

maximus

Investor Presentation

MARCH 2024



Creating Value to Drive Long-term Growth

WHO WE ARE

Founded in 1975, leading operator of government health and human services programs worldwide

Key services

Key government customers

HOW WE CREATE VALUE

Unmatched ability to translate public policy into operating models that achieve outcomes for government – at scale

Desirable operating model drives high cash conversion

Capital deployment strategy focused on long-term organic growth

WHAT DRIVES LONG-TERM GROWTH

Long-term demographic, political, technology, and economic trends favor our business

Meaningful barriers to entry in many markets

Organic growth through scope increases and amendments supplement new market expansion

How We Operate at Scale

Perform **2 million+**
independent benefit reviews

Manage **20 million+**
citizen services cases

Handle **7 million**
contact center inquiries per month

Complete **2.5 million+**
assessments in the
U.S. and U.K. each year

Oversee **60 – 70%**
of the market
of Medicaid
managed care

Answer **43 million**
calls annually to support Federal
health insurance enrollment

Why We Win

Typical Evaluation Criteria
Are Weighted 70/30
Technical vs. Cost

Federal Contracts Are
Awarded Generally on a
“Best Value” Basis

Winning in
Our Markets

How We Adapt

Strategic IT Investments
Provide Flexibility

Best-in-Class Labor Sourcing
Capabilities & Network

Highly Variable Cost Model

Built to Adapt and Win

Proven Durability with Large Customers

HIGHLY DESIRABLE LONG-TERM RELATIONSHIPS



California



U.S. Centers for Medicare & Medicaid Services



New York



U.S. Internal Revenue Service



Texas



U.S. SEC



U.S. Dept. Edu.



Department for Work & Pensions

U.K. DWP



U.S. Dept. Veterans Affairs



U.S. Centers for Disease Control and Prevention



Masterfile

Accurate processing of taxes in the U.S.

IT Security Implementation

Project and program management for the IRS cybersecurity organization



EDGAR

Provides free public access to corporate filings which increases the efficiency, transparency, and fairness of the securities markets



Contact Center Operations (CCO)

Serves as the primary support engagement center for Medicare and the federal exchange utilized by 30+ states under the Affordable Care Act (ACA)

Maximus U.S. Federal is #1 Provider at:

Financial Characteristics



Revenue
Sustainable, mid-single digit organic growth

Operating Margin

9 – 12%, with 100-200 bp expansion over next 3 yrs., and before expense for amortization of intangible assets



Long-term Customers
7+ year weighted average contract life; our relationships last decades

Backlog of Contracts

\$20.7B backlog as of 9/30/2023
4X backlog relative to TTM revenue
~6 YR average remaining life of backlog

~90%



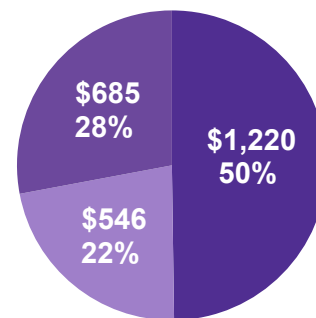
Recompete Win Rate



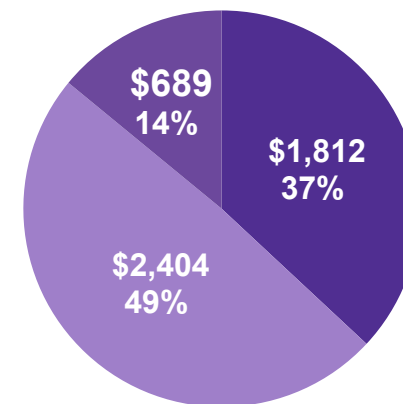
High Cash Conversion

FCF to GAAP net income
~1.3X go forward

Segment & Revenue Disaggregation

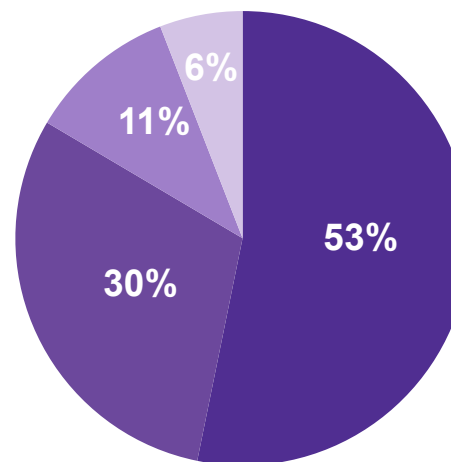


FY17
Segment
Revenue (\$M)
\$2,451



FY23
Segment
Revenue (\$M)
\$4,905

■ U.S. Services ■ U.S. Federal Services ■ Outside the U.S.



FY23 of \$4,905M

Revenue Breakdown

- Program Operations
- Clinical Services
- Employment & Other
- Technology Solutions

How We Are Paid

LOWER RISK
LOWER MARGIN

HIGHER RISK
HIGHER MARGIN

Firm, Fixed Price

Appropriate if program is well-established with known volumes

Performance-Based (Fixed Price Per Unit)

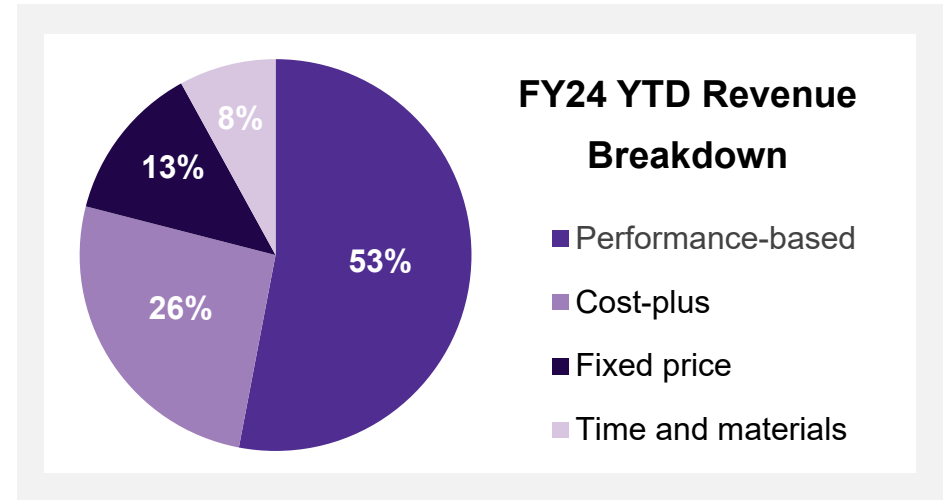
Activity based: per call, per assessment, per enrollment
Outcomes based: per job placement, per job sustainment
Membership based: per member per month
Area of emphasis due to common use on Business Process Services (BPS) programs

Time & Materials

Labor rate per hour plus reimbursement of non-labor costs
Area of emphasis due to common use in technology services

Cost Plus

Reimbursed for direct & indirect expenditures
Profit rate is contractual, may include an award fee component (*based on performance*)



Strategy Focused on Leveraging Successful Foundation and Strong Technology Portfolio

Strategic Growth Pillars

Customer Services, Digitally Enabled

Elevate Customer Experience (CX) to achieve higher levels of satisfaction, performance, and outcomes through intelligent automation and cognitive computing

Future of Health

Help governments meet rising demand for health services by growing our clinical capabilities to improve the health of people and their communities

Advanced Technologies for Modernization (Technology Services)

Further our credibility as a technology leader enabling the transformation of government programs to be resilient, dynamic, integrated, and equitable

Delivery Strategies

Maximus enables governments to respond to complex technology, health, and social challenges they face in delivering their largest and most critical programs

Business Process Services (BPS)

Technology Consulting Services (TCS)

OUR PEOPLE | Driving the Strategic Plan's Success

Attract, retain, develop, and empower people who share our passion, commitment, and expertise to address government's toughest challenges

Customer Services, Digitally Enabled

Objectives

- Expand Maximus' leadership in delivering outcomes-focused government-to-customer interactions
- Leverage understanding of intersections of policy and consumer needs
- Capitalize on government's commitment to a better Customer Experience (CX)

Examples of Our Success Thus Far

Area	Proof Point
TX Intelligent Document Processing	50% of Medicaid enrollment forms are automatically processed Our solution interprets handwriting with 99%+ accuracy
MI Robotic Process Automation (RPA)	RPA automates ~8,000 premium refund requests each month
Company-wide RPA	157 operated bots have automated 11.5M transactions
Digital Documents Technology	61% of applications and forms completed within 5 days Previously, no applications completed within 5 days
Industry Awards	Our Digital Solutions and Creative Agency won 28 industry and agency awards

How This Supports Our Strategy

Organic & New Business Growth

- ✓ Digital Solutions = Competitive Differentiation
- ✓ Catalyst for Contract Amendments

Margin Improvement

- ✓ Achievement of Service Levels
- ✓ Quality Improvement & Error Reduction

Future of Health

- Expanding our commitment to help governments satisfy the rising demand for health services
- Includes the delivery of health services directly (i.e., via clinicians or other health professionals) or indirectly (i.e., analytics, infection control)

What makes this strategic & how will we win?

Strong track record of delivering complex programs with a clinical dimension

Significant “open space” exists to further **expand our assessment business**

Independence and conflict-free status area **competitive advantage**

What This Means:

In Scope

- ✓ Assessments & Appeals
- ✓ Care Navigation, Integration & Access
- ✓ Tech-enabled Telecare & Assessments
- ✓ Chronic Disease Prevention
- ✓ Veterans, Military Staff & Families Counseling
- ✓ Mental Health Provision

Out of Scope

- ✗ Hospital Facilities Management
- ✗ Staffing Hospitals & Providing Acute Care
- ✗ Prescribing Medications

Technology Services Powering Strategy Update

- Leverage our deep relationships, program knowledge, and **#1 provider position** in key agencies
- Deliver technology-driven business transformation of government missions with a strategic near-term focus on:
 - Modernization enabled via **secure hybrid cloud solutions**
 - Transformation enabled via **information intelligence and hyper-automation**

What makes this strategic & how will we win?

Of the ~\$80B in overall annual Federal IT spend, ~\$40B is addressable by Maximus and expected to grow annually at 8% through FY26

Well-positioned to **expand** our existing federal footprint

While not an immediate priority, non-federal technology markets represent **attractive growth paths**

What This Means:

Prioritized

- ✓ Cloud Adoption and Modernization
- ✓ Development Modernization & Enhancement Initiatives
- ✓ Data Management & Analytics Services
- ✓ Data Science & AI/ML Solutions
- ✓ RPA & IoT Solutions

Deprioritized

- ✗ Enterprise Network Operations Management
- ✗ Enterprise IT Operations Management
- ✗ NOC & SOC Services
- ✗ PMO & CIO Services
- ✗ IT Service Desk & Helpdesk Services

Capital Allocation Strategy

HIGHER PRIORITY

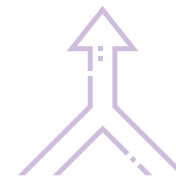
LOWER PRIORITY



**Internal Organic
Growth Initiatives**



**Maintain Growing
Dividend**



**Disciplined
M&A**



**Share
Repurchases**

Maintain 2.0x – 3.0x Target Leverage Ratio (2.1x at Dec. 31, 2023)



M&A Evaluation Criteria



Our primary goal is to accelerate organic growth through revenue synergies

New customers | New capabilities | Increase scale in strategic areas



Strong cultural fit



Sustainable growth and margins



We evaluate the financial model with DCF, IRR, EPS accretion, comparables – no single metric

Current Topics

Well-positioned to Mitigate Macro-environmental Risks



Established entitlement programs are resilient and foundational to our business

- Demonstrated with latest open enrollment for Affordable Care Act (ACA): 21 million enrollments for the 2024 plan year
- Veteran benefits: core non-discretionary spending obligation receives broad bipartisan support



Continuing to optimize organization and rethink delivery model

- Maximus Forward driving focus to improved employee retention, which will ultimately reduce costs and improve quality on programs
- Driving efficiencies and gaining greater access to global talent



Technology modernization is priority area and well-supported by durable Federal spending drivers

- Modernization trend will continue and transcend political administrations as government systems age and the complexity of challenges increase



Strong balance sheet, giving us capacity to make strategic investments

- Robust cash flows, healthy assets, and an appropriate amount of debt



Stability from healthy core business

- \$5 billion of successful rebid wins in FY23
- Backlog of \$20.7 billion at September 30, 2023, over four times our trailing revenue at that time
- Few rebids in FY24 gives increased line of sight to future revenues

Technology Modernization & Evolution

Chief Digital and Information Officer (CDIO)



- Position marks our evolution from a more traditional CIO role and demonstrates our ongoing commitment to technology modernization
- Derrick Pledger will serve as a catalyst for leveraging digital tools and data to drive business growth while maintaining a resilient and dependable IT foundation
- Our IT and operations teams will deepen collaboration with our government clients to harness data in a manner that optimizes processes and improves the citizen experience – a priority for all government agencies

Advancements in Artificial Intelligence



Agent Training

- Simulations that will allow employees to learn in a safe space, using real life examples
- Time to train new employees will shrink by several days



Agent Assist

- Offers agents solutions to questions as they are raised by the consumer, reducing need to search for information while carrying out the call
- Will reduce wait times, improve first call resolution, and enhance the citizen engagement experience

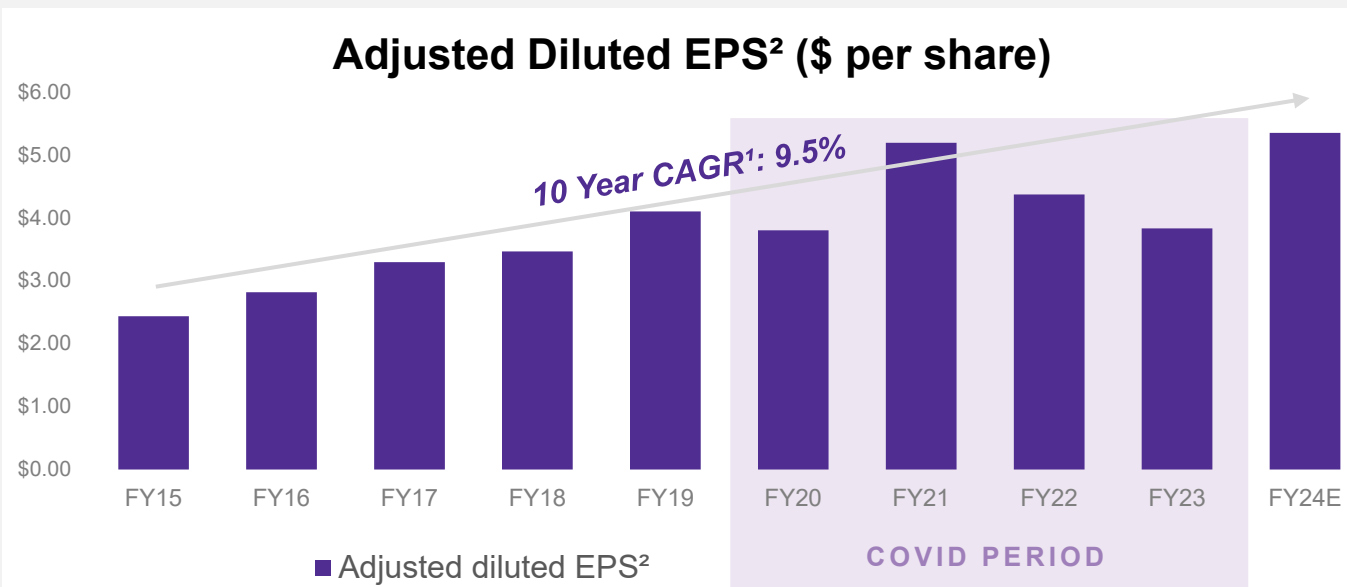
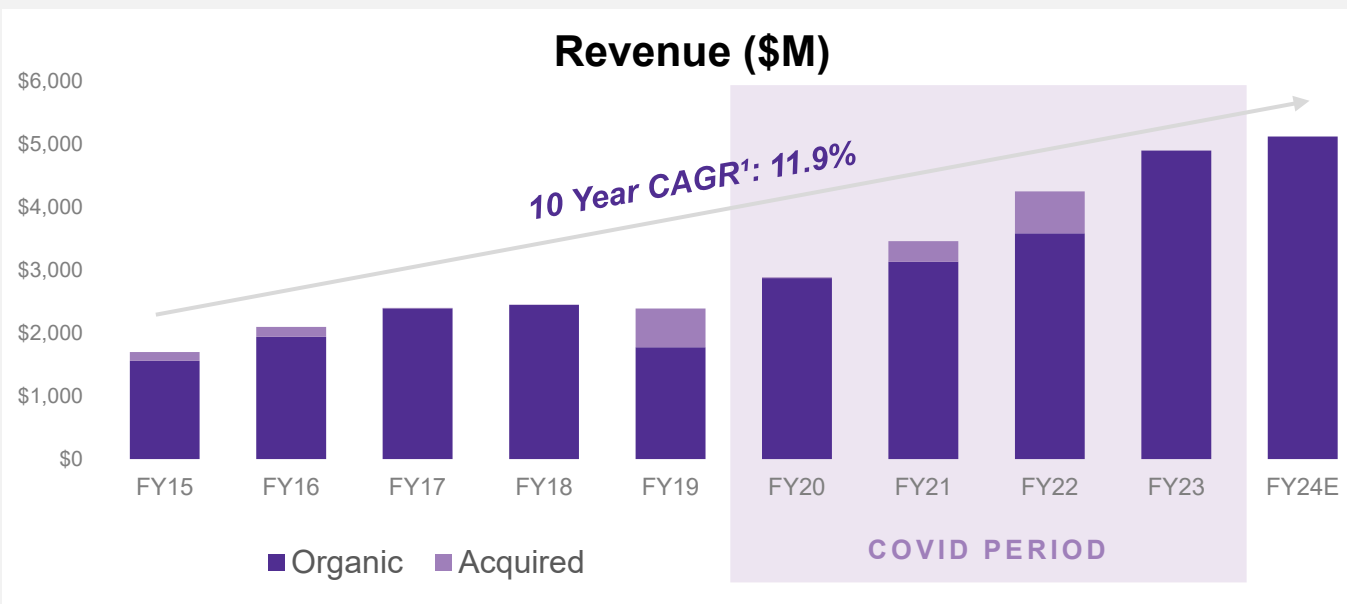
Earnings Guidance Raise at Q1 FY2024

Fiscal 2024 Guidance	Updated	Previous
Revenue	\$5.05B - \$5.20B	<i>(no change)</i>
Adjusted operating income <i>(excludes \$88M of intangibles amortization and \$1M of divestiture-related charges)</i>	\$503M - \$528M	<i>\$488M - \$513M</i>
Adjusted diluted EPS <i>(excludes \$1.06/share of intangibles amortization and \$0.01/share of divestiture-related charges)</i>	\$5.20 - \$5.50	<i>\$5.05 - \$5.35</i>
Free cash flow <i>(net of \$90M of PP&E and CapSW)</i>	\$300M - \$350M	<i>\$290M - \$340M</i>

- Increased earning guidance at Q1 FY24 resulted from higher margin expectations on strong volumes in the U.S. segments' portfolio of performance-based contracts and disciplined cost management
- Midpoint of FY24 earnings guide implies 10.0% adjusted full-year margin, meaning Q3/Q4 FY24 margins should be above 10%
- Segment margins are important components of roll-up:
 - U.S. Services Segment: toward high end of 11 – 12% on full-year basis
 - U.S. Federal Segment: 11 – 12%
 - Outside the U.S.: slightly above breakeven while portfolio rationalization continues as a priority this year
- The business model is resilient in the face of negative outcomes from current U.S. federal government budget talks, with <3% of total company revenue impacted if temporary shutdown occurs

Appendix

Historical Performance



- Historical revenue growth primarily organic growth and supplemented by strategic acquisitions
- **FY15** through **FY19** benefitted from ACA-related mature programs and new portfolio programs
- **FY20** through **FY23** COVID period was disruptive to cadence of the business while offering unique M&A opportunities:
 - Temporary headwinds to core programs, including Medicaid-related work and employment services, persisted through **mid-FY23**
 - Strong temporary COVID response work began in **FY20**, bolstered **FY21**, and concluded by **FY22**
 - Attain (technology services), Veterans Evaluation Services (clinical services) and Aidvantage student loan servicing (BPS) acquisitions completed
- **FY24E** is clear from COVID disruptions, growing ~5% topline (all organic) and