

**NICE** | interactions

INVESTOR  
AND ANALYST DAY

JUNE 11, 2024

**CX****Ai**  
*Realized*

# NICE | interactions

## The Largest CX Event

ATTENDEES

2,500+

SESSIONS

150+

CUSTOMER  
SPEAKERS

90+

SPONSORS

30+

COMPANIES  
REPRESENTED

550+



NICE Unveils  
CXone Mpower,  
The Ultimate  
CX-Aware AI Offering



NICE Launches  
1CX An All-In-One  
UCaaS



NICE Awarded  
Largest Ever  
International  
CXone Deal

# NICE is at the Center of a New Era in Enterprise Software

Significant Opportunity for Further Growth Through  
Three Fundamental Technological Driving Forces

## CLOUDIFICATION

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Driving a **grand refactoring**, cloud is forcing all software players to modernize their tech stack

## DIGITALIZATION

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Driving a **grand convergence**, digitalization has quickly made its way to the top of every CIO's agenda

## AI-IZATION

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Driving a **grand fusion**, AI-ization is streamlining people, processes and technology

CLOUDIFICATION

DIGITALIZATION

AI-IZATION

Highest  
**Cloud Win  
Rate**



Industry-best  
**Economics**



NICE's Platform  
Strategy  
Drives Enterprise  
Demand and Fuels  
Growth



Trailblazing  
**Digital  
Convergence**



**Leveraging**  
Immense CX-  
AI Opportunity

CLOUDIFICATION

DIGITALIZATION

AI-IZATION

## Three Large Growth Markets with Three Market Leading Platforms

### CUSTOMER EXPERIENCE

10B interactions annually

2T AI-analyzed words/month

Industry's largest R&D investment

The logo for CXone, featuring the letters 'CX' in white and 'one' in a light blue font, with a light blue cloud shape behind the 'one'.

interactions

### FINANCIAL CRIME

5B transactions monitored daily

\$6T protected daily

Top 10 global bank customers

The logo for X-Sight, featuring the letters 'X-Sight' in white, with a light blue cloud shape behind the 'Sight' and a light blue circle with a crosshair behind the 't'.

### CRIMINAL JUSTICE

30M+ cases and growing

17K police departments

4K state attorney offices

The logo for EVIDENCENTRAL, featuring the word 'EVIDENCE' in white and 'CENTRAL' in a light blue font, with a light blue cloud shape behind 'CENTRAL' and a light blue circle with a crosshair behind the 'C'.

NICE

# Platform Expansion Through Rapid Innovation

WEM	Analytics	Cloud Platform	Digital Platform	AI Platform
< 2015	2016	2017 - 2018	2019 - 2021	2022 →
Industry's largest WEM portfolio	Nexidia acquisition	inContact acquisition	Brand Embassy acquisition Contact Engine acquisition MindTouch acquisition	
	Interaction analytics Voice of the customer EEM	CXone Single data model Integration hubs CXexchange Marketplace	>30 digital channels Knowledge management Conversational AI Proactive outreach	Enlighten AI Routing Enlighten Copilot Enlighten Autopilot Enlighten Actions Enlighten Autosummary Enlighten XO Enlighten CX AI Models

> 20,000 MAN YEARS

# Customer Experience

From 20% to 80% cloud penetration

Exponential growth of interactions

Rapidly tapping into labor TAM with AI



GROWING TAM DRIVEN BY CLOUD, AI AND DIGITAL ENGAGEMENT

# Financial Crime & Compliance

Exponential growth in transactions

Diversifying beyond the core

From FCC to customer  
lifecycle risk management





# Criminal Justice

17K police departments

4K state DA offices

Transformation to cloud  
for digital evidence

**\$0.5B**

**2023**

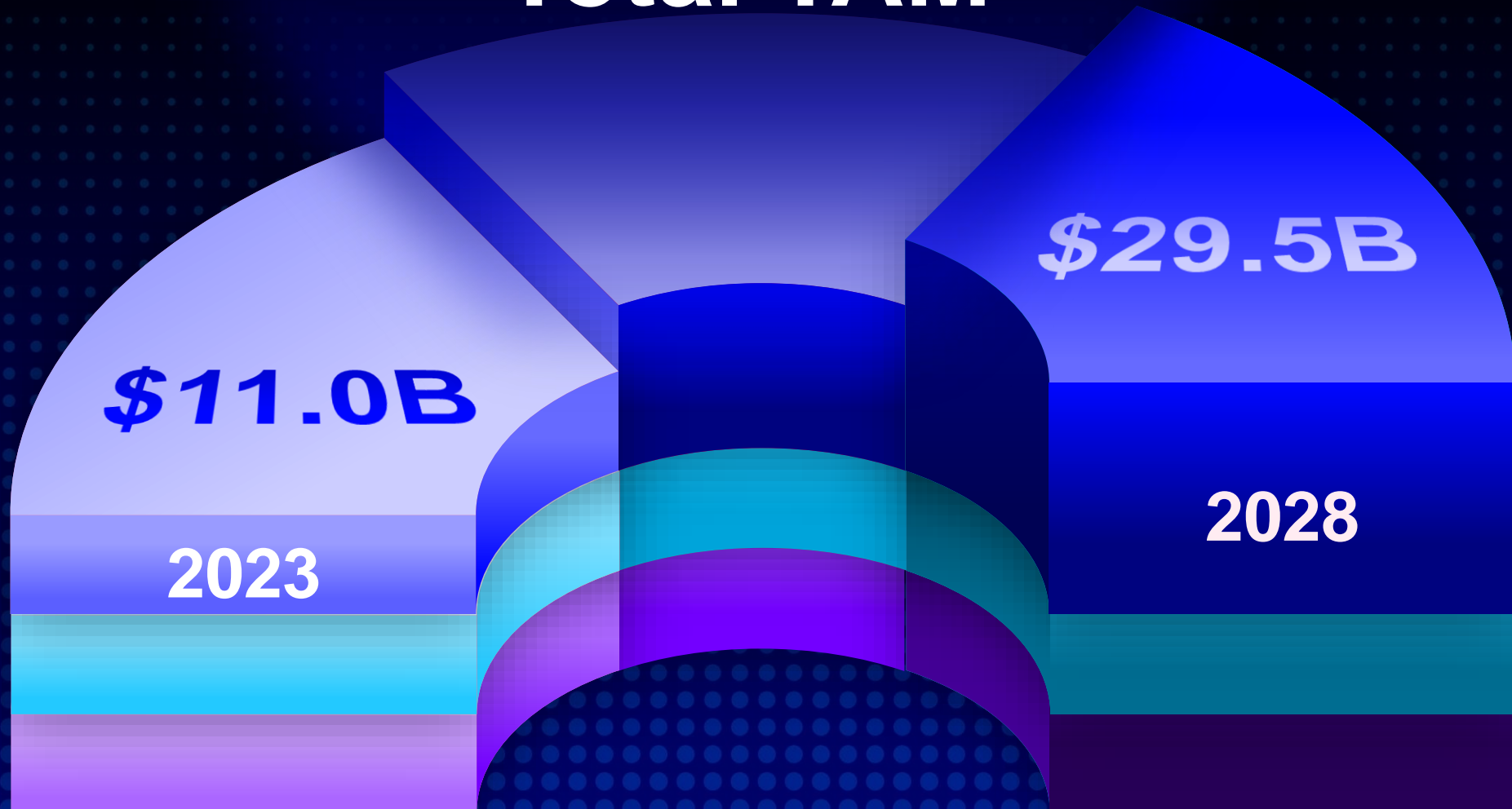
**\$2.5B**

**2028**



GROWING TAM DRIVEN BY CLOUD, AI AND DIGITAL ENGAGEMENT

# Total TAM



# Winning in **CLOUD**, **DIGITAL** and **AI**

## CLOUD

Most complete and scalable platform with CXone

Industry's largest cloud portfolio facilitates massive cross-sell and upsell opportunity

Domain expertise in large enterprise market

Largest partner ecosystem

## DIGITAL

Over 80% of interactions are digital

Massive upgrade to next-gen digital

Digital convergence power of CXone

Extensive, seamlessly integrated digital portfolio

## AI

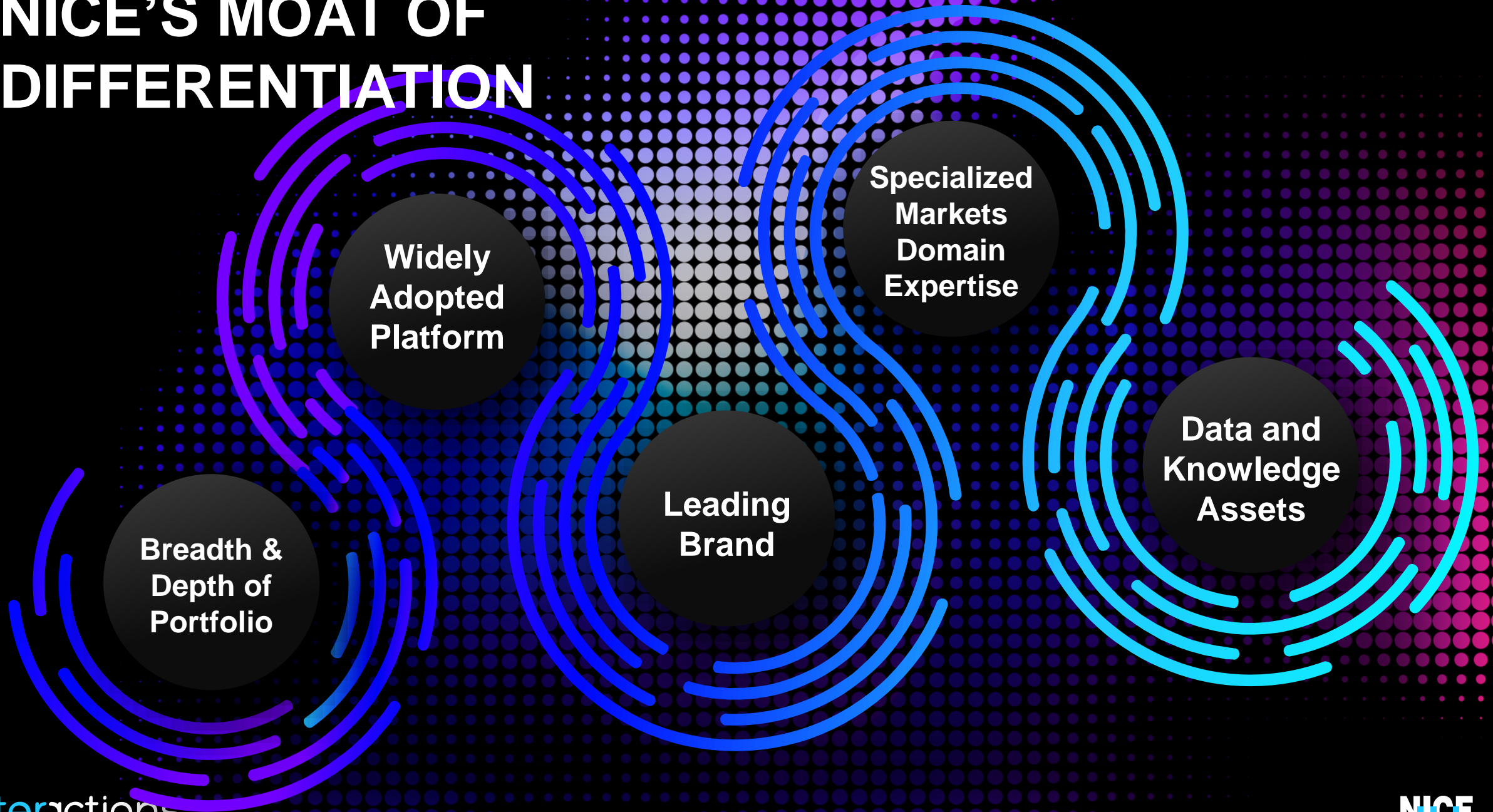
Unique Enlighten AI engine

Billions of CX labeled data

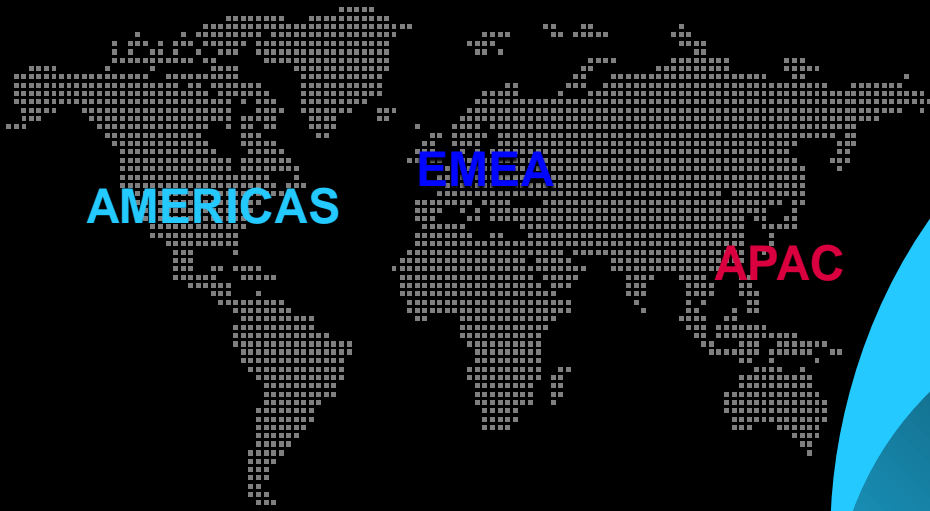
Thousands of CX-specific AI models

Highly specialized AI platform delivers most accurate outcomes

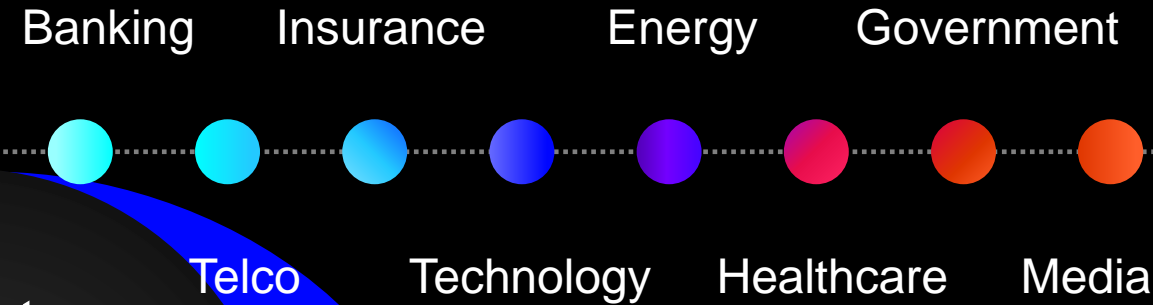
# NICE'S MOAT OF DIFFERENTIATION



## GLOBAL PRESENCE



## MULTIPLE INDUSTRY VERTICALS



Industry  
Leading  
Go-To-Market  
Drives Growth

## VAST ECOSYSTEM

Over 500 global partners  
touching more than 70% of deals

A collection of logos for ecosystem partners arranged in three rows: Verizon, SAP CRM, Oracle; Optus, Orange, Infosys, Salesforce; Accenture, KPMG, Atos.

## TOP-TIER CUSTOMERS

A collection of logos for top-tier customers arranged in four rows: Aetna, Toyota; 3M, Citi, Visa; NYC, Disney Streaming; T-Mobile, Siemens, Cox.



**Yaron Hertz**

*President, Americas*



16 years  
at NICE



**Barak Eilam**

*Chief Executive Officer*



25 years  
at NICE



**Barry Cooper**

*President, CX*



13 years  
at NICE



**Darren Rushworth**

*President, International*



6 years  
at NICE



**Beth Gaspich**

*Chief Financial Officer*



13 years  
at NICE



**Craig Costigan**

*CEO, NICE Actimize*



5 years  
at NICE



**Chris Wooten**

*EVP, Vertical Markets*



9 years  
at NICE



**Shiri Neder**

*EVP, HR*



6 years  
at NICE

GLOBAL  
DIVERSIFIED &  
SEASONED  
MANAGEMENT  
TEAM

# NICE's Path to 5B@R40\*

Doubling Down  
on  
Platformization

Tapping into  
Labor TAM  
with AI

Architecture-  
Derived  
Economies of  
Scale

Monetize  
Exponentially  
Growing  
Interactions

\*\$5B total revenue at FCF Rule of 40

# Built For Long Term Success in a Rapidly Shifting and Dynamic CX Landscape

CXone, the most widely adopted and expanding digital and AI platform

Billions of historical labeled data

Large and well-diversified customer base

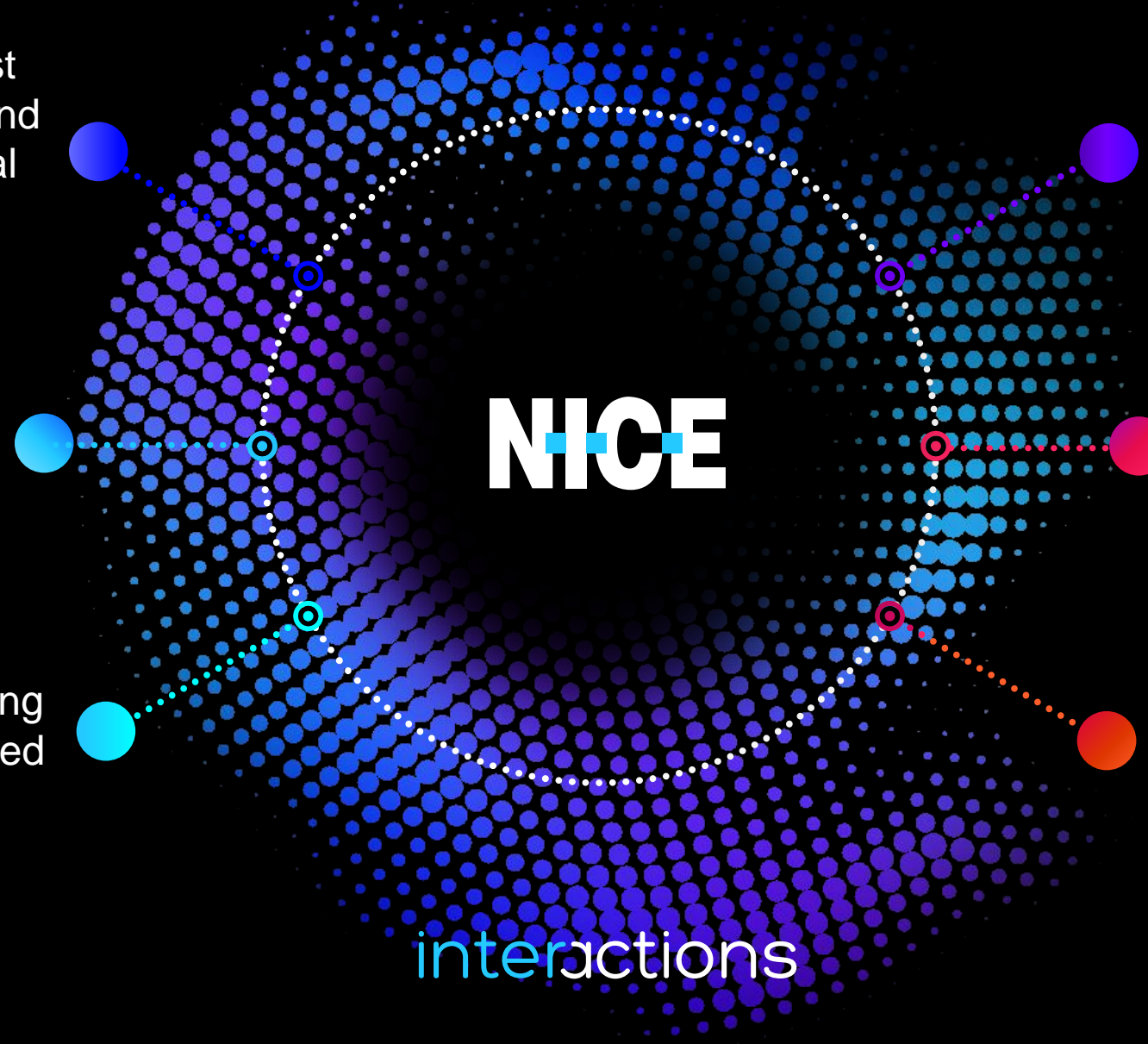
Decades of domain expertise

Enlighten, the leading organically developed CX AI

Industry leading revenue growth and profitability

# NICE

interactions





# Financial Overview

**CX** **AI**  
*Realized*



NICE is at the Center of a  
**New Era in Enterprise Software**

Significant Opportunity for Further Growth Through  
**Three Fundamental Technological Driving Forces**



**Cloudification**

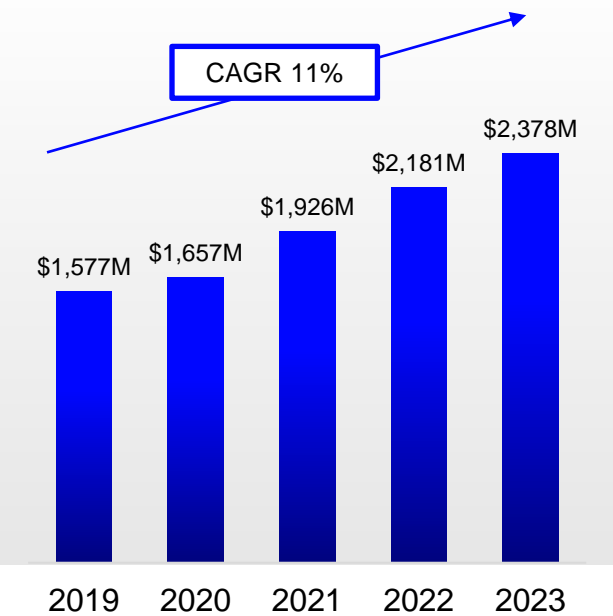
**Digitalization**

**AI-ization**

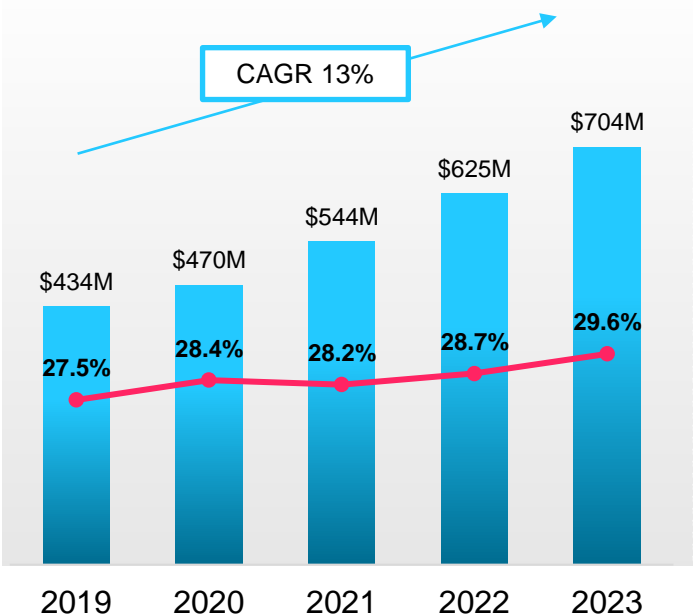
Industry Leading

# Profitable Growth

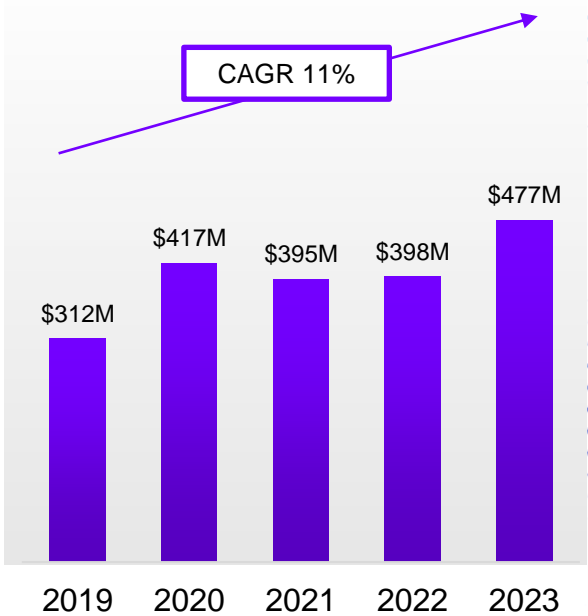
### Total Revenue (Non-GAAP)



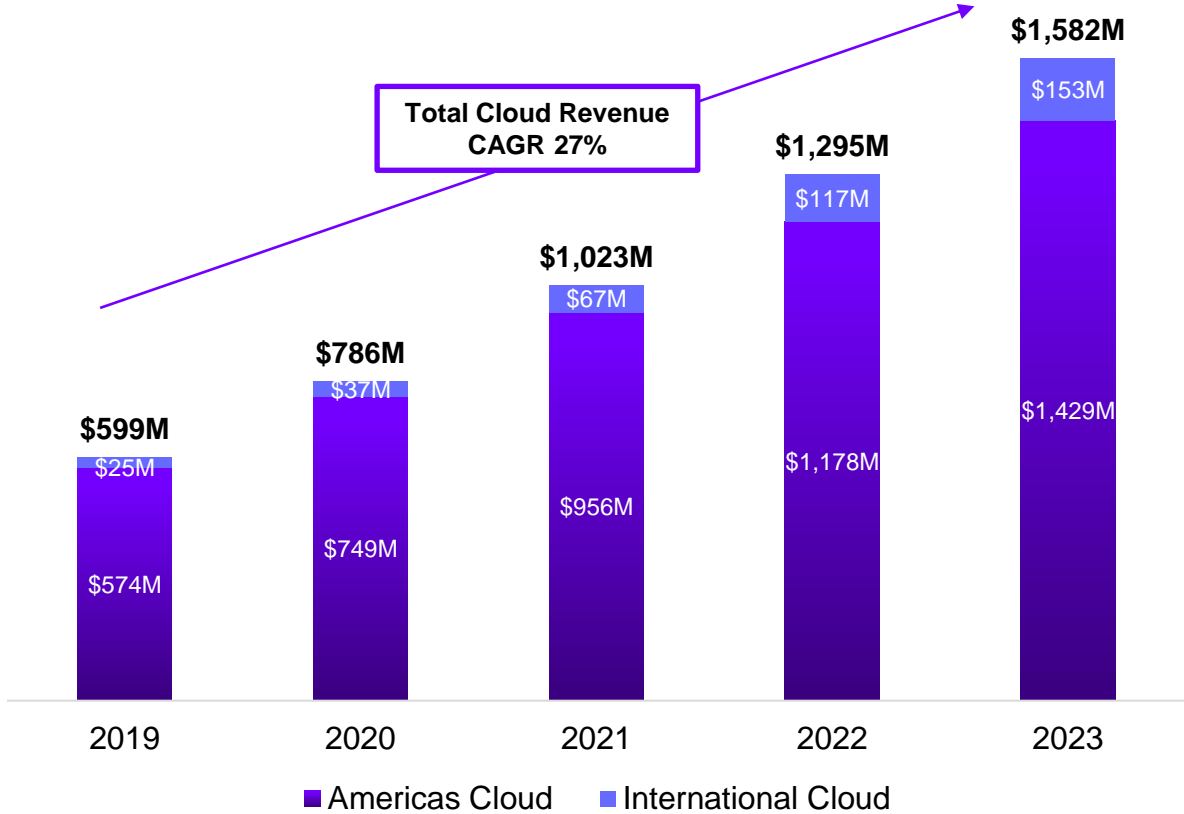
### Operating Income and Margin (Non-GAAP)



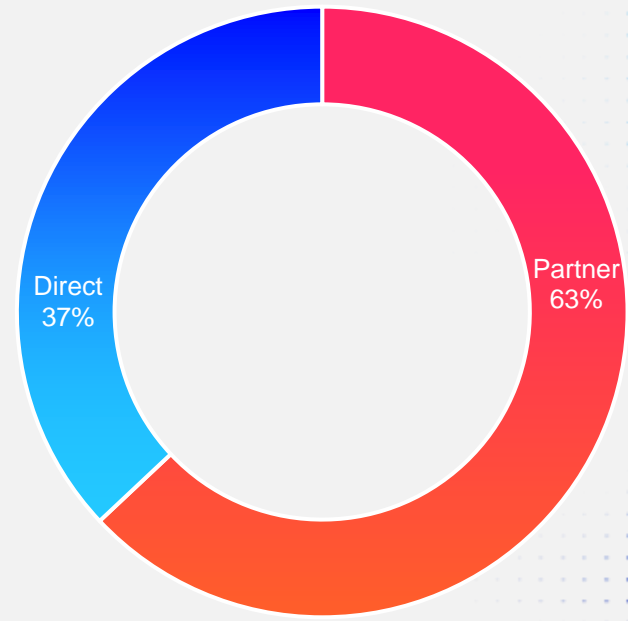
### Free Cash Flow



# Revenue Growth Driven by Cloud



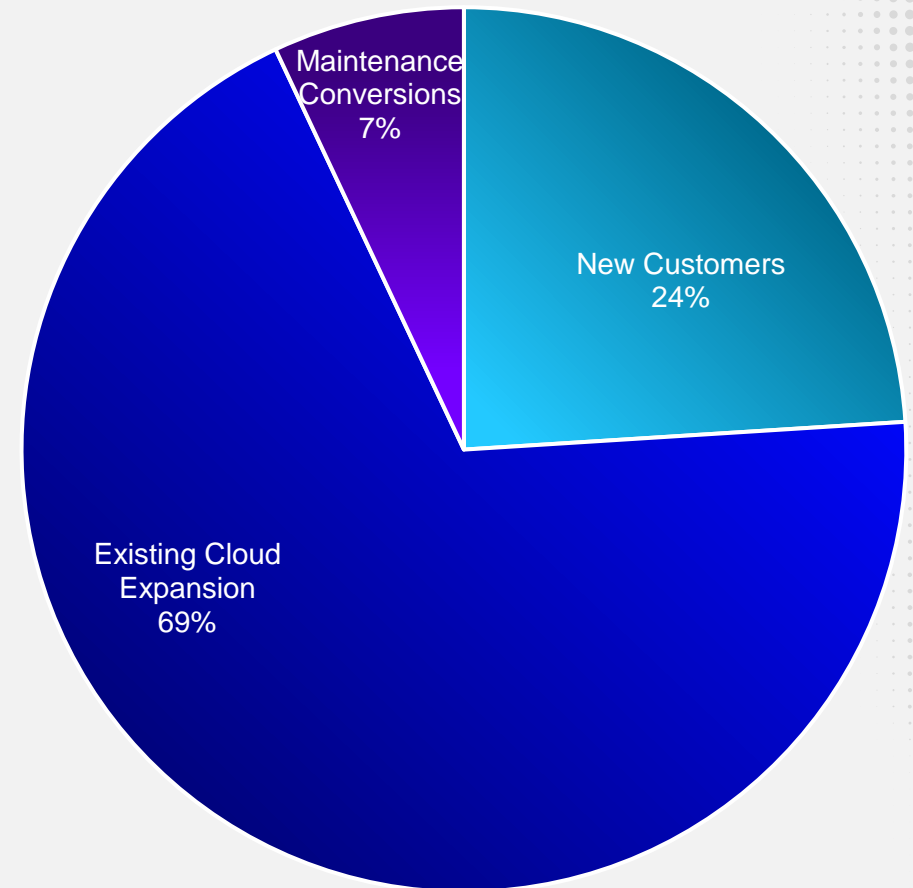
### 2023 CXone New ACV by GTM Channel



## Key Growth Drivers

**New** | **Existing** | **Conversions**

2023 New Cloud ACV  
by Growth Driver



95%

CXone GRR in  
LTM Q1/2024

Large and  
Expanding

**Loyal CXone  
customer  
base**

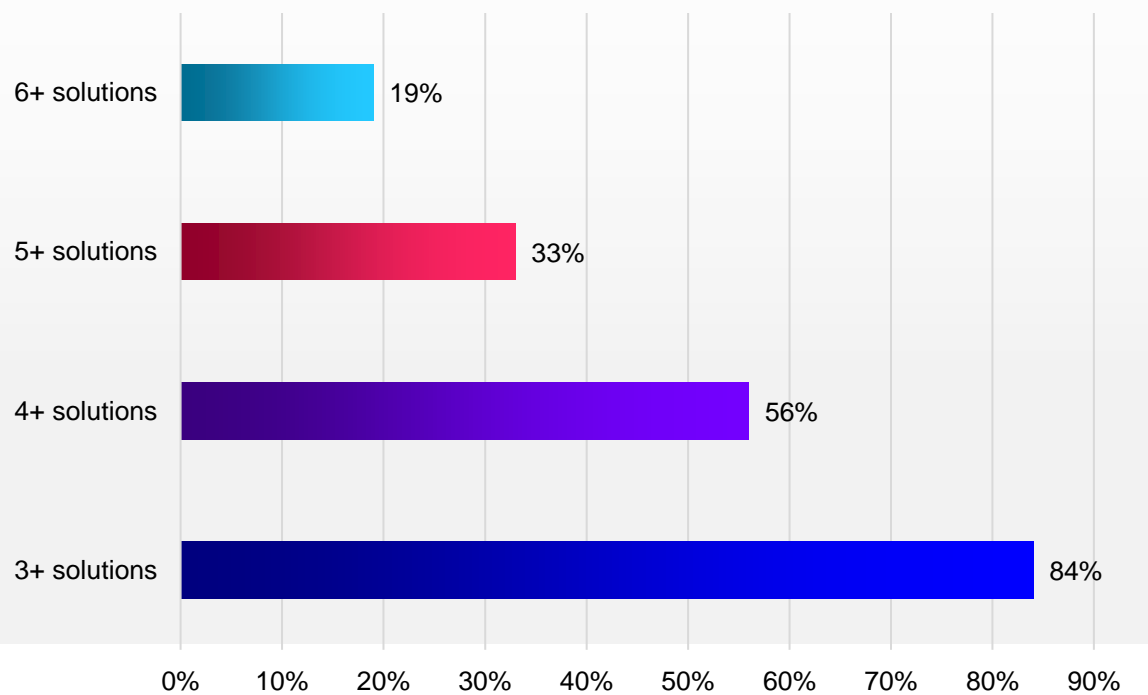
113%

CXone NRR in  
LTM Q1/2024

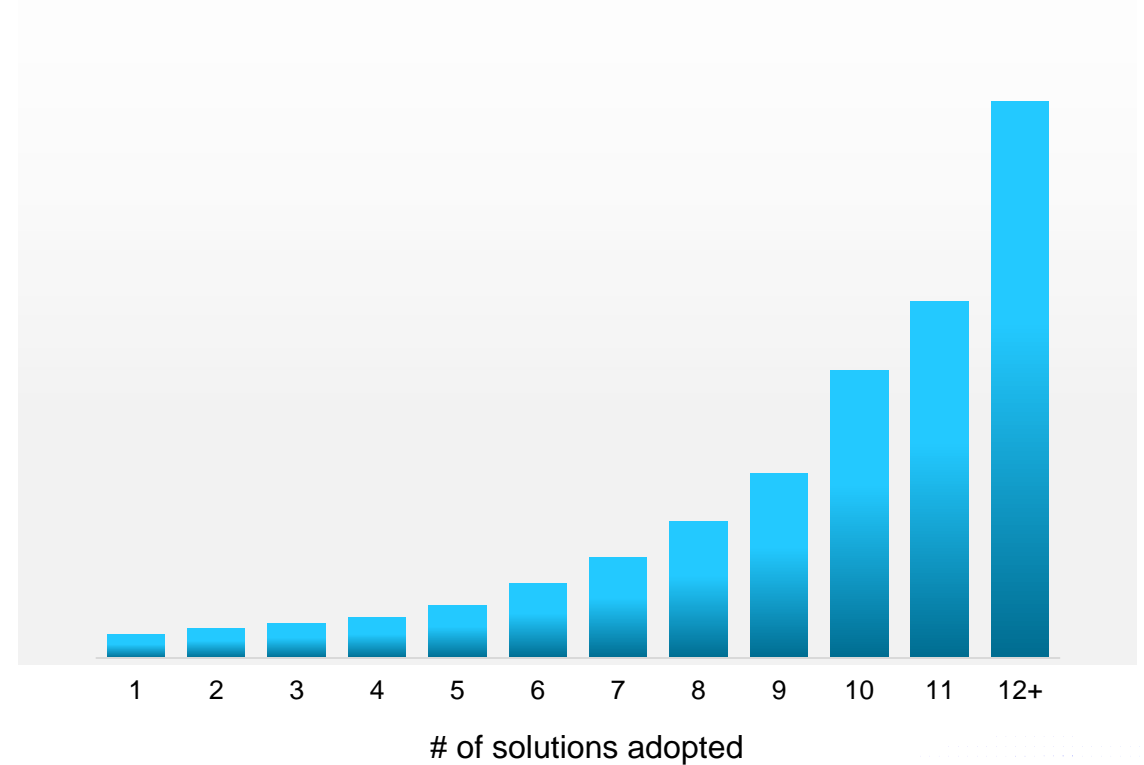
Vast Expansion Opportunity

# of cross-selling CXone portfolio

CXone customers with multi-solution adoption

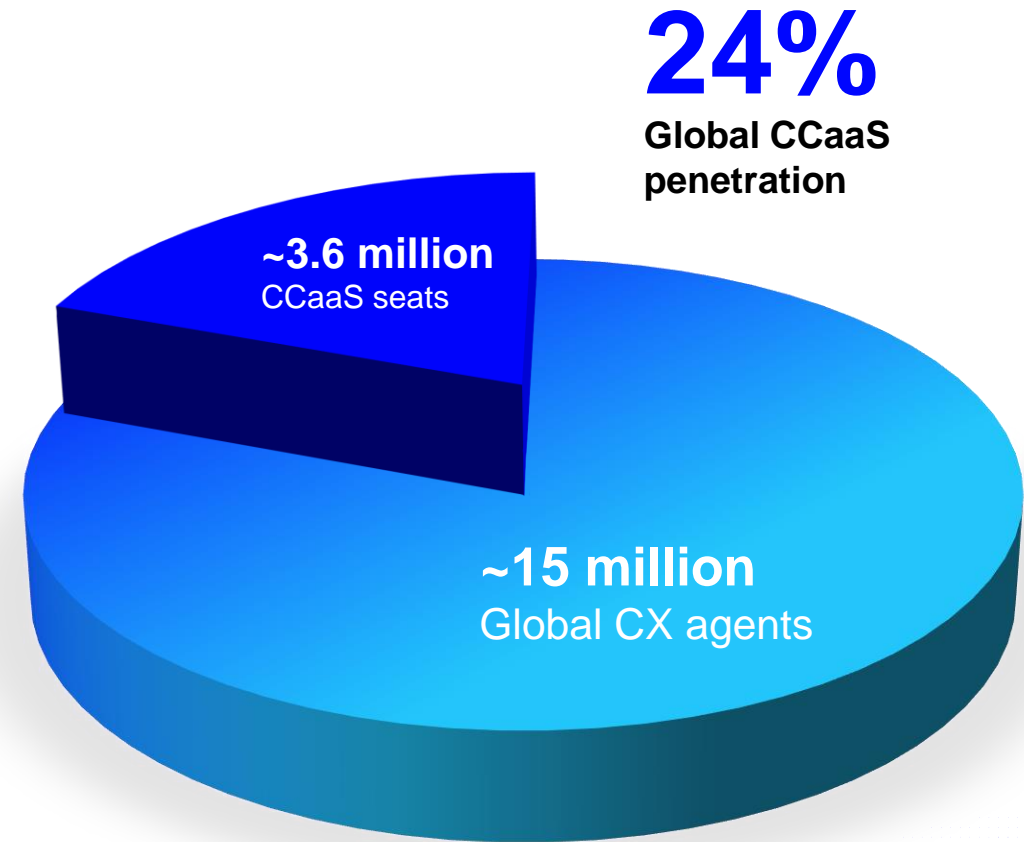
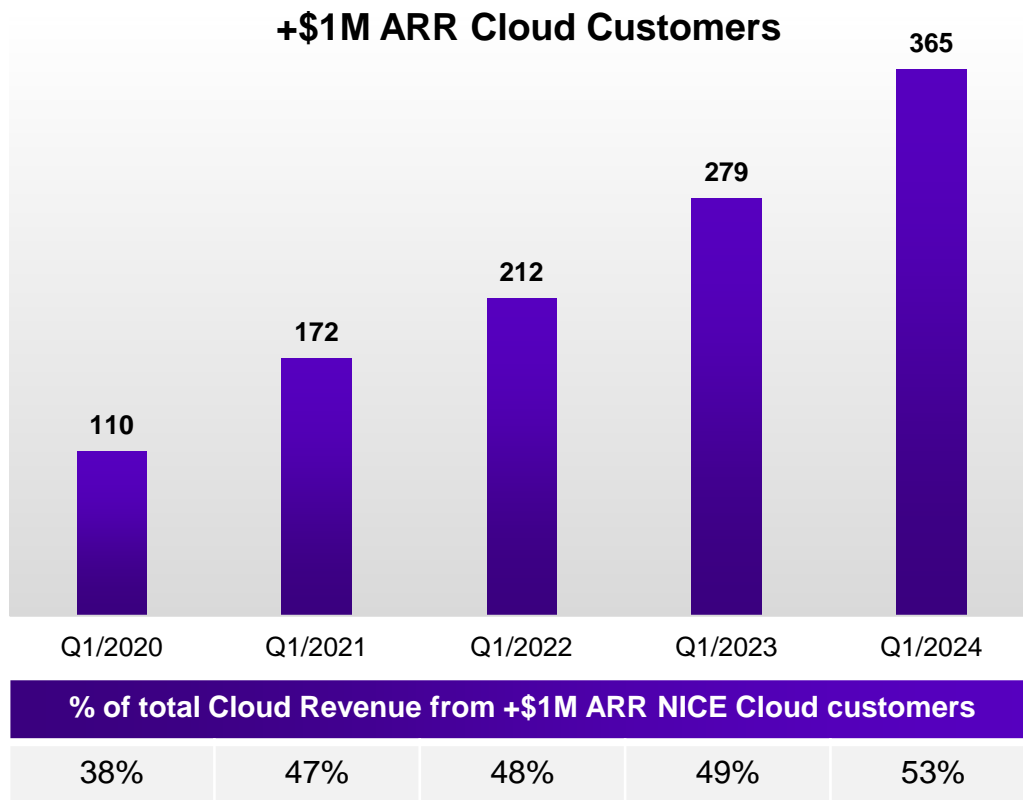


Average ARR of CXone customer by # of solutions adopted



## Cloud Growth

# Driven by Success in the Large Enterprise Market



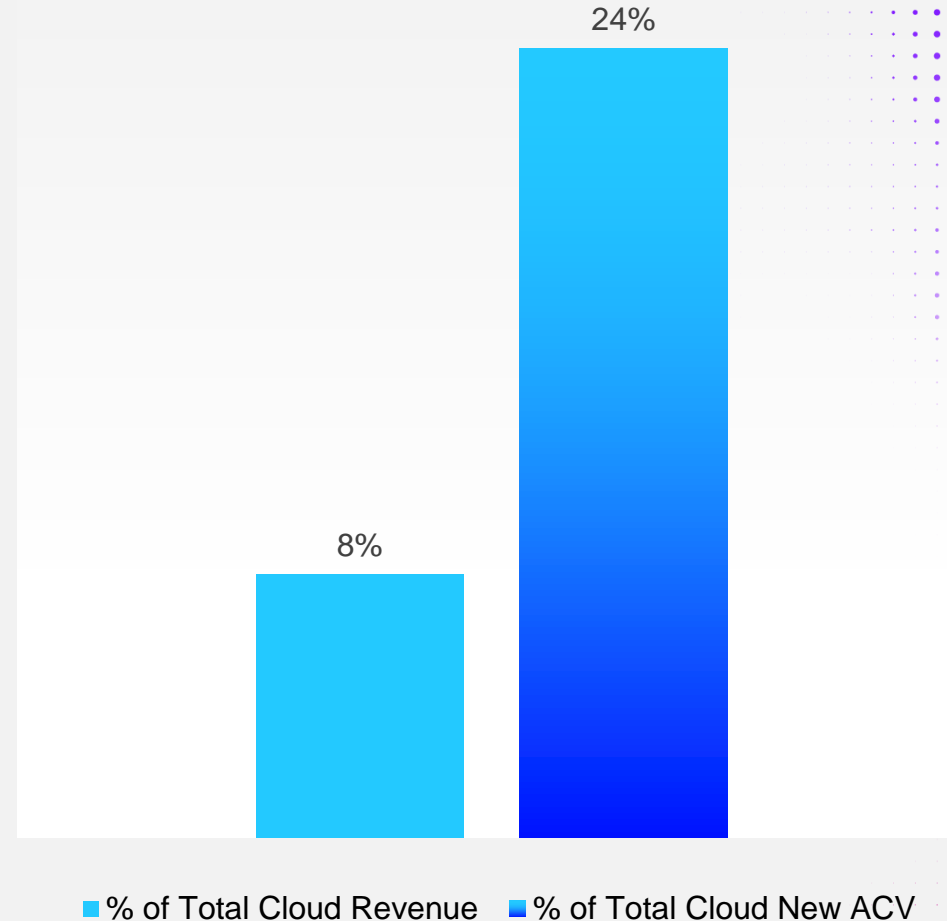


# AI and Digital Tailwind is the #1 growth driver for NICE

## >\$150M

AI and Digital Engagement ARR  
for Q1/2024

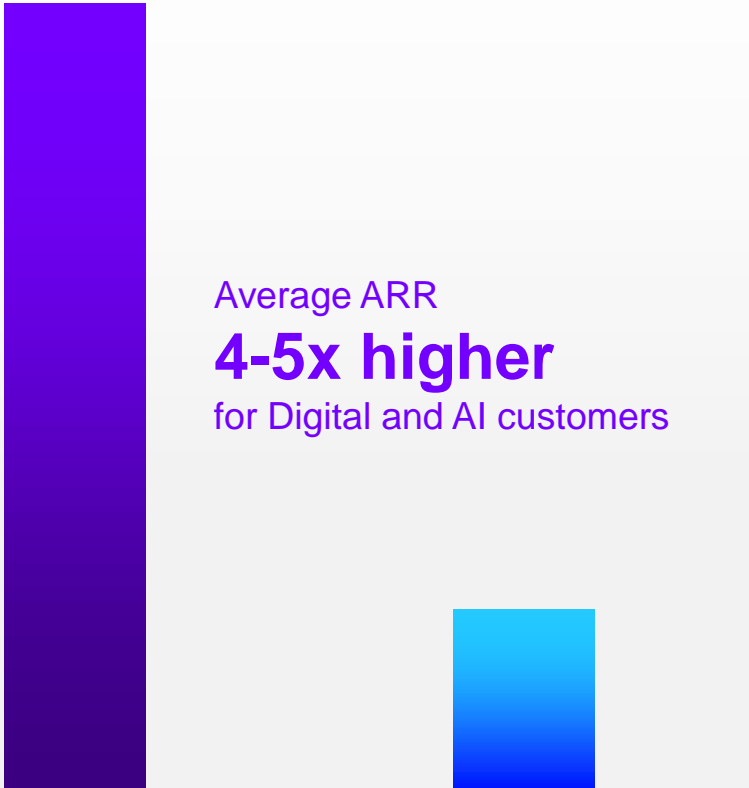
## AI and Digital Business Q1/2024



■ % of Total Cloud Revenue ■ % of Total Cloud New ACV

# Market opportunity of Digitalization and AI-ization

### Average ARR of CXone customers



Digital and AI customers

Non-Digital and Non-AI customers

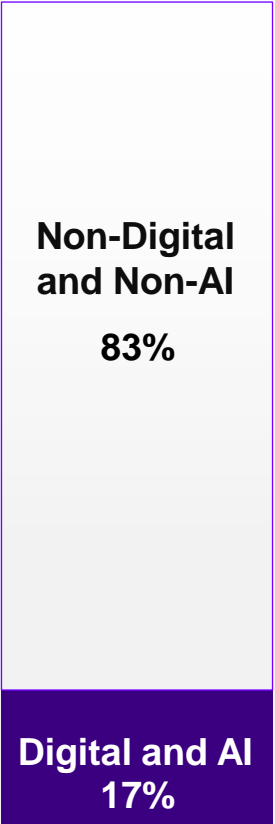
### Average ARPU of CXone customers



Digital and AI customers

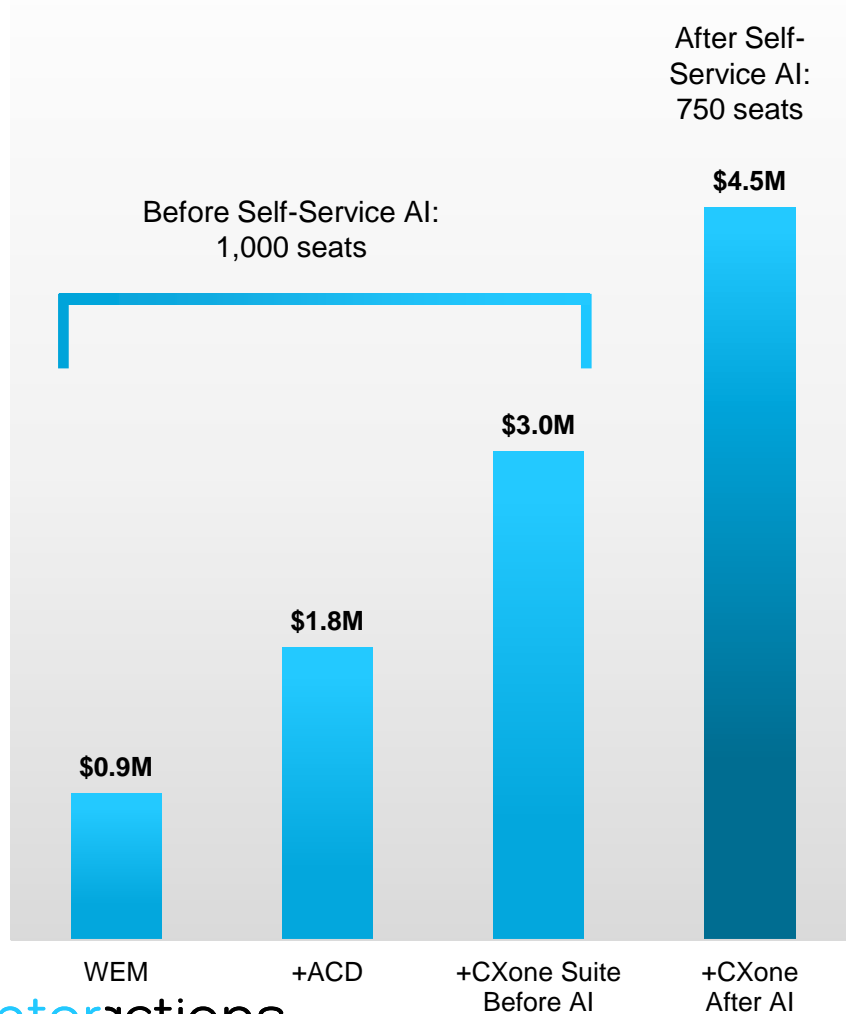
Non-Digital and Non-AI customers

### % of CXone customers

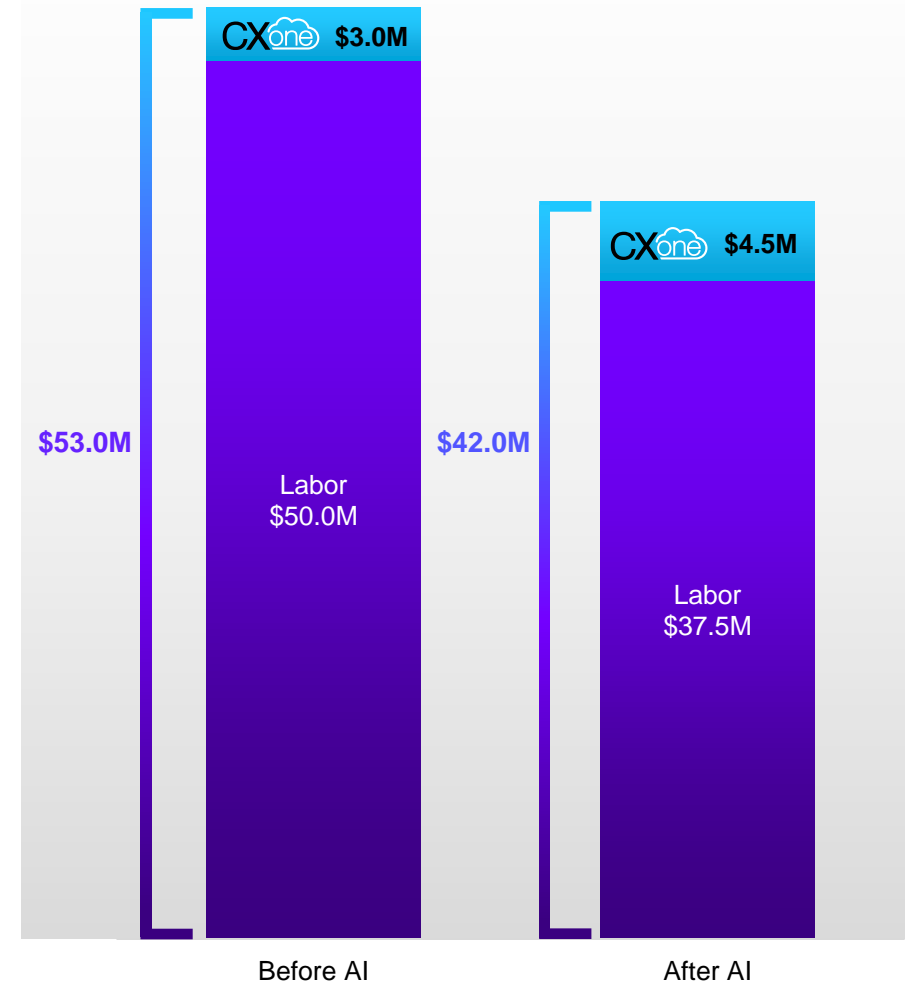


# AI is a win-win for NICE and customers

## NICE ARR

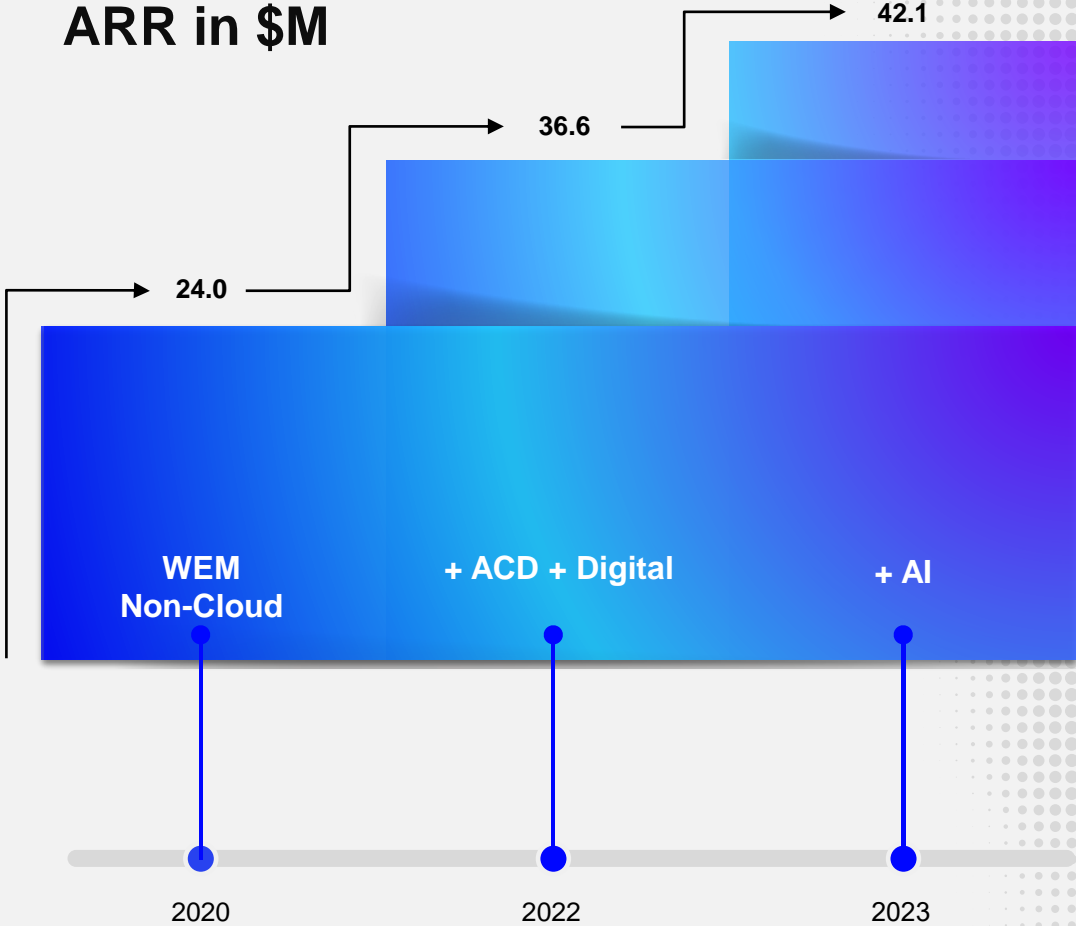
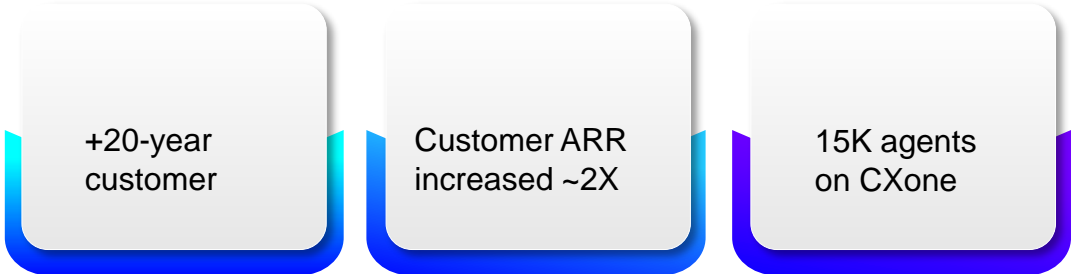


## Annual Customer CX Costs



# Existing Customer Expansion

# Health Insurance Company



New Customer Example

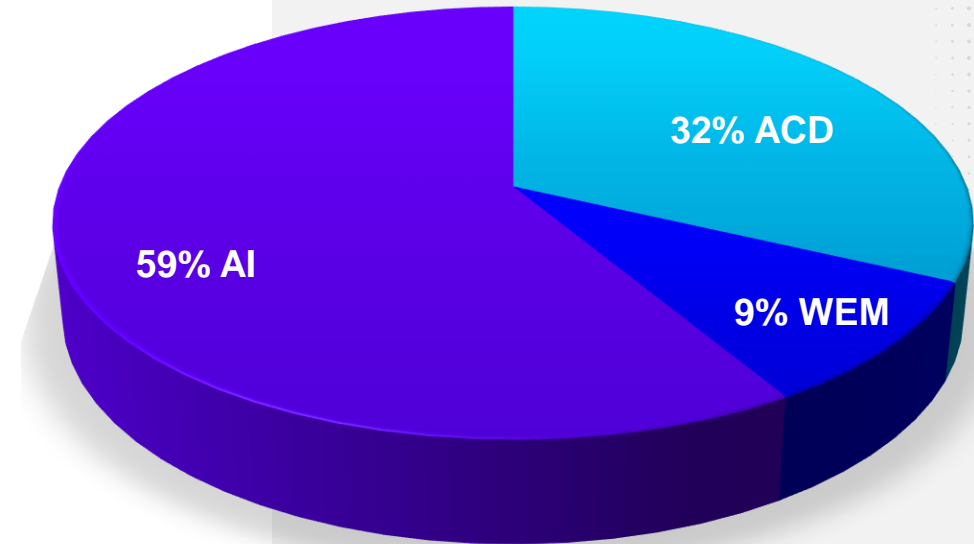
# Financial Services Company

CXone Enlighten AI Customer Example

**>\$3.4M ARR**

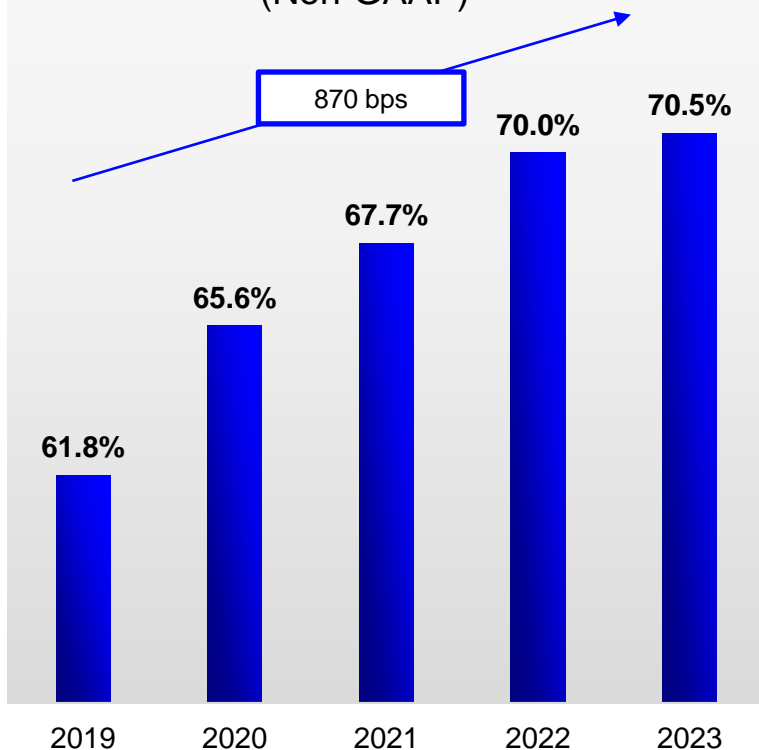
AI and Digital increased size of deal by

**2.5x**

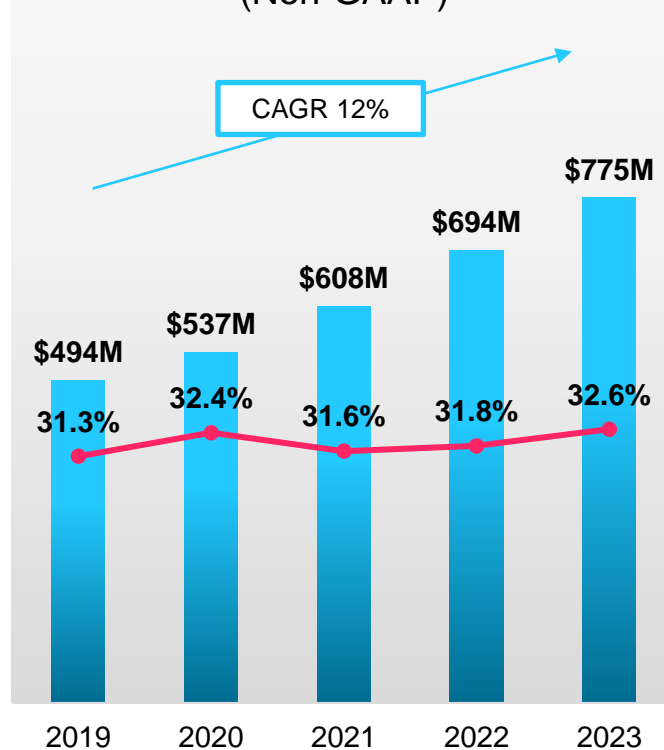


# Strong Operating Leverage With a Focus on Profitability

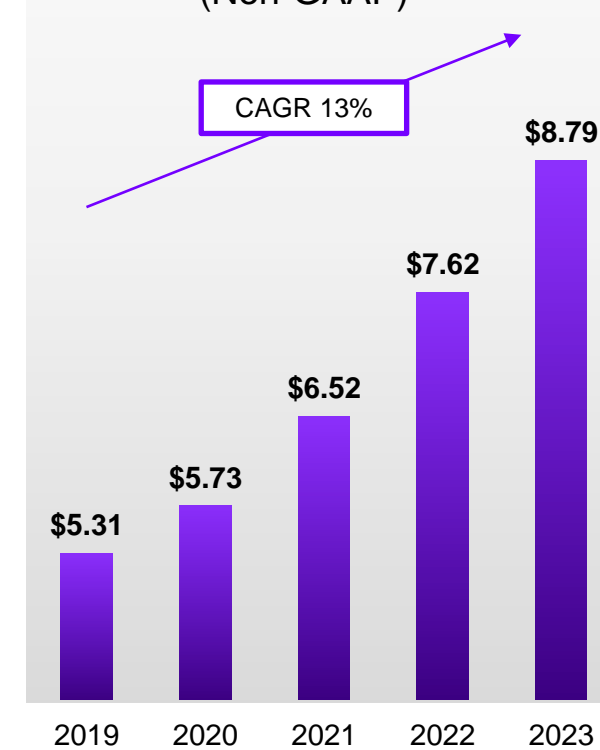
### Cloud Gross Margin (Non-GAAP)



### EBITDA and Margin (Non-GAAP)



### EPS (Non-GAAP)



## Internal Use of GenAI

# Enhancing Profitability and Innovation

### R&D

faster code  
writing

automated  
testing

### BUSINESS OPERATIONS

summarizing  
NPS comments

identification of  
product  
opportunities

### CUSTOMER SUPPORT

automated  
reviews of  
support  
cases

customer support  
chatbot for product  
support using NICE  
knowledge base

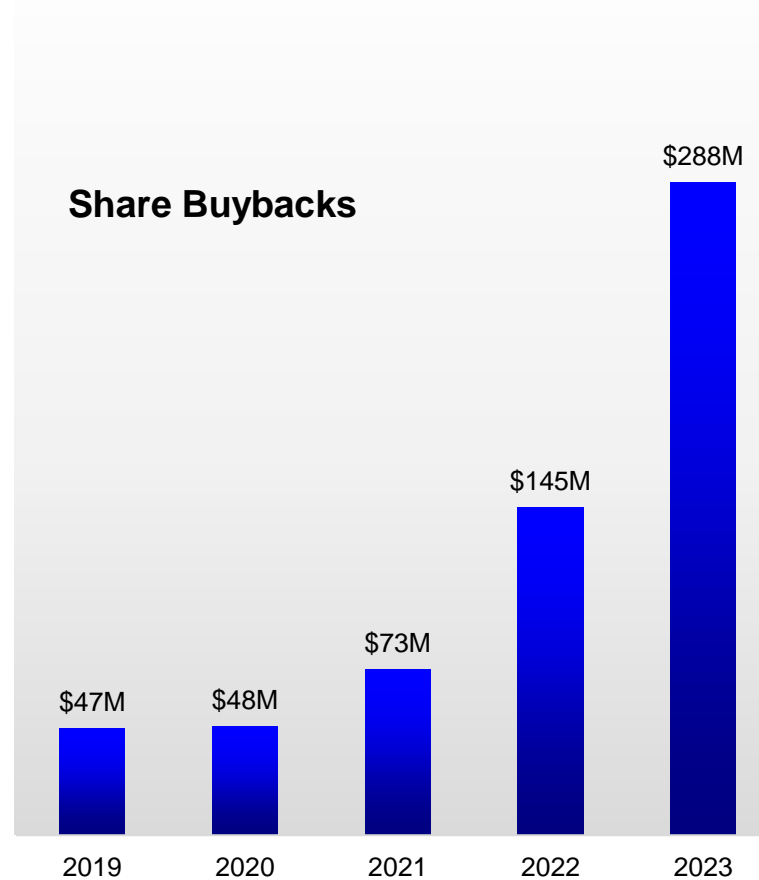
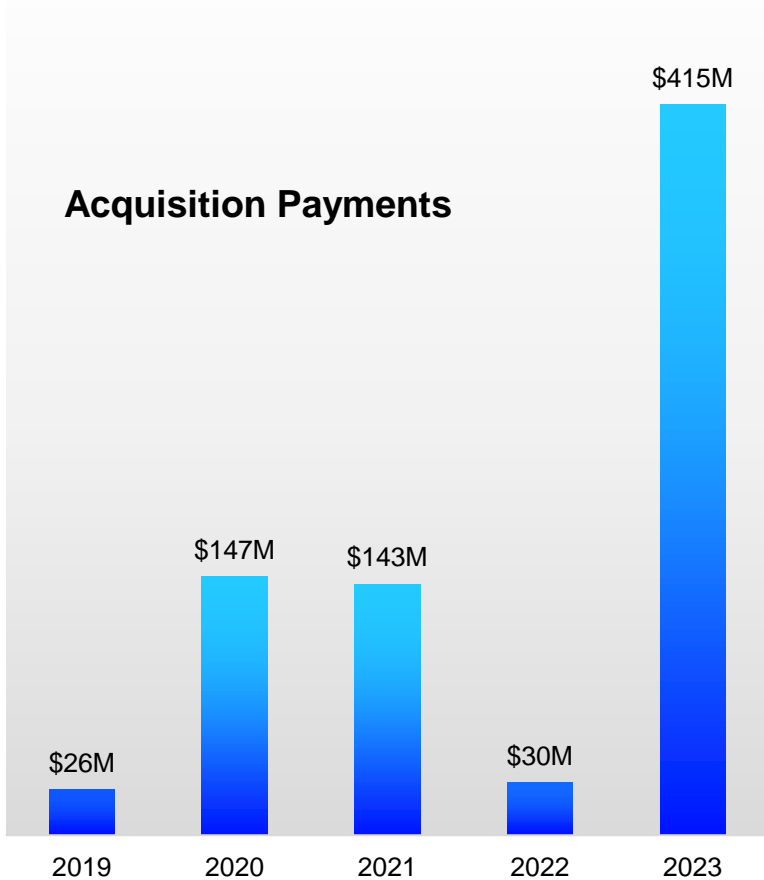
### PRODUCTIVITY GAINS

faster  
innovation

improvement  
in resolution  
time and CSAT

increased  
proactiveness in  
customer responses

# Capital Allocation Focused on Value Creation



**Combined**  
**~\$700M** share  
buyback program  
outstanding



# Outlook

	FY 2024	Y/Y Growth
<b>Total Revenue</b>	\$2,715M – \$2,735M	14% – 15%
<b>Cloud Revenue</b> (excluding LiveVox)		≥ 18%
<b>Operating Margin</b> (Non-GAAP)	30.5% – 31.0%	90 bps – 140 bps
<b>EBITDA Margin</b> (Non-GAAP)	≥ 33%	≥ 40 bps
<b>EPS (Non-GAAP)</b>	\$10.53 – \$10.73	20% – 22%
<b>Free Cash Flow</b>	≥ \$600M	≥ 26%

# Summary

**Consistent execution** on delivering industry leading profitable growth

Still in **early innings of cloud, digital and AI adoption** in CX market, especially in large enterprise and international markets

**Digital and AI opportunity** is incremental to our revenue

NICE CXone's depth and breadth is **increasing our wallet share**

**Best-in-class balance sheet** enables us to expand our market leadership



**CX** **Ai**  
*Realized*

**Thank You**

**NICE** interactions