

ACI Worldwide
Real-Time Payments

ACI Worldwide Analyst Day

November 17, 2021

Private Securities Litigation Reform Act of 1995 Safe Harbor for Forward-Looking Statements

This presentation contains forward-looking statements based on current expectations that involve a number of risks and uncertainties. The forward-looking statements are made pursuant to safe harbor provisions of the Private Securities Litigation Reform Act of 1995. A discussion of these forward-looking statements and risk factors that may affect them is set forth at the end of this presentation. The company assumes no obligation to update any forward-looking statement in this presentation, except as required by law.

ACI Worldwide
Real-Time Payments

Welcome

John Kraft

Head of Strategy and Finance

ACI Worldwide
Real-Time Payments

Leading the future of payments worldwide

Odilon Almeida

President and CEO

Key takeaways

ACI is well positioned to **lead the future of payments** through Real Time

ACI has built momentum; our 3-pillar strategy is **already delivering results**

We are continually reviewing the company's portfolio for **shareholder value maximization**

Our Vision

To be the global leader in real-time payments

Our Mission

To accelerate global commerce through real-time payments

Our Purpose

To create global prosperity through real-time payments

Our story is simple, yet powerful

We are a **global software company**

Our software **powers mission-critical payment systems**

For **leading corporations, fintechs and financial disruptors** worldwide

Our software processes...

\$14 Trillion

in payments and securities transactions. **Every. Day.**

The world's largest banks, bank on us

19

**of the top 20
banks worldwide**

60

**of the top 100
banks globally**

87

**countries
with customers**

We transform retail experiences worldwide

>80,000

merchants powered
by ACI directly and
through PSPs

>250

API library

We lead the U.S. direct-to-biller market

>3,000

billers in the U.S.

>500

million bill pay
transactions
annually

~9,000

endpoint
relationships

We are at the forefront of real-time

17

country real-time schemes

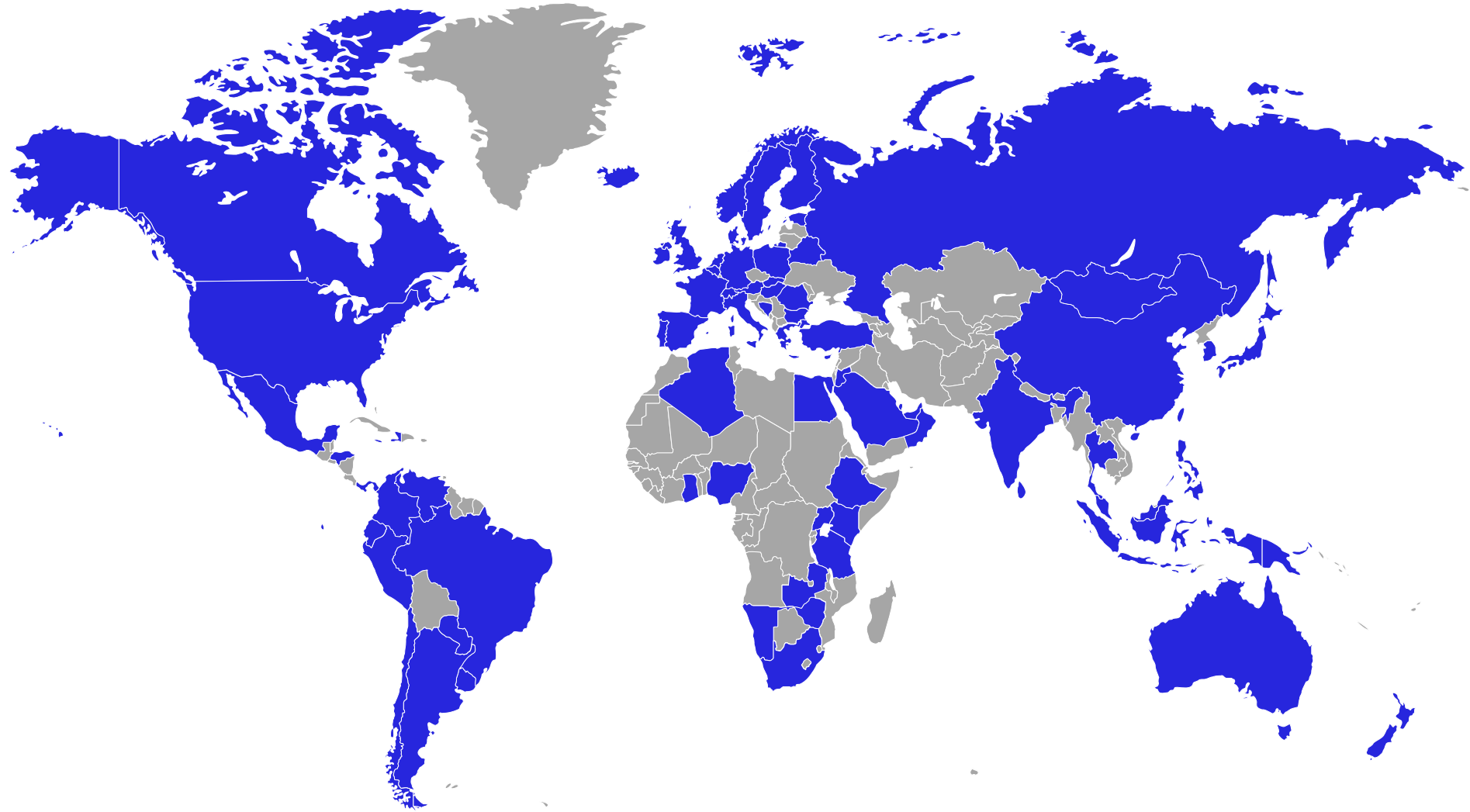
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central bank infrastructures in Asia-Pacific and Latin America

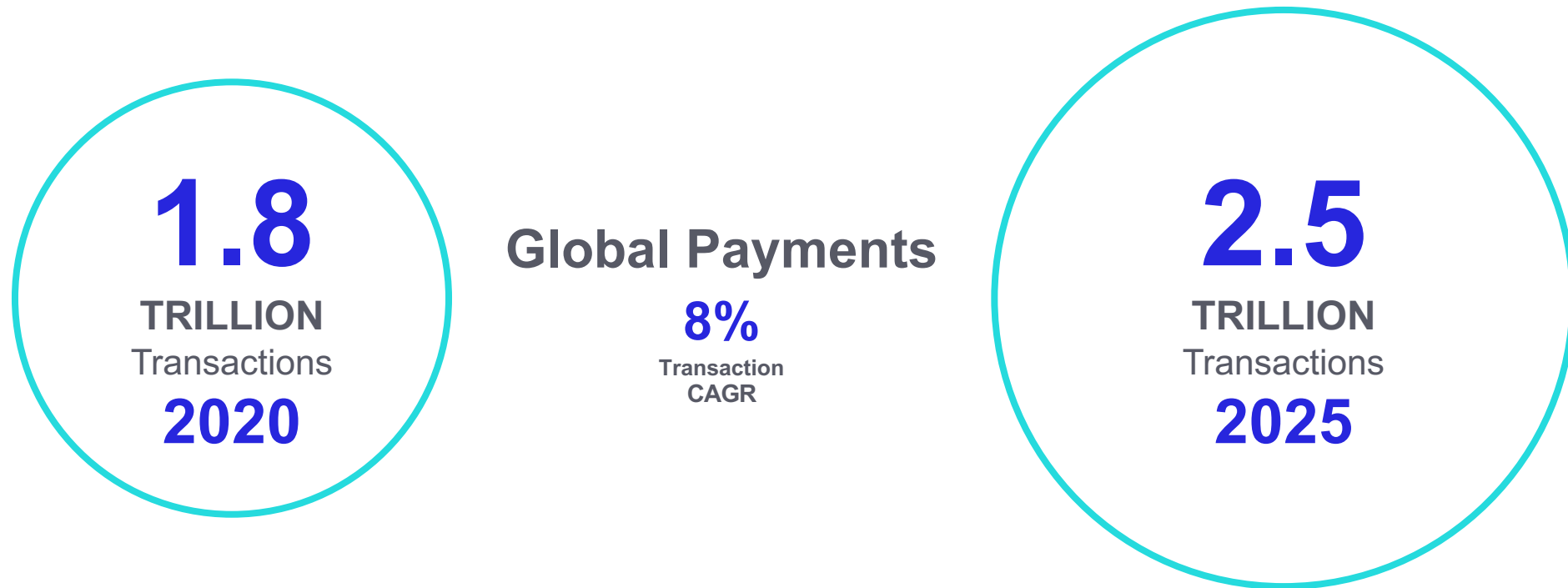
50%

of U.K. Faster Payments transactions

ACI serves the world

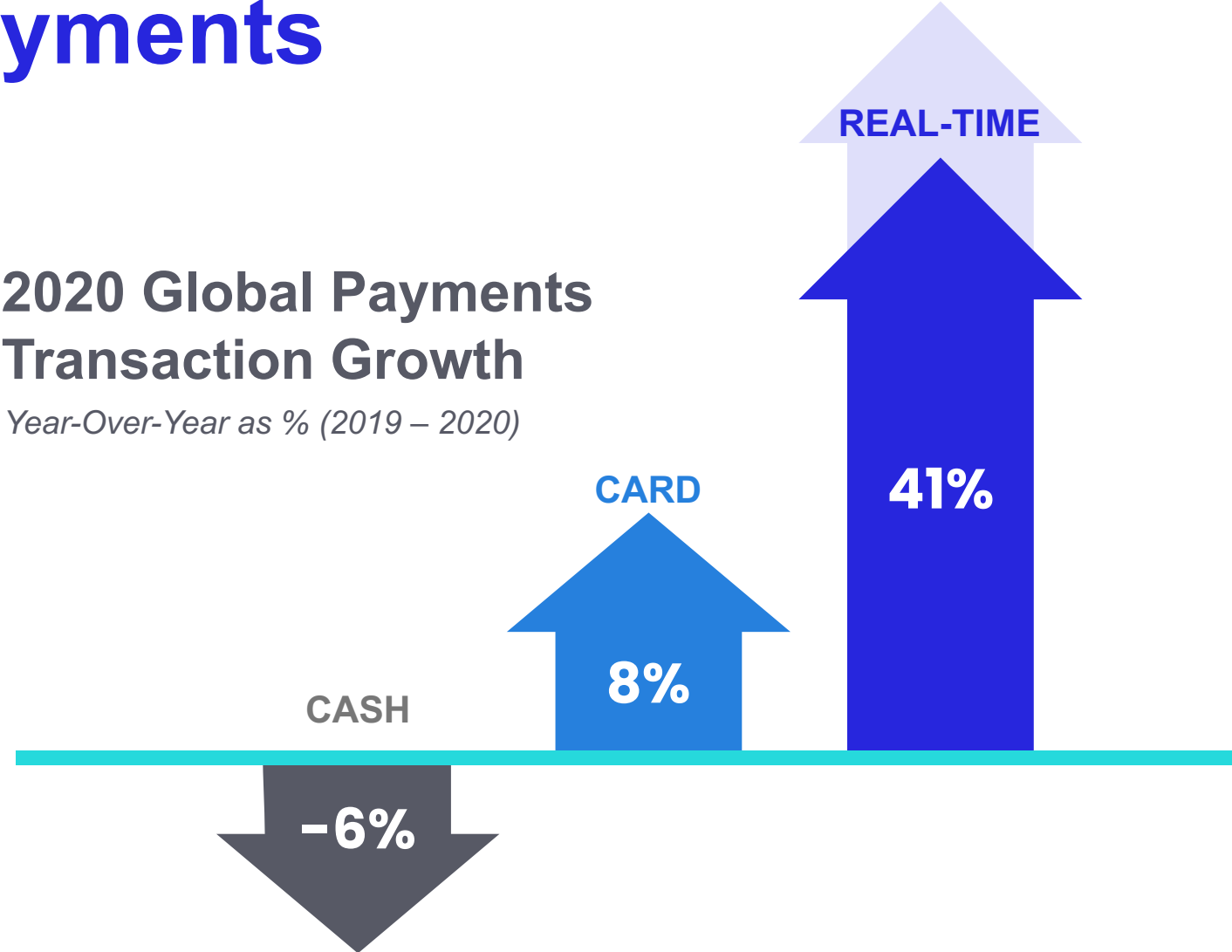


Our addressable market is growing



Real-time is the growth engine of global payments

**2020 Global Payments
Transaction Growth**
Year-Over-Year as % (2019 – 2020)



We are building the NextGen real-time payments cloud



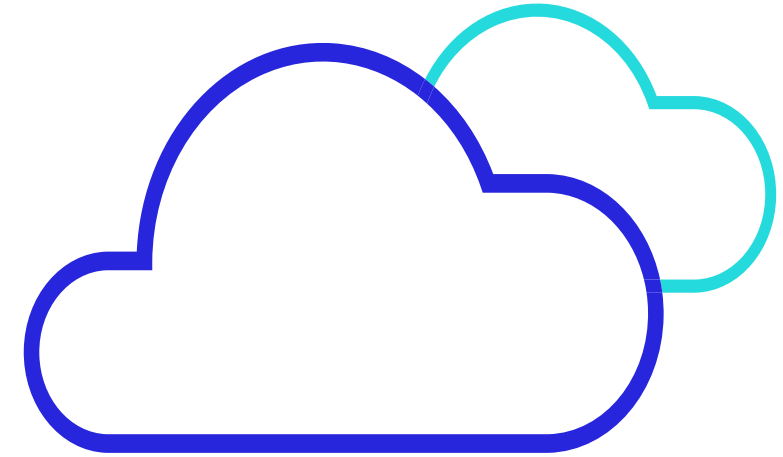
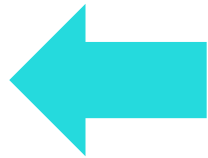
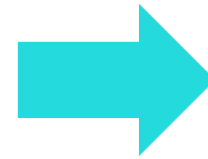
On Premise



Private Cloud



Public Cloud



**ACI NextGen
Real-Time
Payments Cloud**

Our journey started in 2020 and is yielding results

MARGIN

2020 net adjusted EBITDA margin increased more than
450 basis points

REVENUE

Expect 2021 organic revenue growth to
accelerate to 5%

INCREASED GUIDANCE

2021 revenue estimated at
\$1.355B - \$1.360B

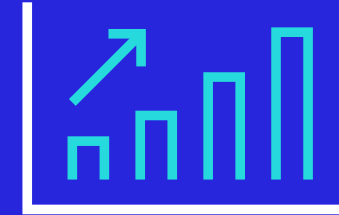
RULE OF 40

Will reach Rule of 40 in 2021 with a
score of 42%

Estimates based on achieving full-year 2021 guidance

Rule of 40 equals sum of total company organic revenue growth and net adjusted EBITDA margin

Our three-pillar strategy is working



FIT FOR GROWTH

We are organized and operating with a strong focus on growth

FOCUSED ON GROWTH

We are focusing investments on the biggest growth opportunities and continue to accelerate the digital transformation of payments

STEP-CHANGE VALUE CREATION

We continue to build on our successful history of mergers and acquisitions

Agenda:

A closer look at our three-pillar strategy

Pillar 1: Fit for Growth

Tony Dinkins, Chief Human Resources Officer
Eve Aretakis, Chief Revenue Officer

Pillar 2: Focused on Growth

Jeremy Wilmot, Chief Product Officer
Sanjay Gupta, Head of Billers
Debbie Guerra, Head of Merchants
Sam Jawad, Head of Banks and Intermediaries
Ram Puppala, Chief Technology Officer

Pillar 3: Step-Change Value Creation

Craig Maki, Chief Development Officer

Total Shareholder Return

Scott Behrens, Chief Financial Officer

Q&A

Moderated by
John Kraft, Head of Strategy and Finance

Fit for Growth

An agile and accountable organization

Tony Dinkins

Chief Human Resources Officer

We have built organizational readiness and efficiency

Functional model

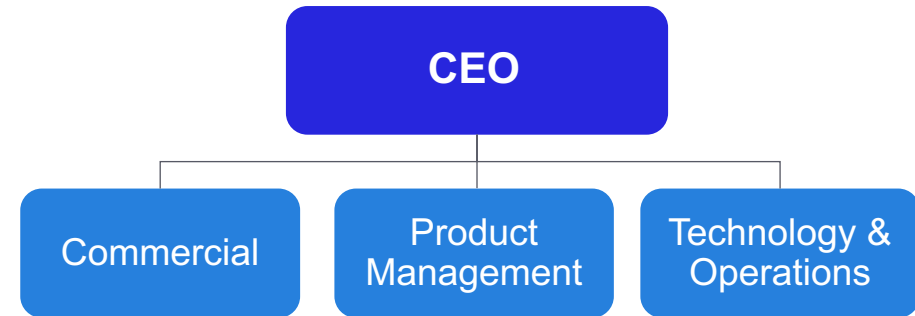
Fewer layers

Cost discipline

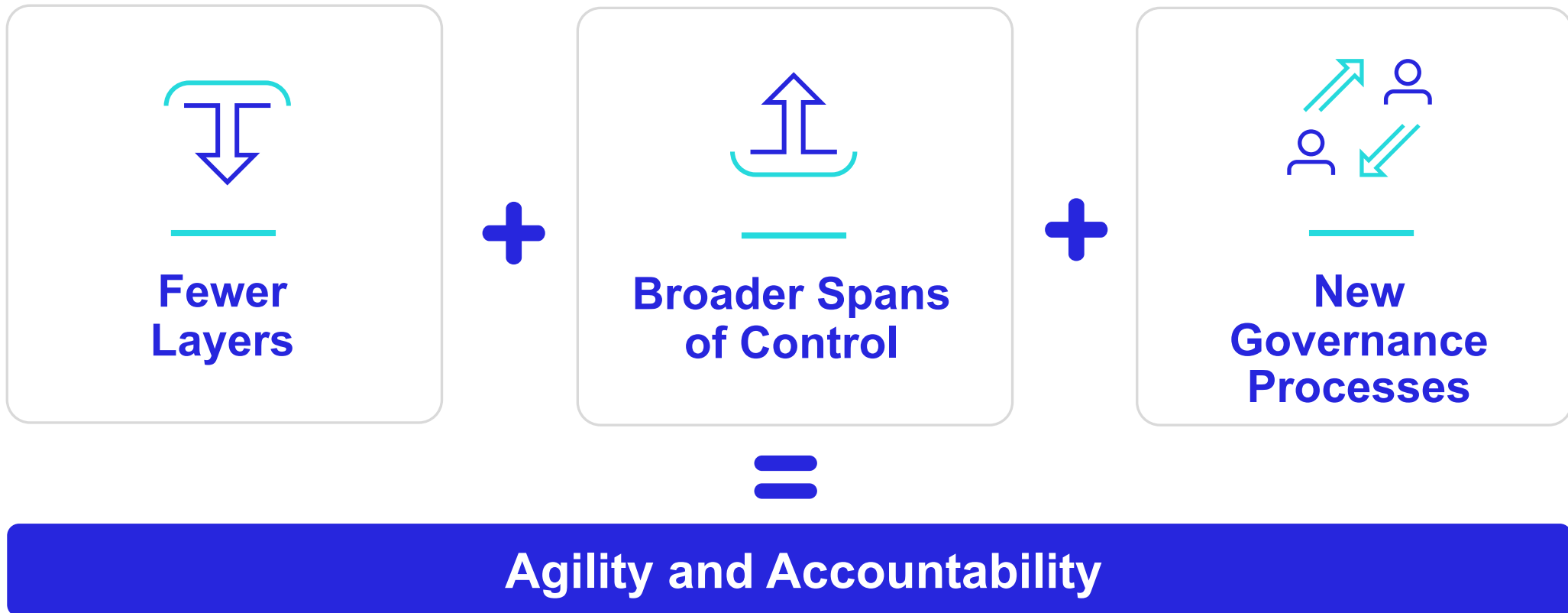
Talent alignment and development

Values-based culture

ACI Functional Model



We have created an agile and accountable organization



Our improved efficiencies generated savings for growth investments

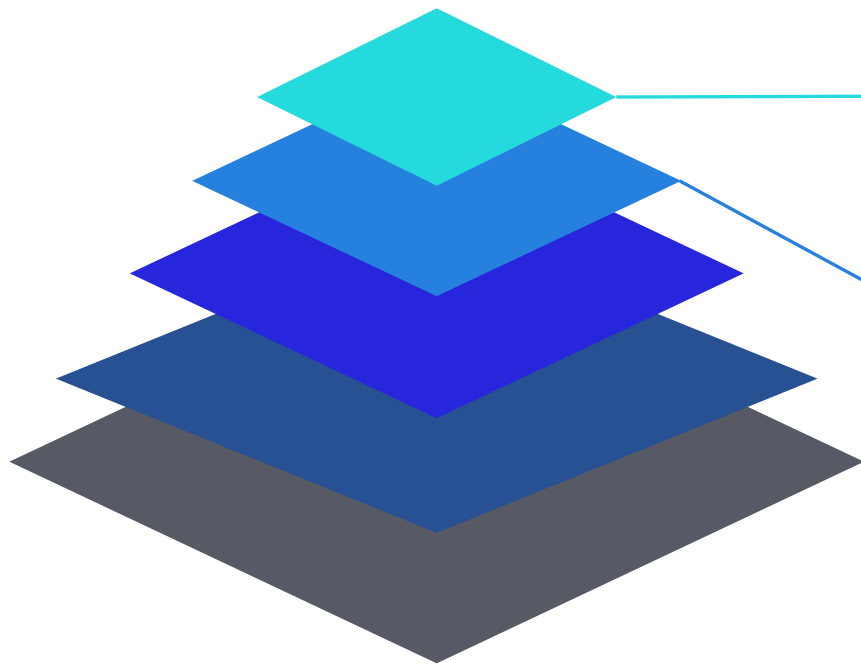
\$60M
Saved



\$30M
Reinvested



We have strengthened and empowered our leaders



Two-thirds of Executive Leadership Team newly hired or in new roles

More than half of Senior Leadership Team newly hired or promoted

More than 800 talented individuals joined ACI year-to-date

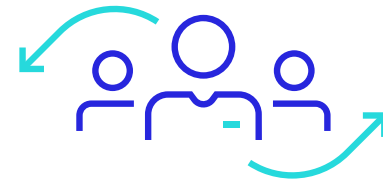
We are building our culture based on new core values



Integrity



Accountability



Diversity



**Customer
Centricity**

Fit for Growth

Commercial excellence and discipline to drive organic growth

Eve Aretakis

Chief Revenue Officer

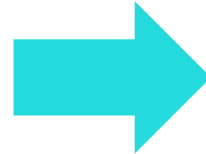
Commercial excellence and discipline to drive organic growth

Weekly operating cadence

Local focused “fighting units”

Demand generation excellence

Sales compensation linked to revenue



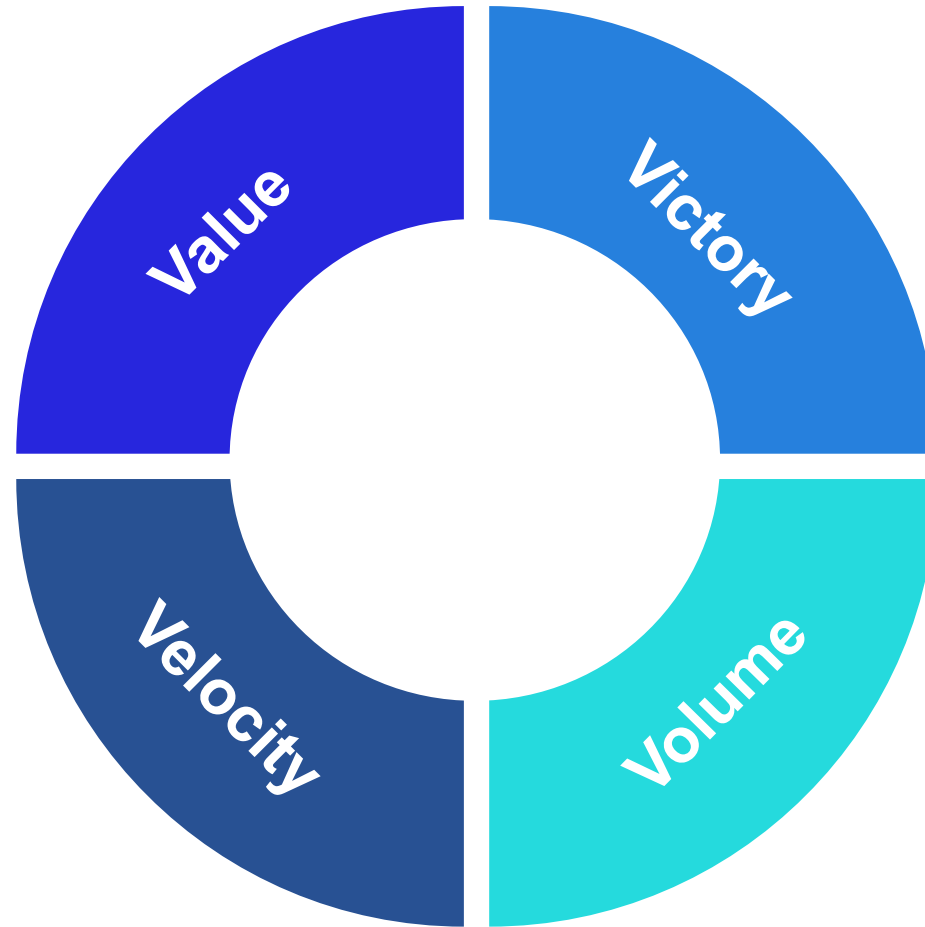
More predictable business model

Greater relevance in international markets

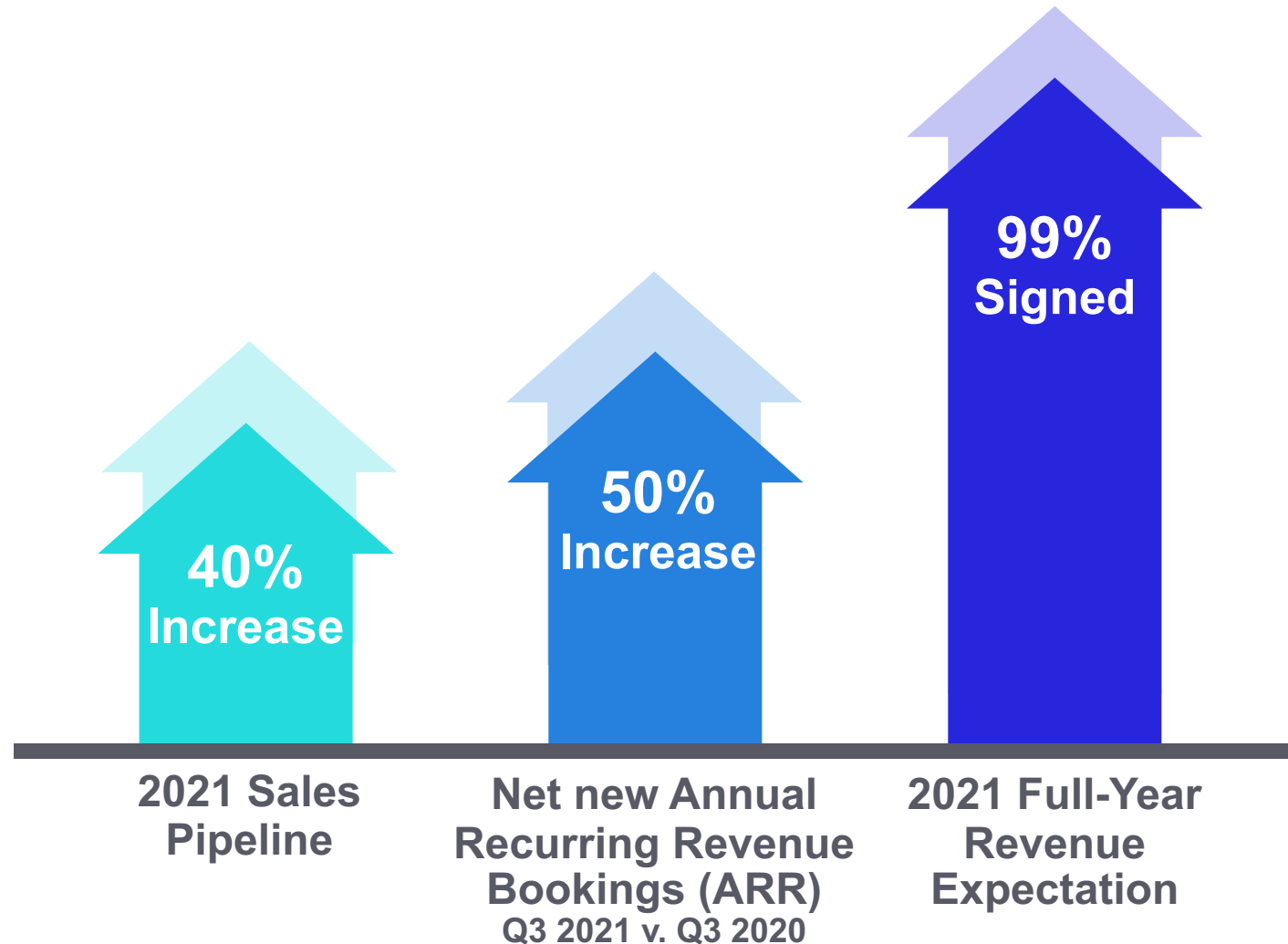
Increased pipeline

Enhanced customer experience

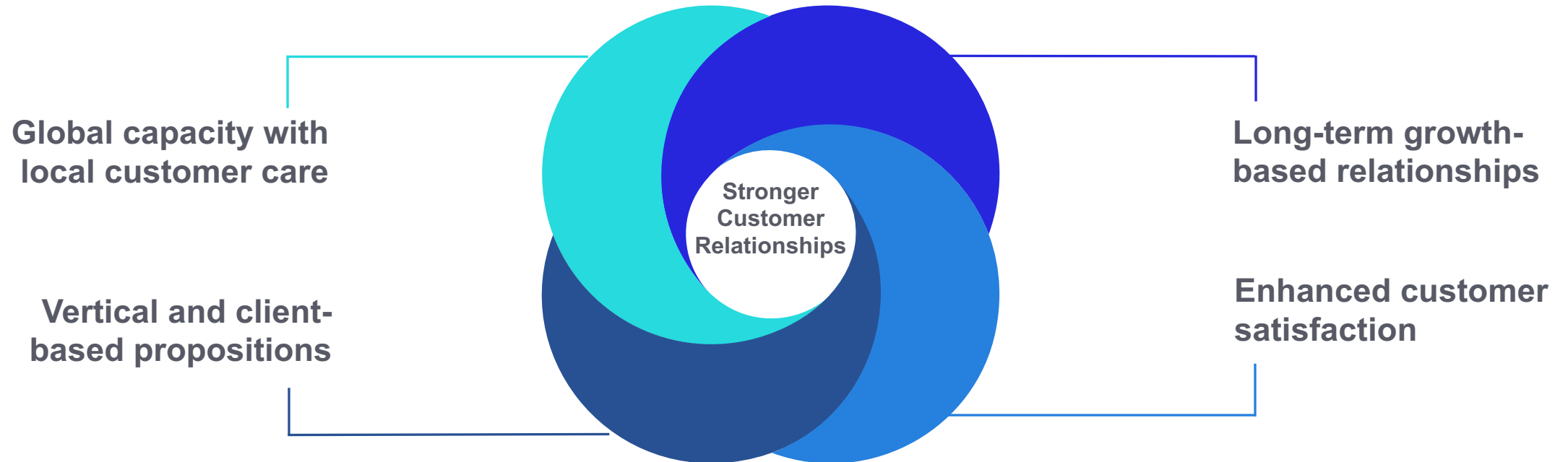
We have established disciplined pipeline management



Our disciplined go-to-market approach is delivering results



We are building stronger customer relationships

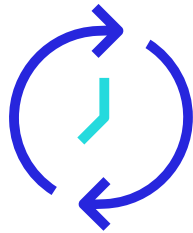


Focused on Growth

Accelerating organic growth

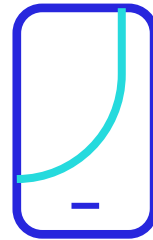
Jeremy Wilmot
Chief Product Officer

We have focused investments in high-growth areas



Real-Time Payments

Global banks and central infrastructures



Global Merchants

Large, sophisticated global merchants



International Markets

High-growth international markets

We are building the NextGen real-time payments cloud



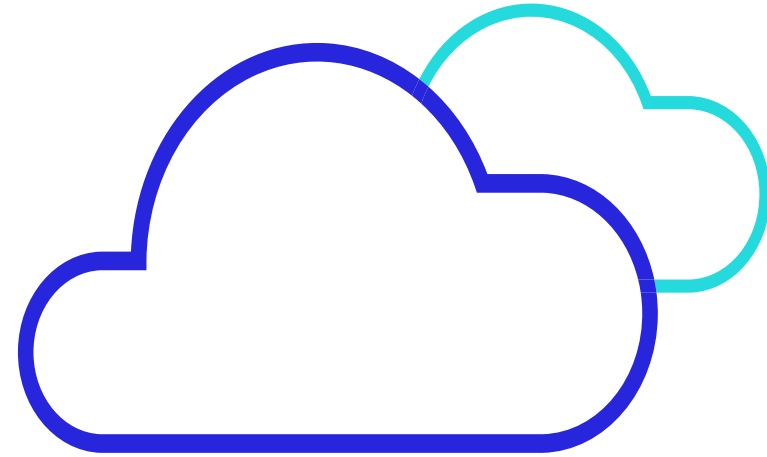
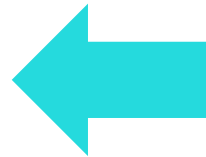
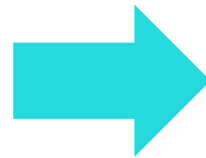
On Premise



Private Cloud



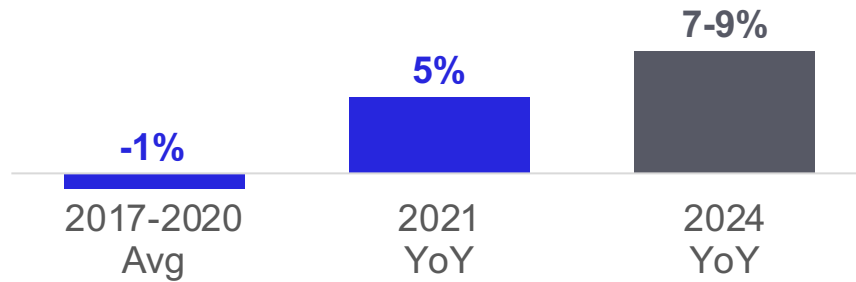
Public Cloud



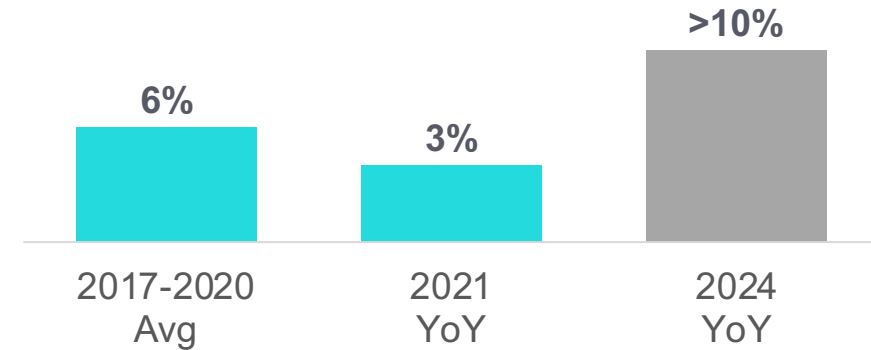
**ACI NextGen
Real-Time
Payments Cloud**

ACI is accelerating revenue growth

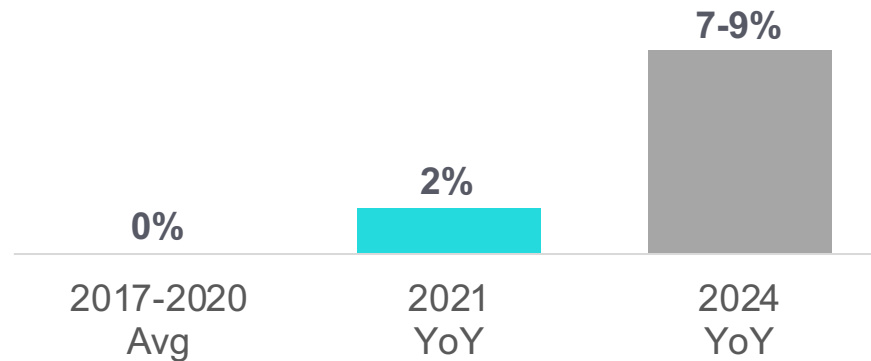
Total Organic Revenue Growth



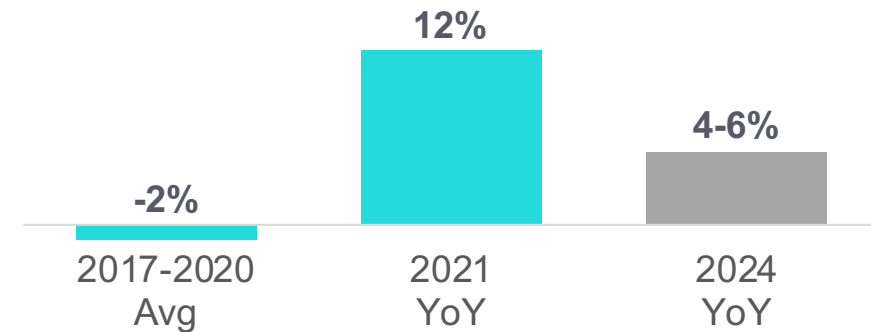
Merchants



Billers



Banks*



*Banks segment excludes legacy products including Enterprise Banker, Interact Miser and our divested Community Financial Services

Our three segments will lead the real-time revolution

Banks and Intermediaries

Connecting consumer and corporate accounts to domestic and cross-border real-time

Merchants

Accepting zero interchange, digital, real-time payments

Billers

Delivering real-time invoices and requests to pay that settle immediately

REAL-TIME LOCAL INFRASTRUCTURE

Focused on Growth Billers

Sanjay Gupta
Head of Billers

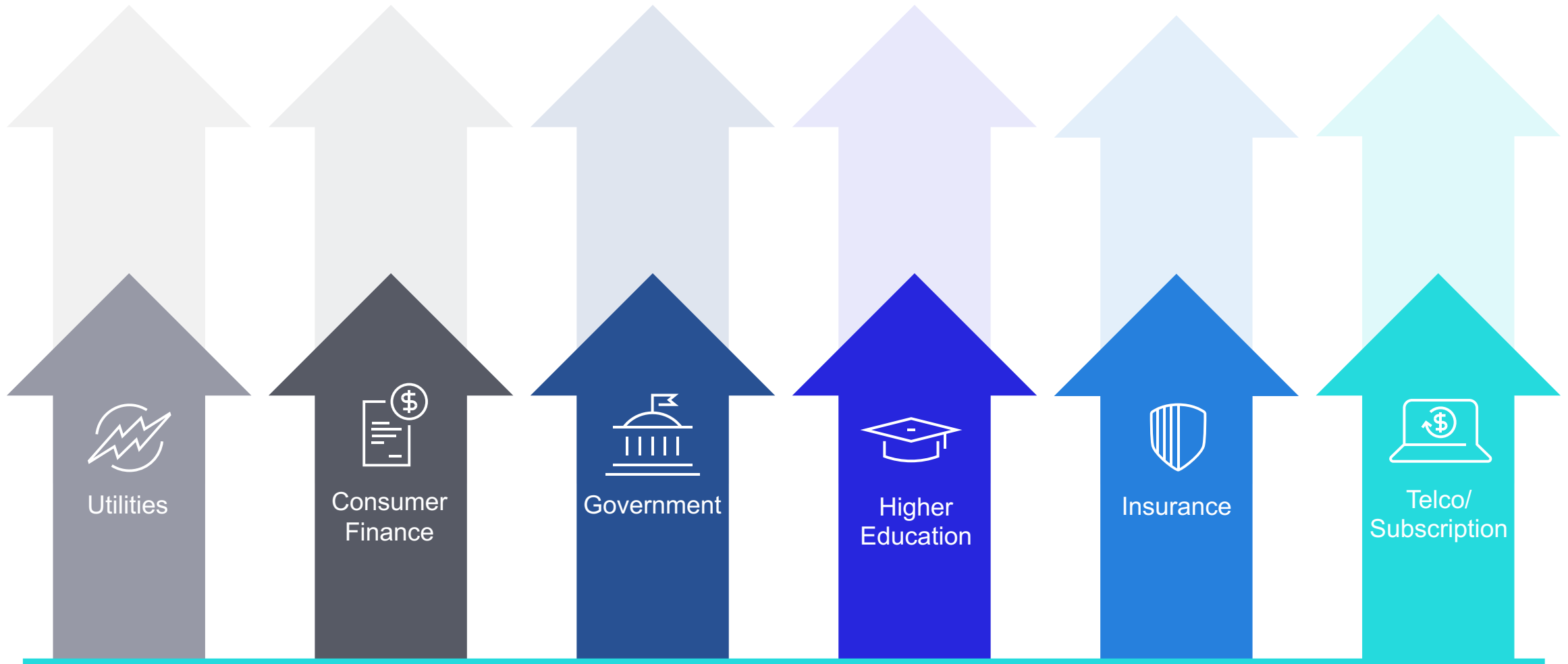
ACI is the leader in the direct-to-biller market in the U.S.

>3,000
billers

>500M
transactions / year

~\$600M
revenue

ACI is focused on six verticals



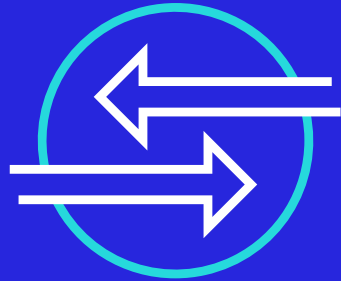
ACI's bill payment platform is unique and rapidly transforming



Our major salesforce expansion is making its mark in bill pay



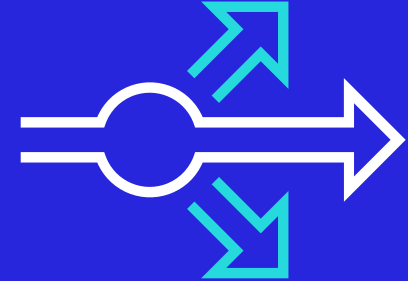
Investments to date have strengthened our biller offering



**NextGen
Biller Platform**



Mobile First



**Expanded Channels
and Methods**

Focused initiatives will drive growth

**Vertical channel
partnerships**

**Value-added
services**

**Real-time
payments**

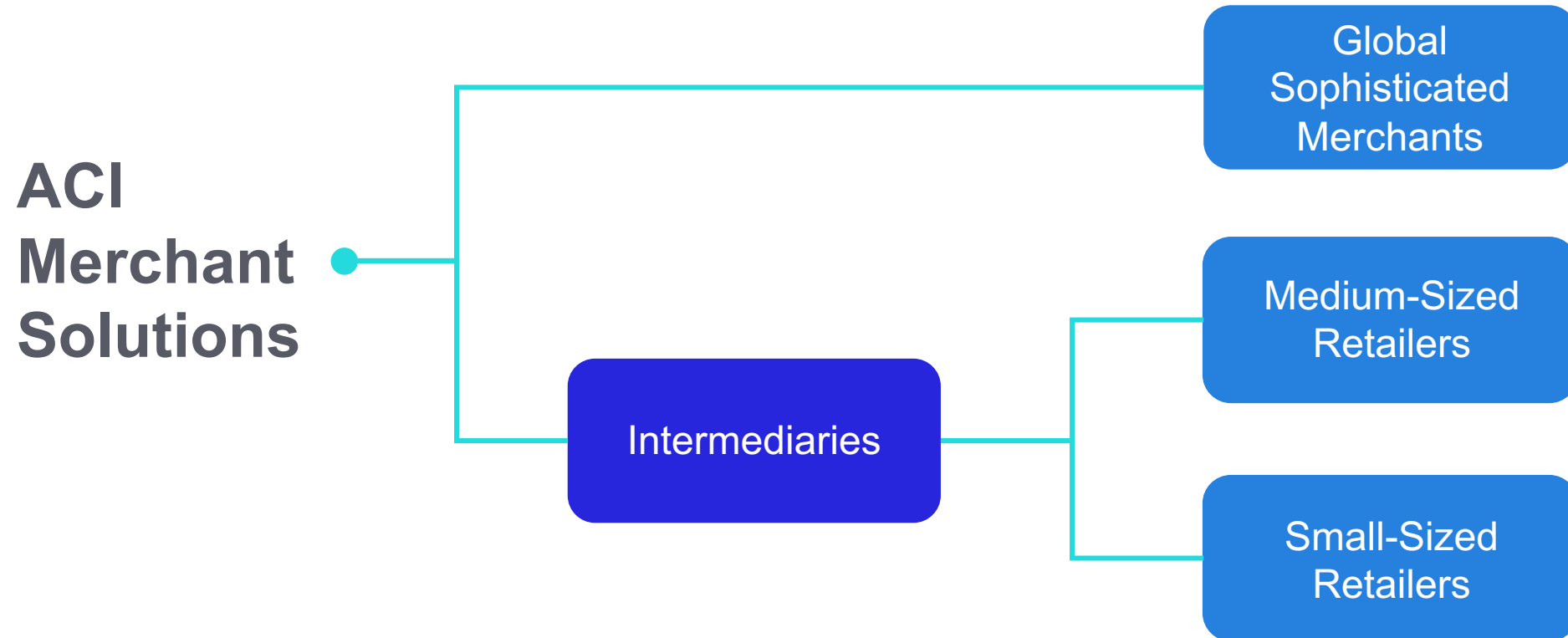
**Modernization
and innovation**

ACI Worldwide
Real-Time Payments

Focused on Growth Merchants

Debbie Guerra
Head of Merchants

ACI sells to large, sophisticated global retailers and intermediaries



ACI offers three powerful merchant solutions



ACI® Omni-Commerce™

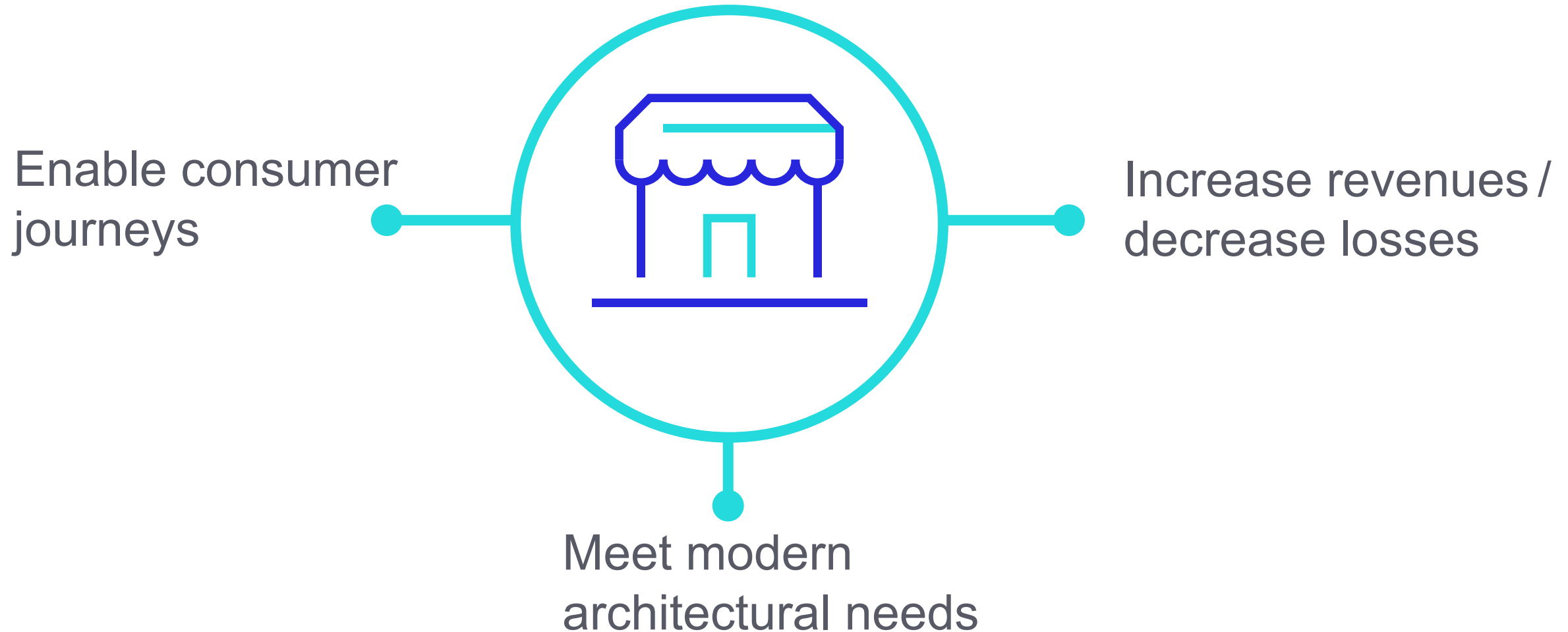


ACI Secure eCommerce™

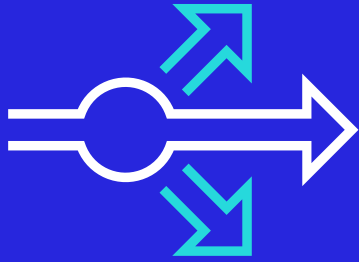


**ACI Fraud Management™
for Merchants**

ACI is addressing the digital payments transformation



Investments to date have strengthened our merchant offering



**Expanded
endpoints and
payment methods**

**Secure, frictionless
consumer journeys**

**Vertical
partnerships**

Focused initiatives will drive growth

**Payments
acceptance
and vertical
specialization**

**AI and machine
learning**

**Real-time
payments**

**Modernization
and innovation**

Focused on Growth Banks and Intermediaries

Sam Jawad

Head of Banks and Intermediaries

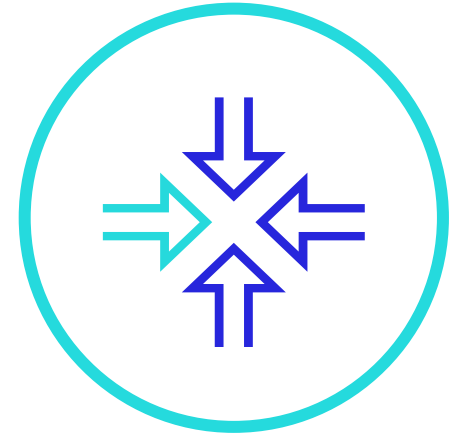
ACI serves the entire financial ecosystem



**Financial Institutions
Corporations
Processors**

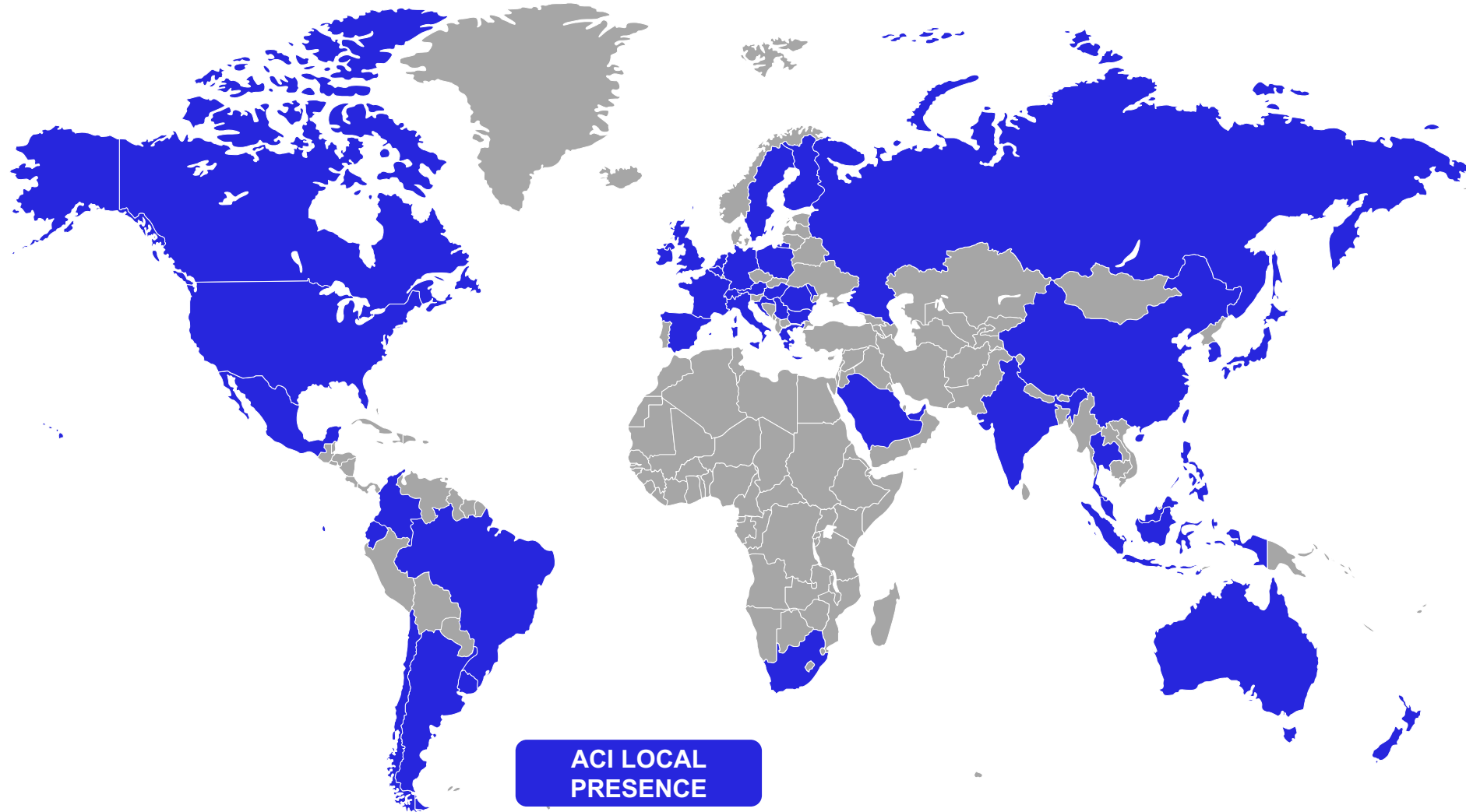


**Central Infrastructures
Payment Networks**

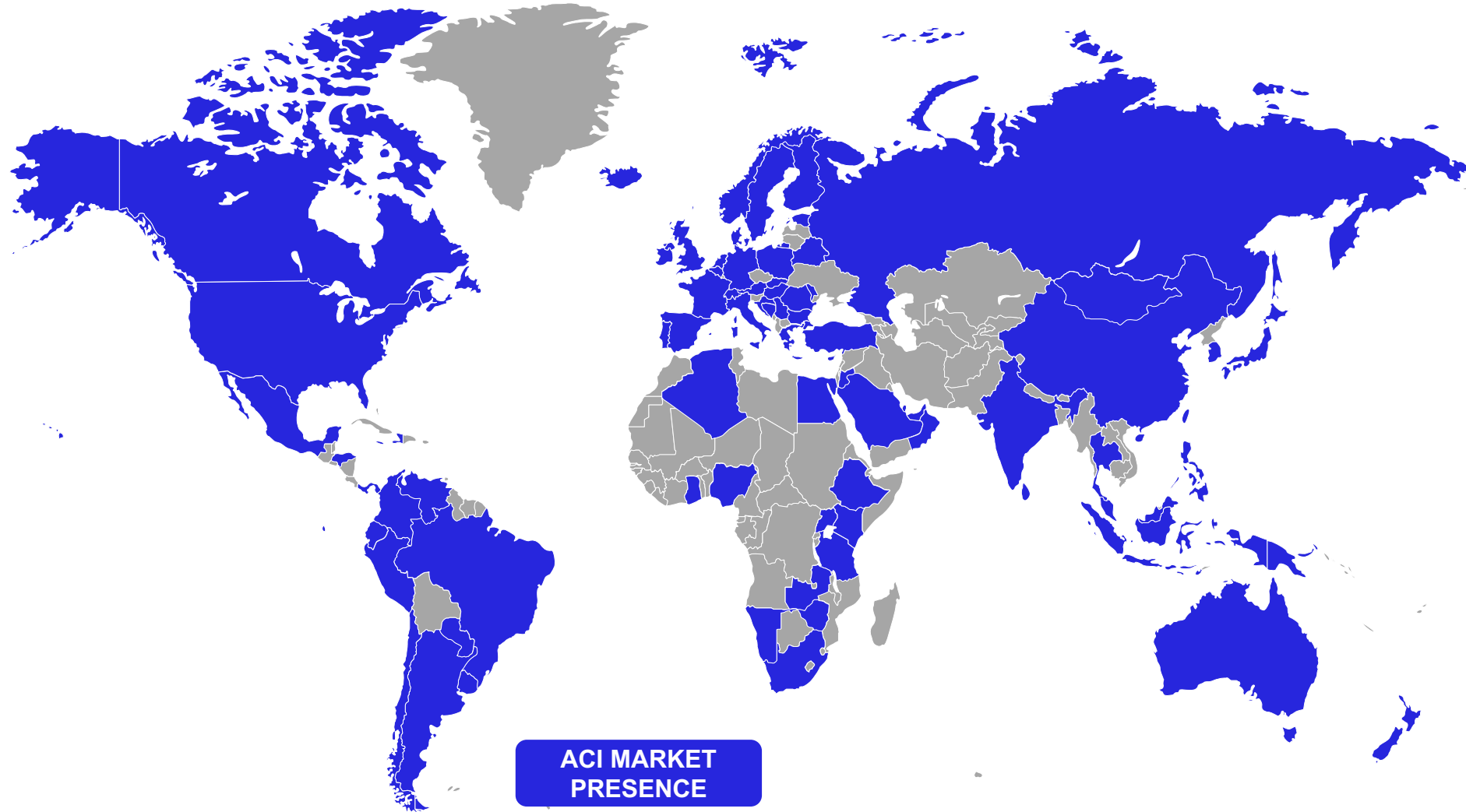


**Fintechs
Disruptors**

ACI's global reach and local expertise is unmatched



ACI's global reach and local expertise is unmatched



Investments to date have strengthened our banks and intermediaries offering



**Real-Time
Payments**



**Merchant
Acquiring**



**SaaS Offering
in the Cloud**



**Strategic
Partnerships**

Focused initiatives will drive growth

**International
markets**

**Real-time
payments**

**Modernization
and innovation**



Focused on Growth

ACI is building the NextGen real-time payments cloud

Ram Puppala
Chief Technology Officer



ACI NextGen Real-time Payments Cloud

**We are building the NextGen
real-time payments cloud by
innovating our payments software
stack**

To power the **world's payments value chain**

To deliver real-time payment cloud solutions
that **span the entire payments ecosystem**
with global and local integration

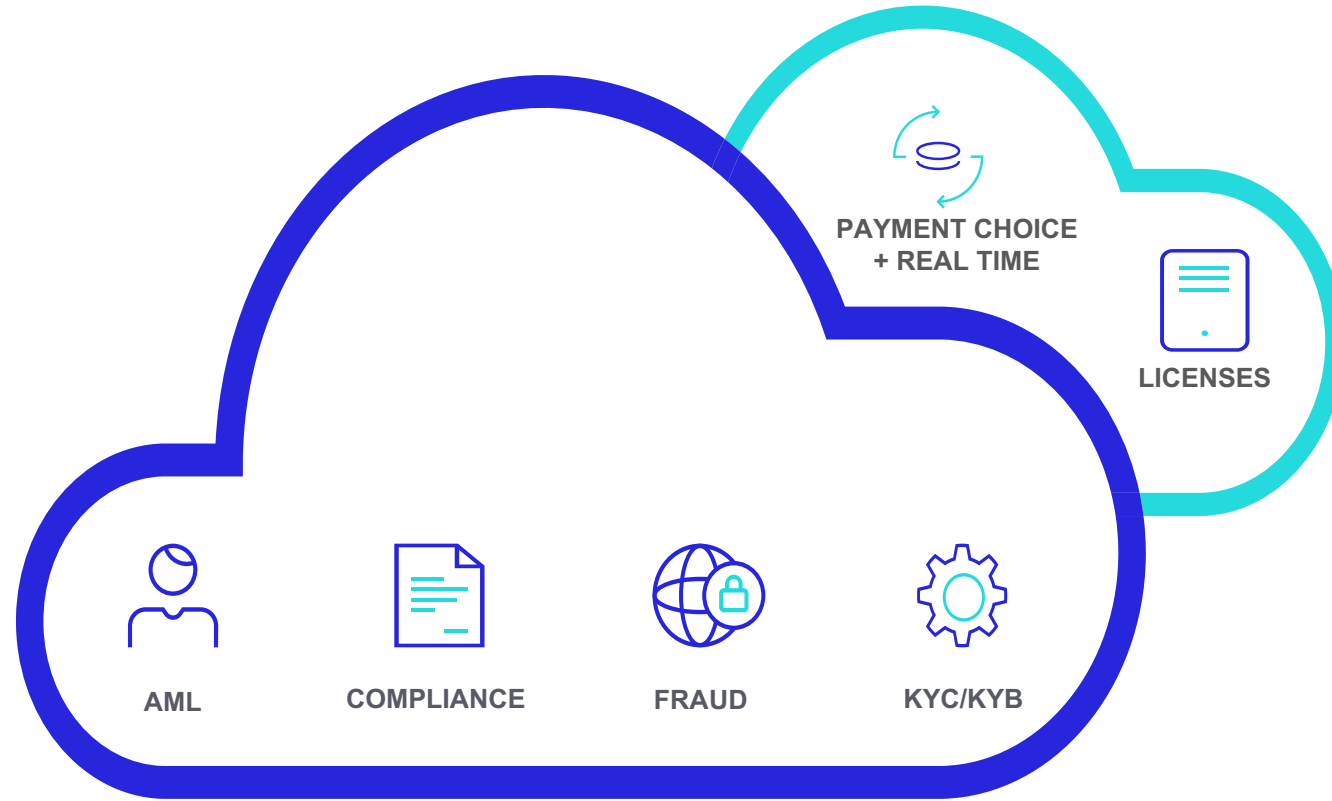
NextGen real-time payments cloud is comprehensive, yet simple




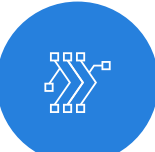

API ecosystem

Omni-channel UX

Microservices

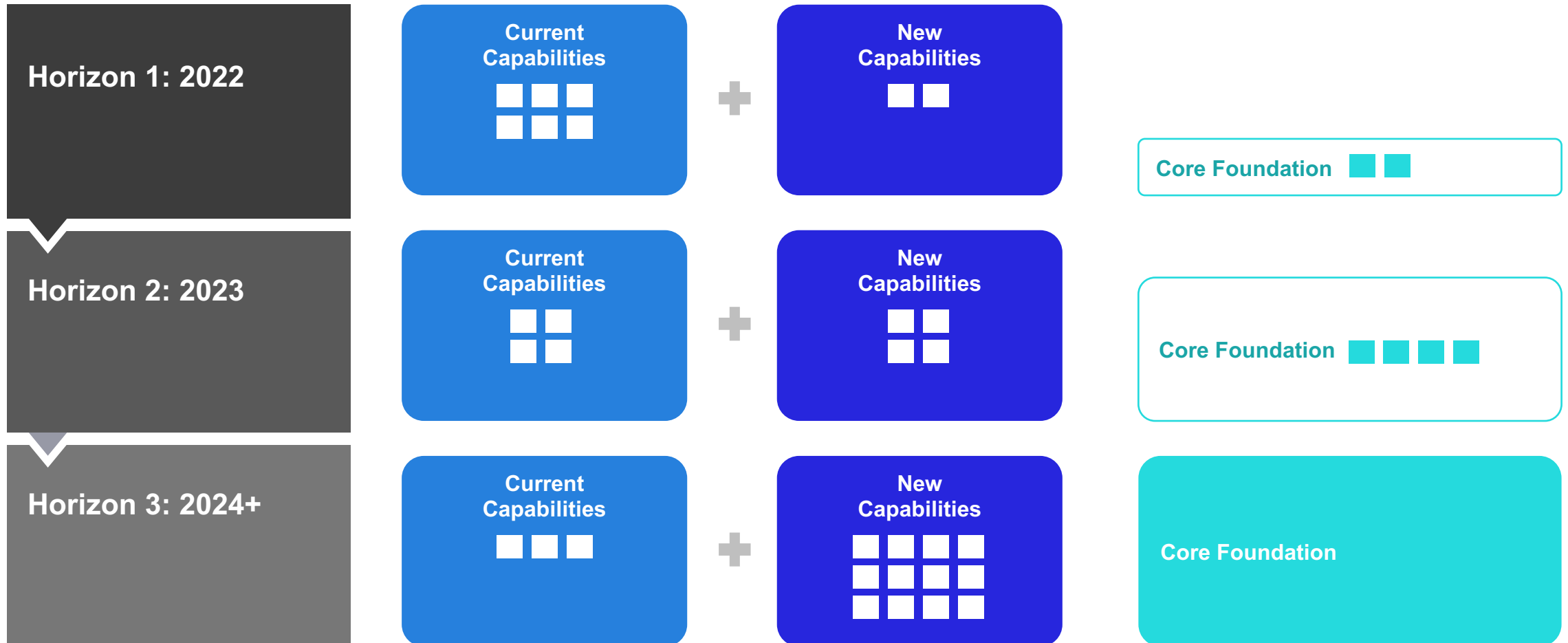
DevOps/AIOps/CICD



-  SOLUTION ADD-ONS
-  CHANNEL PARTNER ECOSYSTEM
-  OVERLAY SERVICES PARTNERS
-  FINTECH ECOSYSTEM
-  OPEN BANKING

ACI NextGen Real-Time Payments Cloud

We have already started our modernization



NextGen payments cloud will propel core payments growth for our customers

Extensible through open APIs for faster digital payments innovation

Easy-to-access, increasing cloud solutions adoption without major disruption

Modernizes and streamlines user experience

Delivers capabilities that are compliant and secure across the full value chain

Step-Change Value Creation

Craig Maki

Chief Development Officer

We will continue to build on our history of successfully executing inorganic strategies



Strategies

**Continual
portfolio review
and optimization**

**Disciplined on
price and use of
capital**

**Actionable
synergy
opportunities**

**Operational
integration
excellence**

Optimizing portfolio to maximize shareholder value

Real-time payments, localized last-mile capabilities

Bill payment value-added services and strategic partnerships

Scale opportunities

Near and long-term value creation

Total Shareholder Return

Scott Behrens
Chief Financial Officer

ACIW is well positioned for continued profitable growth

EXPECTED HIGHLIGHTS

5%

ORGANIC REVENUE
GROWTH
2021

73%

RECURRING
REVENUE
2021

38%

NET ADJUSTED
EBITDA MARGIN
2021

42%

RULE
OF 40
2021

Highest organic
revenue growth in
almost a decade

Up from 70% in 2019

Up 500 bps since
2019

First time ever

Estimates based on achieving full-year 2021 guidance

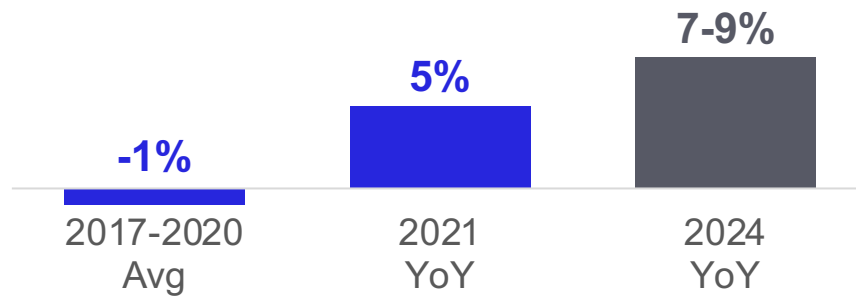
We are raising our long-term organic growth outlook

	Previous Guidance	Updated Guidance
Organic Revenue	Mid single-digit growth	Mid-to-high single-digit growth
Net EBITDA Margin	Gradually improve	Gradually improve
Target Leverage Ratio	2.5x net debt/EBITDA	2.5x net debt/EBITDA

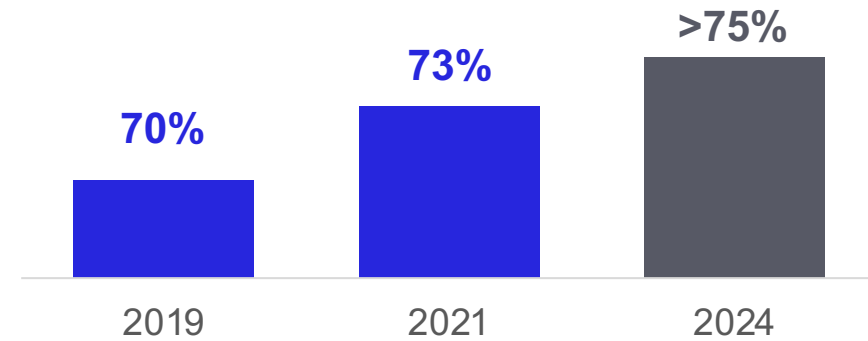
Step-change value creation through acquisitions and divestitures

Revenue growth expected to accelerate from 5% in 2021 to 7-9% by 2024

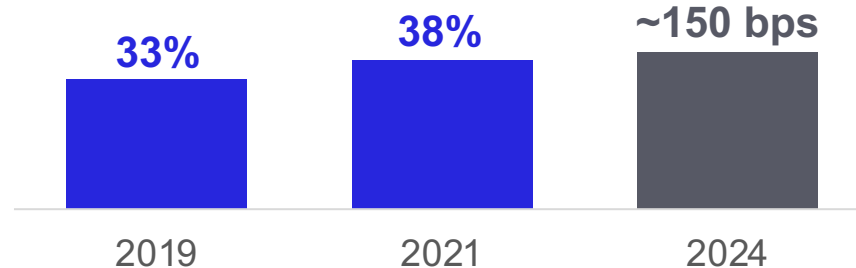
Total Organic Revenue Growth



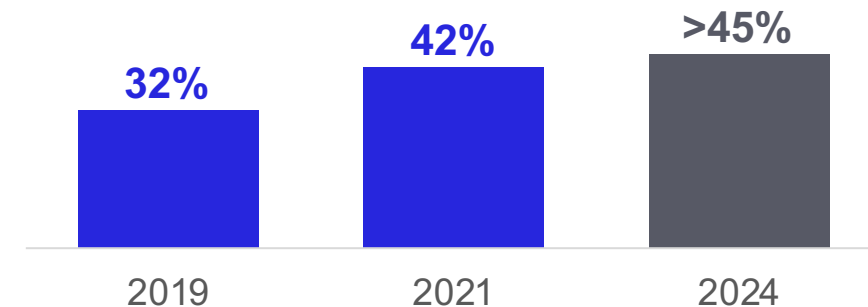
Percentage recurring revenue



Net Adjusted EBITDA Margin



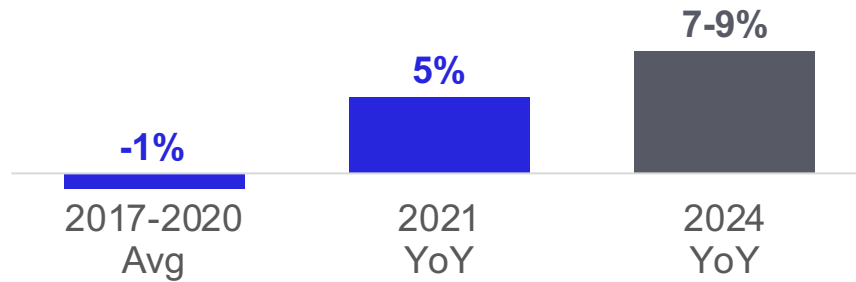
Rule of 40



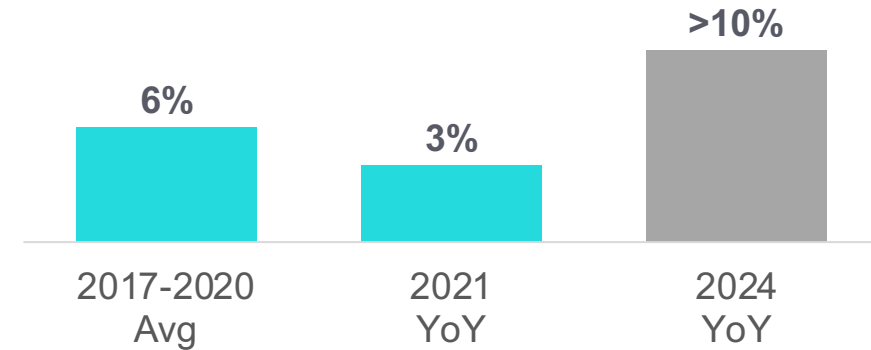
Estimates based on achieving full-year 2021 guidance

ACI is accelerating revenue growth

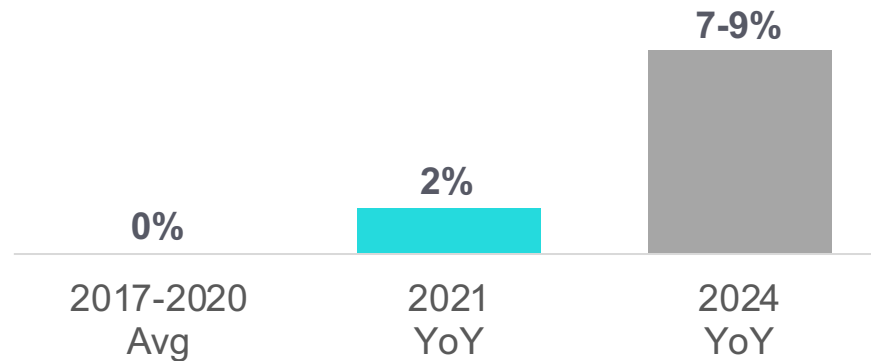
Total Organic Revenue Growth



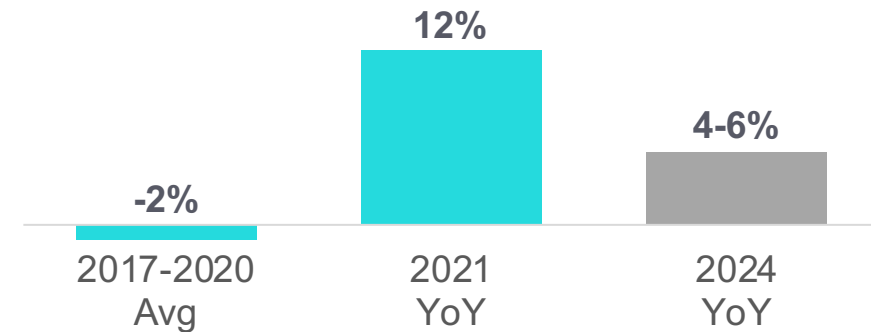
Merchants



Billers



Banks*



*Banks segment excludes legacy products including Enterprise Banker, Interact Miser and our divested Community Financial Services

ACIW is a resilient company

2021 Full-Year Guidance

**\$1,355M -
\$1,360M**
Revenue

2.4x
Debt Leverage

**\$380M -
\$385M**
Adjusted EBITDA

\$650M
Liquidity

\$250M
Operating Cash Flow

\$100M
Shares repurchased
since January 2020

Estimates based on achieving full year 2021 guidance

Our strategy is to balance growth investments with returning cash to shareholders

Targeting half of our free cash flow in the near-term to share repurchases

\$250M

2021
Operating
Cash Flow

**Allocation
Priorities**

Reinvest
M&A
Repurchases

ACI remains committed to disciplined deployment of its strong cash flow

ACIW is a strategic investment at an attractive valuation

ACIW is a good short-term opportunity

Software company trading at discount to peers

Turnaround story showing early evidence of success

High cash flow and solid balance sheet

Organic growth of 5% in 2021

ACIW is a long-term strategic investment

Leading explosive real-time payments growth

Building the next generation of real-time payments cloud

Organic growth of upper single digits by 2024

ACI Worldwide
Real-Time Payments

Leading the future of payments worldwide

Odilon Almeida

President and CEO

Key takeaways



ACI is well positioned to **lead the future of payments** through Real Time



ACI has built momentum; our 3-pillar strategy is **already delivering results**



We are continually reviewing the company's portfolio for **shareholder value maximization**

Q&A: ACI Worldwide Leadership Team

Leading the Future of Payments Worldwide

Odilon Almeida, President and CEO

Pillar 1: Fit for Growth

Tony Dinkins, Chief Human Resources Officer

Eve Aretakis, Chief Revenue Officer

Pillar 2: Focused on Growth

Jeremy Wilmot, Chief Product Officer

Sanjay Gupta, Head of Billers

Debbie Guerra, Head of Merchants

Sam Jawad, Head of Banks and Intermediaries

Ram Puppala, Chief Technology Officer

Pillar 3: Step-Change Value Creation

Craig Maki, Chief Development Officer

Total Shareholder Return

Scott Behrens, Chief Financial Officer

Q&A

Moderated by

John Kraft, Head of Strategy and Finance

Q&A

ACI Worldwide
Real-Time Payments

ACI Worldwide Analyst Day

November 17, 2021

Appendix

Non-GAAP Financial Measures

To supplement our financial results presented on a GAAP basis, we use non-GAAP measures, including in this presentation, that we believe are helpful in understanding our past financial performance and our future results. The non-GAAP measures in this presentation include pro forma adjustments for our Speedpay acquisition as well as excluding the revenue from our CFS assets sold in 2016, significant transaction expenses, and significant non-cash expenses such as stock-based compensation, depreciation, and amortization. The presentation of these non-GAAP financial measures should be considered in addition to our GAAP results and are not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with GAAP. Management generally compensates for limitations in the use of non-GAAP financial measures by relying on comparable GAAP financial measures and providing investors with a reconciliation of non-GAAP financial measures only in addition to and in conjunction with results presented in accordance with GAAP. We believe that these non-GAAP financial measures reflect an additional way to view aspects of our operations that, when viewed with our GAAP results, provide a more complete understanding of factors and trends affecting our business.

Non-GAAP Financial Measures

Certain non-GAAP measures include:

- Adjusted EBITDA: net income (loss) plus income tax expense (benefit), net interest income (expense), net other income (expense), depreciation, amortization, and non-cash compensation, as well as significant transaction related expenses. Adjusted EBITDA should be considered in addition to, rather than as a substitute for, net income (loss).
- Net Adjusted EBITDA Margin: Adjusted EBITDA divided by revenue net of pass through interchange revenue. Net Adjusted EBITDA Margin should be considered in addition to, rather than as a substitute for, net income (loss).
- Adjusted Revenue: total revenue plus the Speedpay pro forma adjustment and less CFS revenue. Adjusted Revenue should be considered in addition to, rather than as a substitute for, total revenue.
- Adjusted Interchange: total interchange expense plus the Speedpay pro forma adjustment. Adjusted Interchange should be considered in addition to, rather than as a substitute for, interchange.

Non-GAAP Financial Measures

Adjusted EBITDA (millions) Year Ended December 31,

	<u>2019</u>
Net income	\$ 67
Plus:	
Income tax expense	5
Net interest expense	52
Net other (income) expense	(1)
Depreciation expense	24
Amortization expense	99
Non-cash stock-based compensation expense	<u>37</u>
Adjusted EBITDA before significant transaction-related expenses	283
Significant transaction-related expenses	<u>25</u>
Adjusted EBITDA	308
Speedpay proforma adjustment	<u>31</u>
Adjusted EBITDA including Speedpay pro forma adjustment	<u>\$ 339</u>
Net Adjusted EBITDA Margin	33%
Recurring Revenue	
SaaS and PaaS fees	\$ 678
Maintenance fees	<u>213</u>
Recurring revenue	<u>\$ 891</u>

Adjusted Revenue and Net Revenue (millions) Year Ended December 31,

	<u>2018</u>	<u>2019</u>
Revenue	\$1,010	\$1,258
Speedpay proforma adjustment	<u>352</u>	<u>125</u>
Total adjusted revenue	<u>\$1,362</u>	<u>\$1,383</u>
Interchange	\$ 170	\$ 322
Speedpay proforma adjustment	<u>184</u>	<u>71</u>
Total adjusted interchange	<u>\$ 354</u>	<u>\$ 393</u>
Net Revenue	\$ 840	\$ 936
Speedpay proforma adjustment	<u>168</u>	<u>54</u>
Total adjusted net revenue	<u>\$1,008</u>	<u>\$ 990</u>

Non-GAAP Financial Measures

Historic Segment Revenue Information (millions) Year Ended December 31,

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Revenue					
Biller	\$ 256	\$ 271	\$ 276	\$ 511	\$ 586
Excluding Speedpay *	-	-	-	(228)	(329)
Total adjusted Biller	256	271	276	283	257
Banks	630	620	595	591	559
Excluding CFS revenue *	(15)	-	-	-	-
Total adjusted Banks	615	620	595	591	559
Merchants	120	132	140	156	149
Total adjusted revenue	\$ 991	\$ 1,023	\$ 1,011	\$ 1,030	\$ 965

*Revenue by segment amounts exclude revenue from CFS assets sold in 2016 and from acquisition date of Speedpay in 2019.

Forward Looking Statements

This presentation contains forward-looking statements based on current expectations that involve a number of risks and uncertainties. Generally, forward-looking statements do not relate strictly to historical or current facts and may include words or phrases such as “believes,” “will,” “expects,” “anticipates,” “intends,” and words and phrases of similar impact. The forward-looking statements are made pursuant to safe harbor provisions of the Private Securities Litigation Reform Act of 1995.

Forward-looking statements in this presentation include, but are not limited to, statements relating to expectations regarding: (i) ACIW as a short- and long-term strategic investment and a good short-term opportunity; (ii) the growth of our addressable market; (iii) continuing to accelerate the digital transformation of payments; (iv) 2021 organic revenue growth rate and estimated range, recurring revenue, net adjusted EBITDA margin, and Rule of 40 achievement; (v) achievement of a more predictable business model, greater relevance in international markets, an increased pipeline, and enhanced customer experience; (vi) 2021 sales pipeline, net new annual recurring revenue bookings, and full-year revenue; (vii) 2021 and 2024 revenue growth, percentage recurring revenue, net adjusted EBITDA margin, and Rule of 40 achievement; (viii) our three segments leading the real-time revolution; (ix) initiatives in our Biller, Merchant and Banks and Intermediaries segments driving growth; (x) the building of the next-gen payments cloud, and that the next-gen payments cloud will propel core payments growth for our customers; (xi) building on our history of successfully executing inorganic strategies; (xii) near-and long-term value creation through optimization of our portfolio; (xiii) our long-term outlook for organic revenue growth, net EBITDA margin, and target leverage ratio; (xiv) debt leverage, liquidity and operating cash flow based on achieving 2021 guidance; (xv) targeting half of our free cash flow in the near term to share repurchases; and (xvi) ACIW as a strategic investment at an attractive valuation.

Forward Looking Statements

All of the foregoing forward-looking statements are expressly qualified by the risk factors discussed in our filings with the Securities and Exchange Commission. Such factors include, but are not limited to, the COVID-19 pandemic, increased competition, business interruptions or failure of our information technology and communication systems, may be subjected to security breaches or viruses, our ability to attract and retain senior management personnel and skilled technical employees, new members of senior management coupled with our headquarters relocation, future acquisitions, strategic partnerships and investments, integration of and achieving benefits from the Speedpay acquisition, implementation and success of our new Three Pillar strategy, impact if we convert some or all on-premise licenses from fixed-term to subscription model, anti-takeover provisions, exposure to credit or operating risks arising from certain payment funding methods, customer reluctance to switch to a new vendor, our ability to adequately defend our intellectual property, litigation, our offshore software development activities, risks from operating internationally, including fluctuations in currency exchange rates, adverse changes in the global economy, compliance of our products with applicable legislation, governmental regulations and industry standards, the complexity of our products and services and the risk that they may contain hidden defects, complex regulations applicable to our payments business, our compliance with privacy regulations, exposure to unknown tax liabilities, consolidations and failures in the financial services industry, volatility in our stock price, demand for our products, failure to obtain renewals of customer contracts or to obtain such renewals on favorable terms, delay or cancellation of customer projects or inaccurate project completion estimates, impairment of our goodwill or intangible assets, the accuracy of management's backlog estimates, the cyclical nature of our revenue and earnings and the accuracy of forecasts due to the concentration of revenue-generating activity during the final weeks of each quarter, restrictions and other financial covenants in our debt agreements, our existing levels of debt, potential adverse effects from the impending replacement of LIBOR, events outside of our control including natural disasters, wars, and outbreaks of disease. For a detailed discussion of these risk factors, parties that are relying on the forward-looking statements should review our filings with the Securities and Exchange Commission, including our most recently filed Annual Report on Form 10-K and our Quarterly Reports on Form 10-Q.

ACI Worldwide

Real-Time Payments