Exponent®

2023 Investor Presentation

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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

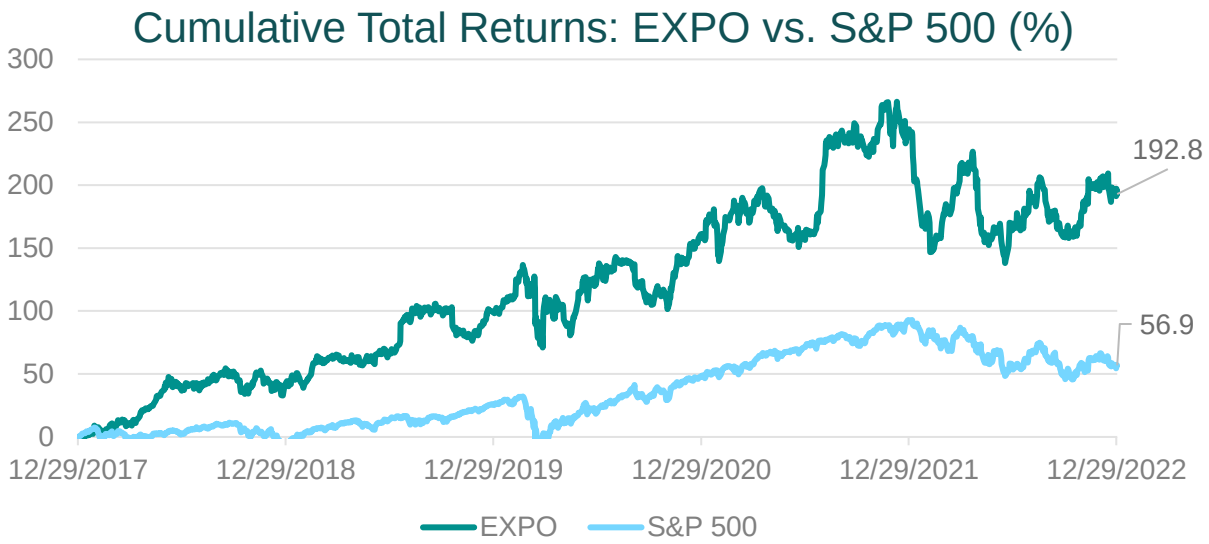
Exponent harnesses the power of technical excellence, objectivity and disciplinary diversity to solve our clients' toughest science, engineering and business challenges



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



EXPO by the Numbers

$513M	$1.96	30%	$0.26
FY22 Revenue	FY22 EPS	FY22 EBITDA Margin[1,2]	Quarterly Dividend

Awards & Recognitions

INVESTOR'S BUSINESS DAILY 2021 BEST ESG COMPANIES ENVIRONMENTAL, SOCIAL & GOVERNANCE

CERTIFIED ISO 9001:2015 COMPANY

[1]Refer to non-GAAP reconciliation on slide 22
[2]EBITDA 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

1970

Failure Analysis Associates (FaAA) was founded

1980

Exponent adds new engineering and science disciplines

Expansion: Test and Engineering Center



1990

Public Filing/ NASDAQ listing under the ticker "FAIL"

Acquired Environmental Health Strategies and PTI Environmental Services

2000

Name changed to Exponent Inc.; ticker NASDAQ listing updated to ticker "EXPO"

Acquired Novigen Sciences

Expanded presence into Asia

2010

Project: Toyota unintended acceleration

Project: Camp Fire, California





Project: Deep Water Horizon explosion, Gulf Coast

2020

Our Global Footprint

North America

Atlanta

Austin

Boston
Maynard
Natick

Chicago
Chicago
Warrenville

Denver

Detroit

Houston

Miami

New York

Philadelphia

Phoenix

Sacramento

Seattle
Bellevue
Seattle

SF Bay Area
Menlo Park
Oakland

Southern California
Irvine
Los Angeles
Pasadena

Tampa

Washington DC
Washington DC
Alexandria
Bowie

Canada

Europe

Edinburgh

Germany

Harrogate

Ireland

London
Acton
London

Nottingham

Switzerland

Asia

Hong Kong

Shanghai

Singapore



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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

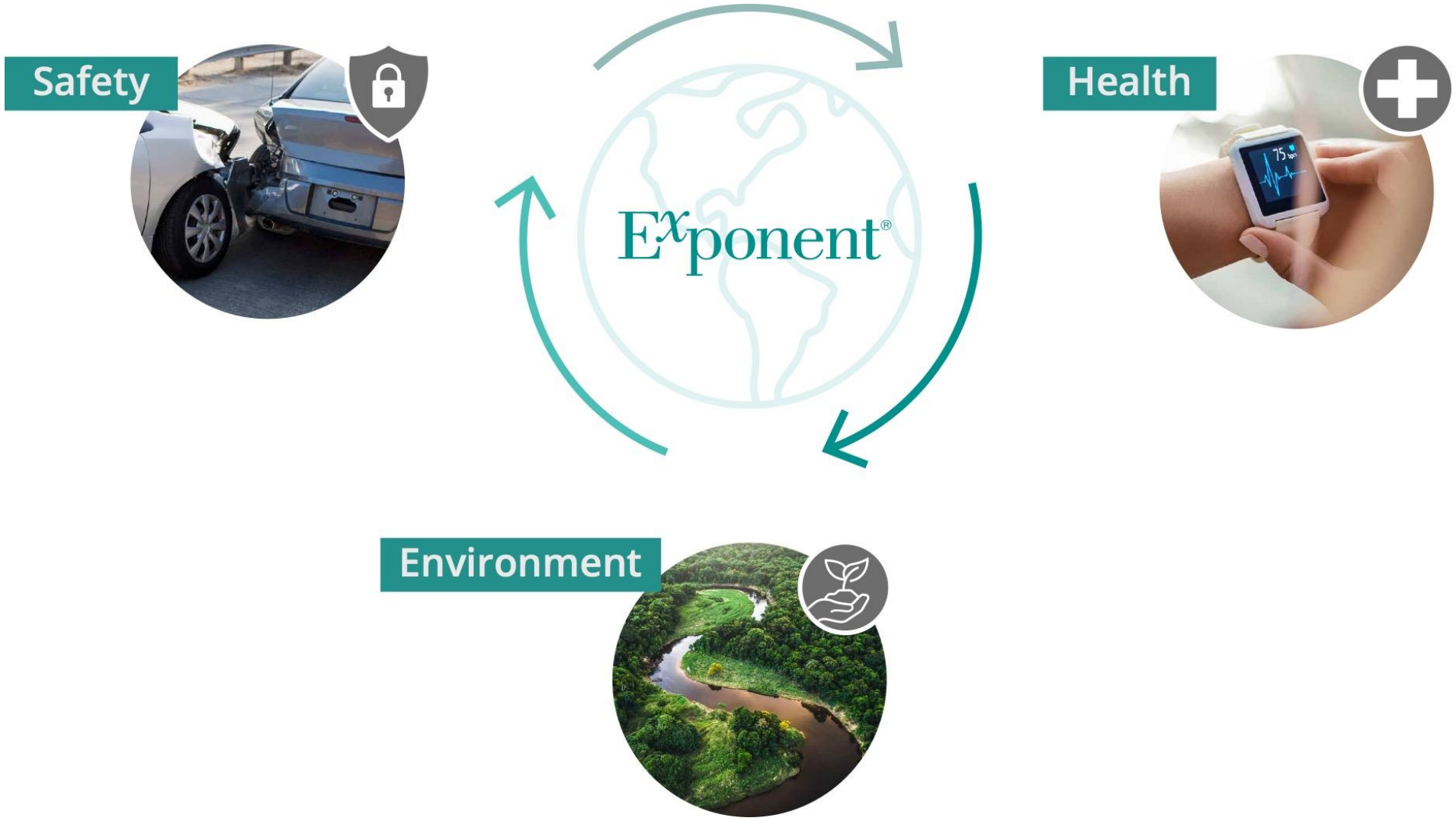


Scientific Rigor Positions Our Clients Ahead of the Curve



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

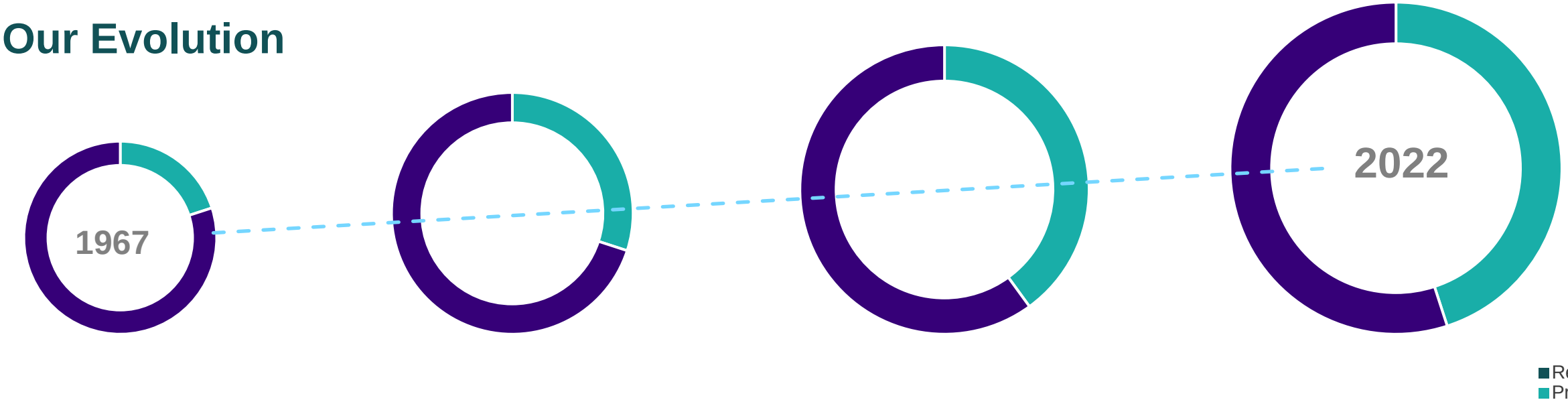
Leverage Insights

Proactive

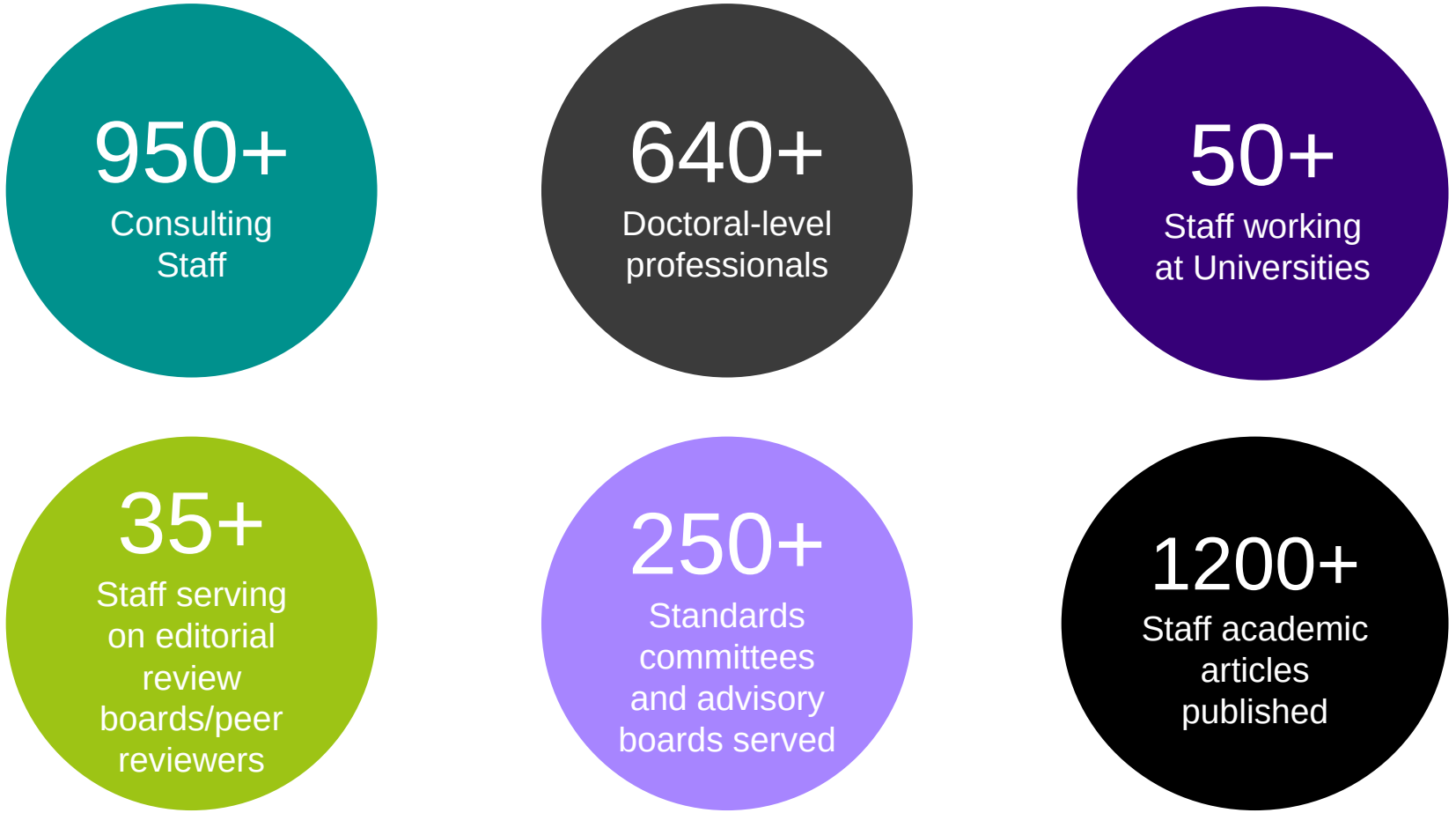
Empowering our clients to chart a course for the future across a full product life cycle

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

Our Evolution



Our World Class Talent



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

Recruiting

Sourcing candidates from increasingly diverse backgrounds and skill sets



Communication

Employee engagement and staff surveys to ensure voices are heard

People Development

Seminar series, mentoring, and continuing education programs

Constantly curating our world class culture and team through a thoughtful recruitment and retention process

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



Advancement of Science

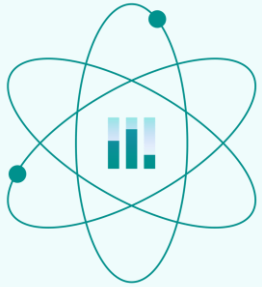


Diversity and Investment in Our People



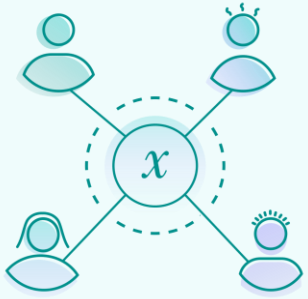
Safety and the Environment

How We Make an Impact



Advancing Science

We are committed to objectivity and the advancement of science and supporting clients as they pursue enduring, positive impacts on society.



Investing in Our People

Attracting, exciting, developing, and rewarding exceptional people with diverse backgrounds and expertise are central to our corporate culture.



Safety & the Environment

We help clients innovate creatively and sustainably, improve operational resiliency, protect health and safety, and enhance local ecosystems.

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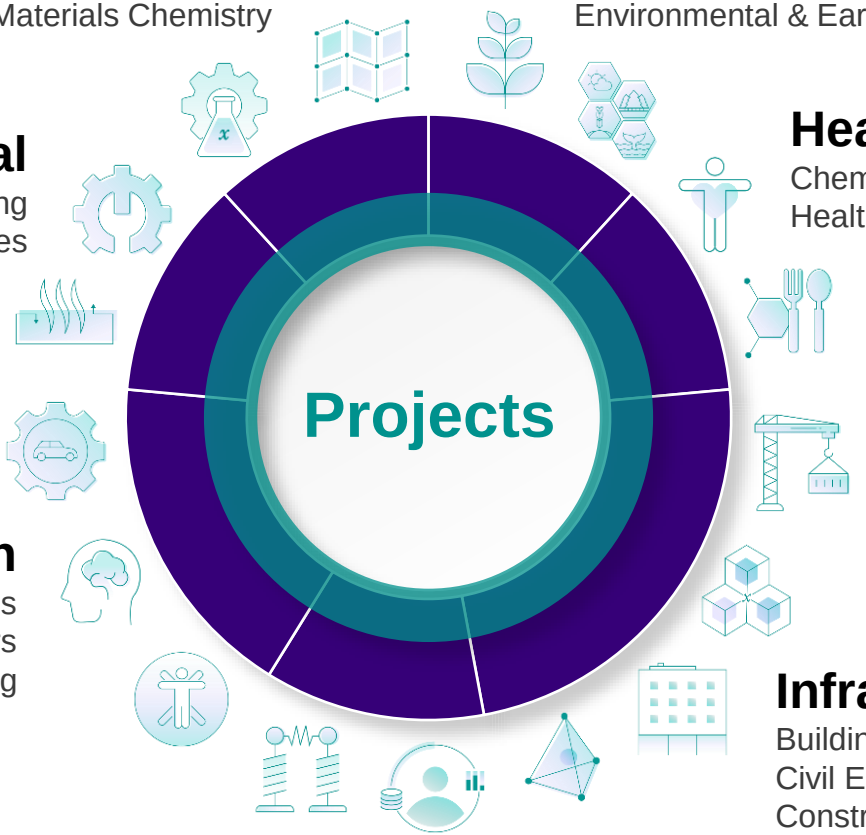
Our Bespoke Multidisciplinary Teams

Polymers & Biomedical
Biomedical Engineering & Sciences
Polymer Science & Materials Chemistry

Environmental Sciences
Ecological & Biological Sciences
Environmental & Earth Sciences

Mechanical & Thermal
Mechanical Engineering
Thermal Sciences

Health Science
Chemical Regulation & Food Safety
Health Sciences



Transportation
Biomechanics
Human Factors
Vehicle Engineering

Infrastructure & Materials
Buildings & Structures
Civil Engineering
Construction Consulting
Materials & Corrosion Engineering

Electrical & Data Sciences
Data Sciences
Electrical Engineering & Computer Science

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Diverse Customer Relationships

Our Clients



Corporate



Legal



Government

10K

FY22
Engagements

2K

FY22
Client Count

Deep Industry Know-How



Construction



Chemicals



Consumer Products



Electronics



Energy



Food & Beverage



Government Sector



Industrial
& Manufacturing



Life Sciences
& Healthcare



Mining & Forestry



Software & Computer
Science

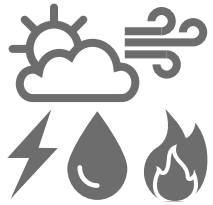


Transportation



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

When Getting It Right Matters

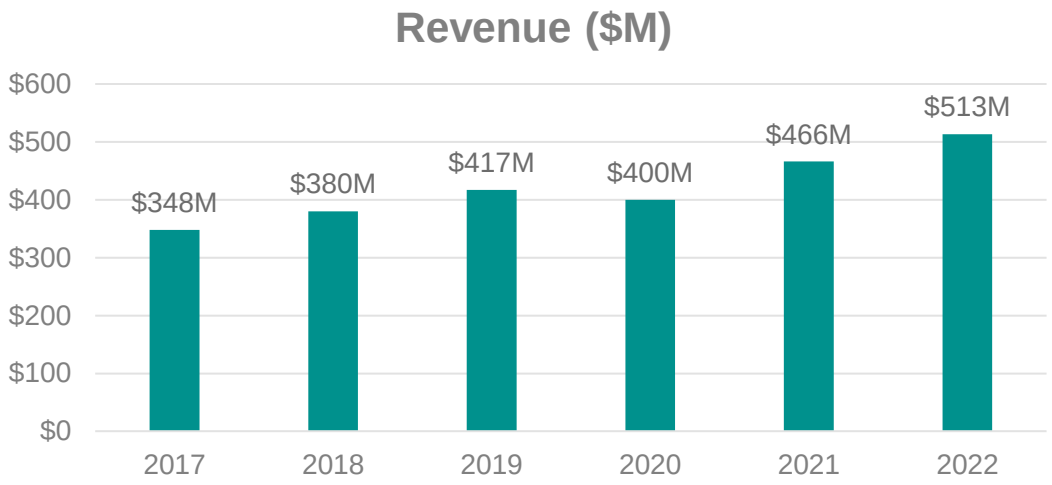
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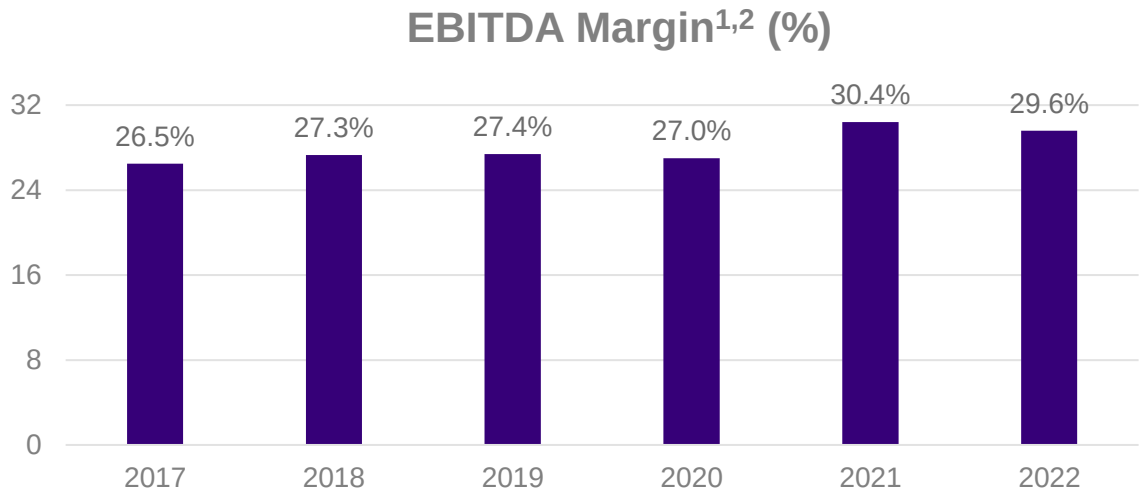


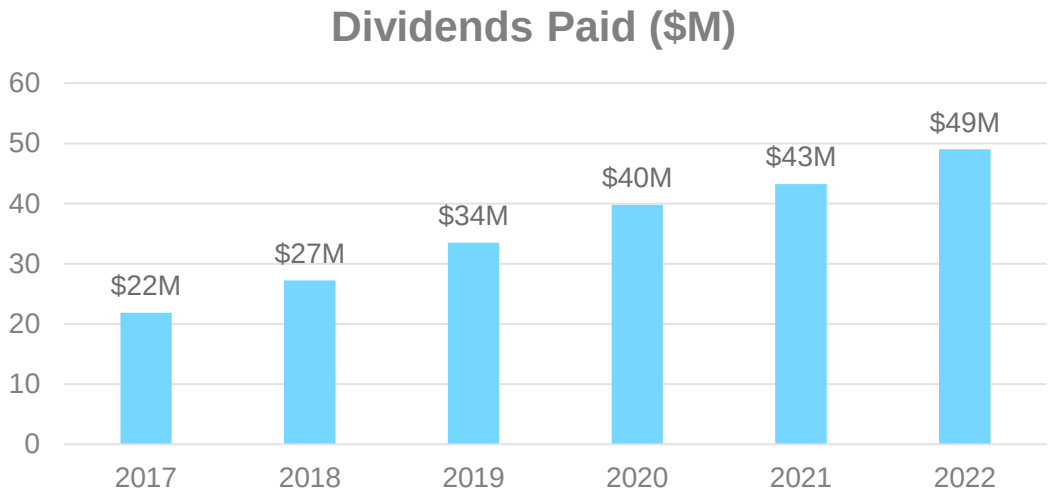
Financial Highlights

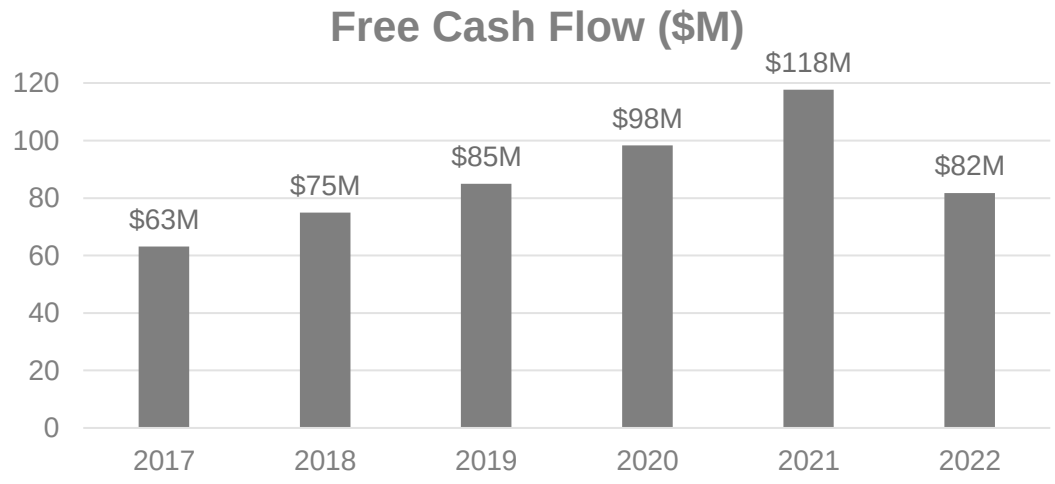


Proven Financial Results









[1]*Refer to non-GAAP reconciliation on slide 22*
[2]*EBITDA Margin % = EBITDA/Revenues before Reimbursements*

[1]Refer to non-GAAP reconciliation on slide 22
[2]EBITDA Margin % = EBITDA/Revenues before Reimbursements

Capital Allocation

2017-2022

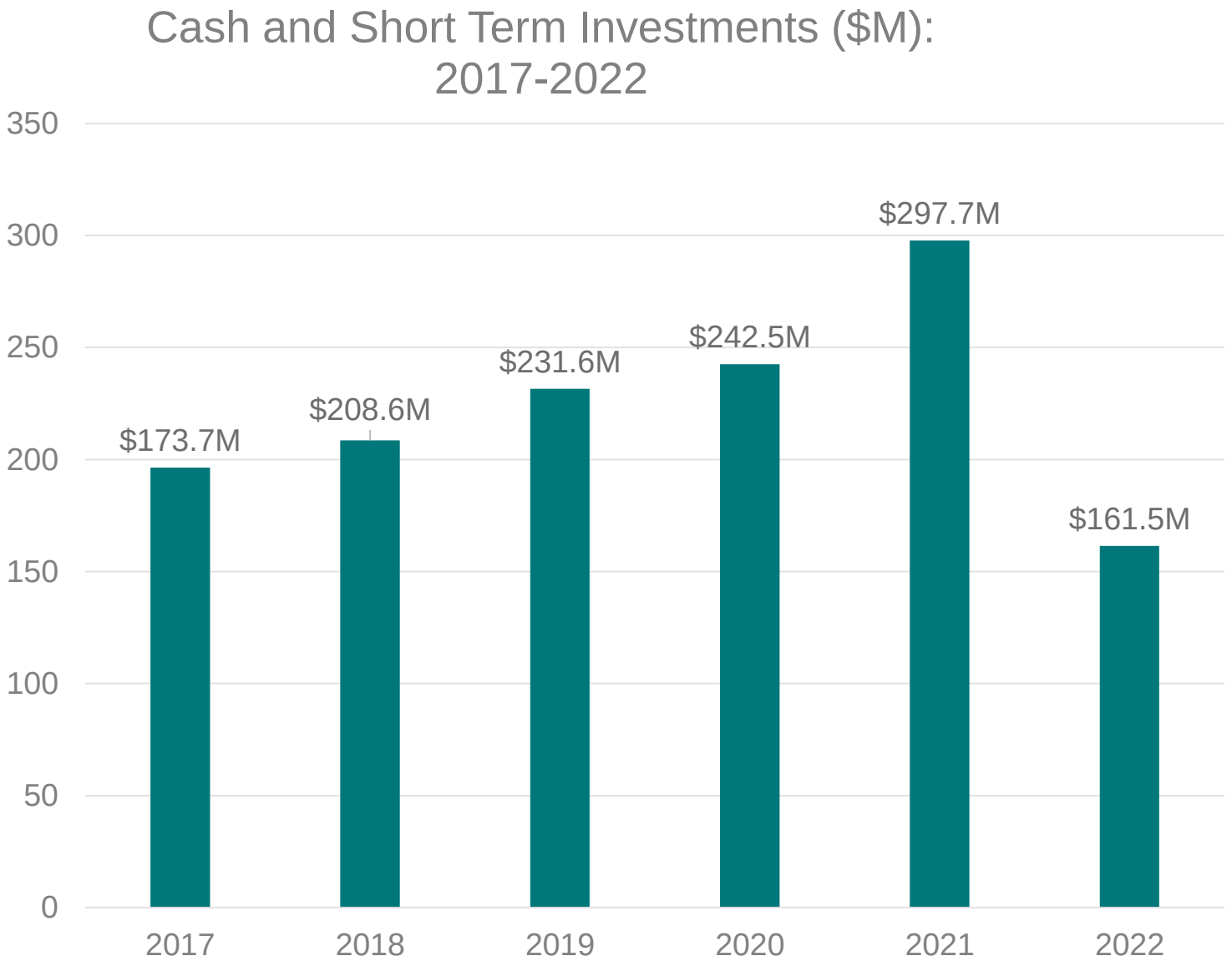
Cash Returned to Shareholders:

$215M

Dividend Payments

$311M

Repurchased Shares (or ~3.9M shares)



Key Metrics – YTD (as of 9/30)

(*$ Millions, except where noted*)	YTD as of 9/30/2022	YTD as of 9/30/2023	% Change
Revenues Before Reimbursements	351.2	383.3	9%
Revenues	385.9	413.9	7%
EBITDA[1]	106.1	107.1	1%
EBITDA Margin[2] *(%)*	30.2%	27.9%	
Net Income	79.8	79.4	-0.5%
Earnings per share *($)*	1.52	1.54	1%
Average diluted shares outstanding *(Millions)*	52.5	51.7	-2%
Billable hours	1,110,591	1,153,227	4%
Utilization, technical	75%	70%	
Realized rate increase	3%	5%	
Technical full time equivalent employees	943	1,059	12%

[1]*Refer to non-GAAP reconciliation on slide 22*
[2]*EBITDA Margin % = EBITDA/Revenues before Reimbursements*

EBITDAS – YTD (as of 9/30)

($ Millions)	YTD as of 9/30/2022	YTD as of 9/30/2023	% Change
Net Income	**$79.8**	**$79.4**	**-1%**
Add back:			
Income taxes	**21.9**	**26.4**	**21%**
Interest income, net	**-0.8**	**-5.2**	**n/m**
Depreciation and amortization	**5.2**	**6.5**	**25%**
EBITDA[1]	**106.1**	**107.1**	**1%**
Stock-based compensation	**16.1**	**17.2**	**7%**
EBITDAS[1]	**$122.2**	**$124.3**	**2%**

[1]EBITDA 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 – Q3 2023

($ Millions, except where noted)	2022	2023	% Change
Revenues Before Reimbursements	115.1	125.0	9%
Revenues	127.2	133.3	5%
EBITDA[1]	34.6	34.5	n/m
EBITDA Margin[2] *(%)*	30.0%	27.6%	
Net Income	24.4	24.5	n/m
Earnings per share *($)*	0.47	0.48	
Average diluted shares outstanding *(Millions)*	52.0	51.6	-1%
Billable hours	364,894	379,746	4%
Utilization, technical	73%	70%	
Realized rate increase	2%	4%	
Technical full time equivalent employees	958	1,050	10%

[1] *Refer to non-GAAP reconciliation on slide 23*
[2] *EBITDA Margin % = EBITDA/Revenues before Reimbursements*

EBITDAS – Q3 2023

($ Millions)	2022	2023	% Change
Net Income	**$24.4**	**$24.5**	**n/m**
Add back:			
Income taxes	**9.0**	**9.5**	**5%**
Interest income, net	**0.6**	**1.9**	**n/m**
Depreciation and amortization	**1.7**	**2.4**	**37%**
EBITDA[1]	**34.6**	**34.5**	**n/m**
Stock-based compensation	**4.6**	**4.9**	**6%**
EBITDAS[1]	**$39.2**	**$39.4**	**1%**

[1]EBITDA 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.

About Exponent

Exponent is the only premium engineering and scientific consulting firm with the depth and breadth of expertise to solve our clients' most profoundly unique and urgent challenges.

1967
50+ Years of Scientific Excellence

950+
Consulting Staff

90+
Technical Disciplines

30+
Offices Across North America, Europe & Asia



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