exponent's Mission

Outreach

Leveraging science, technology, engineering and math (STEM) to empower the communities around us

Communication

Employee engagement and staff surveys to ensure voices are heard

Recruiting

Sourcing candidates from increasingly diverse backgrounds and skill sets

People Development

Seminar series, mentoring, and continuing education programs



Exponent is constantly curating our world class culture and team through a thoughtful recruitment and retention process

Environmental, Social & Governance (“ESG”) Our Commitments



**Advancement of
Science**



**Diversity and Investment
in Our People**



**Safety and the
Environment**

Solutions for a Safe, Healthy, Sustainable and Technologically Complex World

Polymers & Biomedical

- Biomedical Engineering & Sciences
- Polymer Science & Materials Chemistry

Mechanical & Thermal

- Thermal Sciences
- Mechanical Engineering

Transportation

- Biomechanics
- Human Factors
- Vehicle Engineering

Electrical & Data Sciences

- Electrical Engineering & Computer Science
- Statistical & Data Sciences

Environmental Sciences

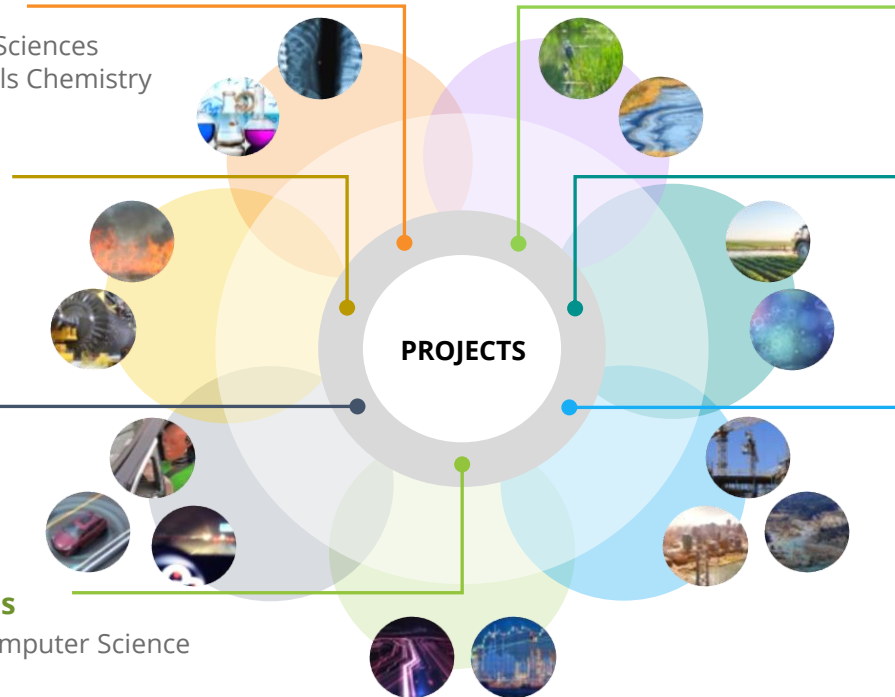
- Ecological & Biological Sciences
- Environmental & Earth Sciences

Health Science

- Chemical Regulation & Food Safety
- Health Sciences

Infrastructure & Materials

- Buildings and Structures
- Civil Engineering
- Construction Consulting
- Materials & Corrosion



Diverse Customer Relationships

Our Clients



CORPORATE



LEGAL



GOVERNMENT

10K

FY22
Engagements

2K

FY22
Client Count

End Markets Served



Chemical



Construction &
Infrastructure



Consumer
Electronics



Consumer
Products



Government



Electronics,
Security & IT



Food & Beverage



Life Sciences
& Healthcare



Manufacturing Tech &
Industrial Equipment



Oil & Gas



Transportation



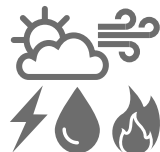
Utilities

Strong Growth Momentum Through Safety, Health and Environmental Trends

TRANSPORTATION



UTILITIES



CONSUMER ELECTRONICS



LIFE SCIENCES & HEALTHCARE



CHEMICAL



Key Drivers/Trends

- Automation
- Electrification

- Aging infrastructure
- Climate resilience

- Product safety and performance
- Augmented and virtual reality

- Digital health
- Pharmaceuticals

- Effects on humans
- Effects on environment

Types of Exponent Solutions

- Advanced Driver Assistance System (ADAS) litigation
- Battery performance and safety studies

- Asset risk and climate vulnerability studies

- Product recalls/root cause analysis
- User experience studies

- Medical device litigation
- Product design consulting

- Regulatory consulting
- Toxic tort litigation

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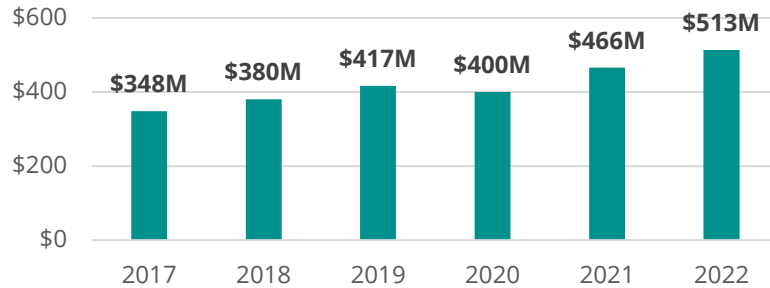


Financial Highlights

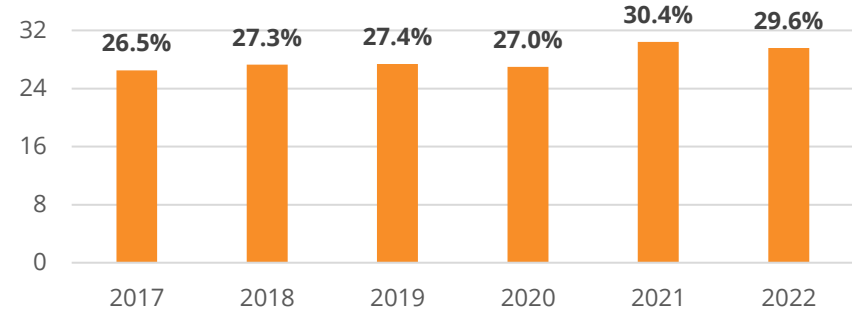


Proven Financial Results

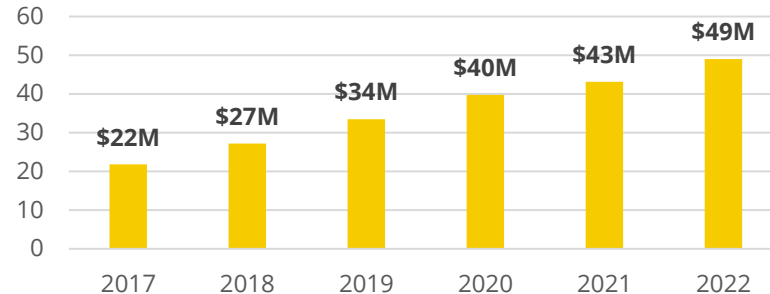
Revenue (\$M)



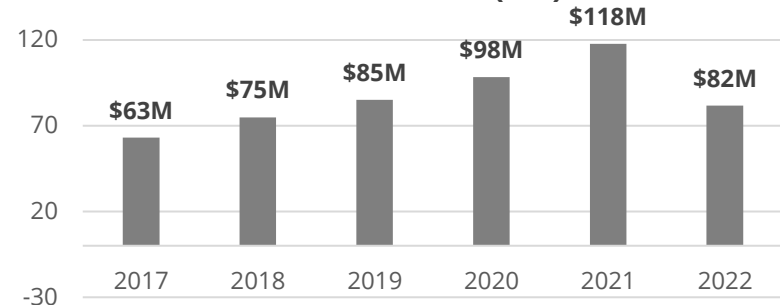
EBITDA Margin^{1,2} (%)



Dividends Paid (\$M)



Free Cash Flow (\$M)



¹Refer to non-GAAP reconciliation on slide 22

²EBITDA Margin % = EBITDA/Revenues before Reimbursements

Capital Allocation

2017-2022

Cash Returned to
Shareholders:

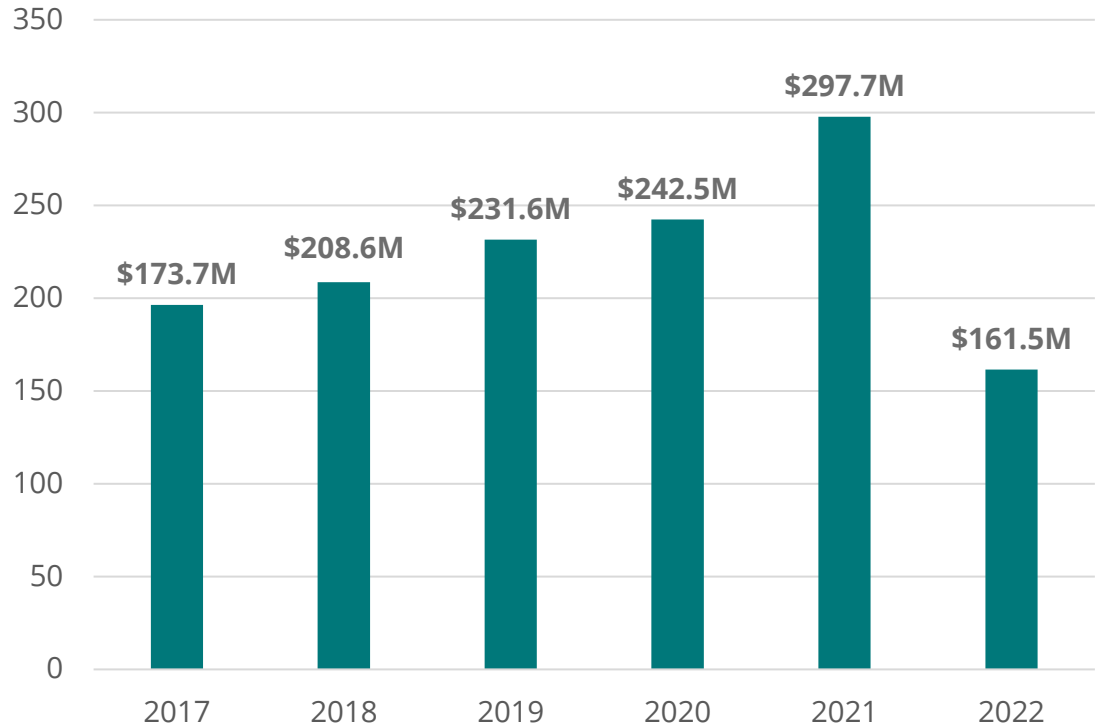
\$215M

Dividend Payments

\$311M

Repurchased Shares
(or ~3.9M shares)

Cash and Short Term Investments (\$M): 2017-2022



Key Metrics – Fiscal Year

(\$ Millions)	<u>2021</u>	<u>2022</u>	<u>% Change</u>
Revenues (\$ millions)	466.3	513.3	10%
EBITDA¹ (\$ millions)	132.3	137.2	4%
EBITDA Margin²	30.4%	29.6%	
Net Income (\$ millions)	101.2	102.3	1%
Earnings per share	1.90	1.96	3%
Average diluted shares outstanding (millions)	53.3	52.3	-2%
Billable hours	1,405,393	1,465,006	4%
Utilization, technical	75%	74%	
Realized rate increase	5%	3%	
Technical full time equivalent employees	900	955	6%

¹Refer to non-GAAP reconciliation on slide 22²EBITDA Margin % = EBITDA/Revenues before Reimbursements

EBITDAS – Fiscal Year

(\$ Millions)	<u>2021</u>	<u>2022</u>	<u>% Change</u>
Net Income	\$101.2	\$102.3	1%
Add back:			
Income taxes	24.6	29.9	22%
Interest income, net	-0.1	-2.1	n/m
Depreciation and amortization	<u>6.5</u>	<u>7.1</u>	9%
EBITDA ¹	<u>132.3</u>	<u>137.2</u>	4%
Stock-based compensation	<u>19.3</u>	<u>20.4</u>	6%
EBITDAS ¹	<u>\$151.5</u>	<u>\$157.6</u>	4%

¹EBITDA is a non-GAAP financial measure defined by the Company as net income before income taxes, interest income, depreciation and amortization. EBITDAS is a non-GAAP financial measure defined by the Company as EBITDA before stock-based compensation. The Company regards EBITDA and EBITDAS as useful measures of operating performance and cash flow to complement operating income, net income and other GAAP financial performance measures. Additionally, management believes that EBITDA and EBITDAS provide meaningful comparisons of past, present and future operating results. Generally, a non-GAAP financial measure is a numerical measure of a company's performance, financial position or cash flow that either excludes or includes amounts that are not normally excluded or included in the most directly comparable measure calculated and presented in accordance with GAAP. These measures, however, should be considered in addition to, and not as a substitute or superior to, operating income, cash flows, or other measures of financial performance prepared in accordance with GAAP.

Key Metrics – Q1 2023

(\$ Millions)	2022	2023	% Change
Revenues (\$ millions)	128.5	140.3	9%
EBITDA ¹ (\$ millions)	34.5	35.8	4%
EBITDA Margin ²	29.2%	27.8%	
Net Income (\$ millions)	29.6	29.1	-2%
Earnings per share	0.56	0.56	
Average diluted shares outstanding (millions)	53.0	51.7	-3%
Billable hours	373,598	385,114	3%
Utilization, technical	77%	70%	
Realized rate increase	3%	6%	
Technical full time equivalent employees	939	1,052	12%

¹Refer to non-GAAP reconciliation on slide 22

²EBITDA Margin % = EBITDA/Revenues before Reimbursements

EBITDAS – Q1 2023

(\$ Millions)

	<u>2022</u>	<u>2023</u>	<u>% Change</u>
Net Income	\$29.6	\$29.1	-2%
Add back:			
Income taxes	3.2	6.4	101%
Interest income, net	0.0	-1.8	-
Depreciation and amortization	<u>1.7</u>	<u>2.0</u>	18%
EBITDA¹	<u>34.5</u>	<u>35.8</u>	4%
Stock-based compensation	<u>6.9</u>	<u>7.1</u>	3%
EBITDAS¹	<u>\$41.3</u>	<u>\$42.8</u>	4%

¹Refer to non-GAAP reconciliation on slide 22

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