



Q1 2023



Our accelerated bookings growth in the quarter, which included several large deals, reflects the strengths of our services, our brand, and the longstanding relationships we have with our clients. I am also encouraged by the continuing reduction in our voluntary attrition. Clients recognize how deeply we understand their businesses and how well positioned we are to create value for them at the intersection of technology and industry use cases. Having spent more than three months assessing Cognizant's business, meeting with over a hundred clients and thousands of employees, I firmly believe Cognizant has a strong foundation for accelerating growth.



Ravi Kumar S | Chief Executive Officer

Revenue

\$4.8 billion

Reported YoY ↓ 0.3%

Constant Currency YoY ↑ 1.5%

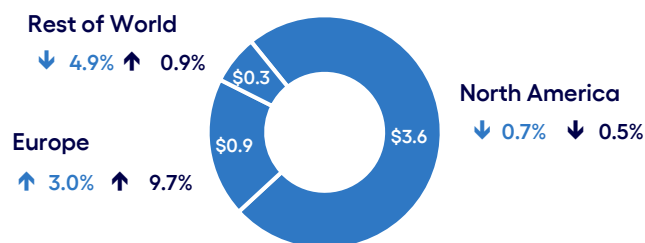
GAAP and Adjusted Operating Margin	14.6%	GAAP EPS	\$1.14	Adjusted Diluted EPS	\$1.11
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Cash Flow	Cash Flow From Operations \$729M	Free Cash Flow \$631M	Capital Return	Q1 2023 Dividend \$150M <small>\$0.29/share</small>	Q1 2023 Share Repurchases \$222M
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Revenue by Geography

(\$ In billions)

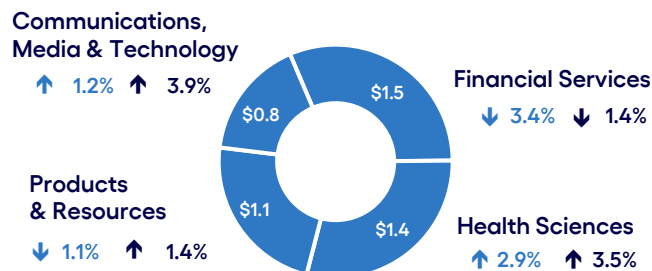
Reported YoY | Constant Currency YoY



Revenue by Segment

(\$ In billions)

Reported YoY | Constant Currency YoY



Employee Metrics

Total Employees	351,500	(3,800) QoQ
		+11,100 YoY
Voluntary - Tech Services Attrition (Trailing 12-Month)		23%
		Down 7 pts. YoY

Company Recognition



Named to the Fortune list of America's Most Innovative Companies 2023



Recognized by Forbes as one of America's Best Management Consulting Firms in 2023



Recognized as a top employer in Canada and Portugal in LinkedIn's annual ranking of top companies



Named as a Top Employer in Europe by Top Employers Institute for 9th consecutive year

About Non-GAAP Financial Measures and Performance Metrics

Non-GAAP Financial Measures

To supplement our financial results presented in accordance with GAAP, this infographic includes references to the following measures defined by the Securities and Exchange Commission as non-GAAP financial measures: Adjusted Operating Margin, Adjusted Diluted EPS, free cash flow and constant currency revenue growth. These non-GAAP financial measures are not based on any comprehensive set of accounting rules or principles and should not be considered a substitute for, or superior to, financial measures calculated in accordance with GAAP, and may be different from non-GAAP financial measures used by other companies. In addition, these non-GAAP financial measures should be read in conjunction with our financial statements prepared in accordance with GAAP. The reconciliations of our non-GAAP financial measures to the corresponding GAAP measures should be carefully evaluated.

Our non-GAAP financial measure Adjusted Operating Margin excludes unusual items, as applicable. Our non-GAAP financial measure Adjusted Diluted EPS excludes unusual items, net non-operating foreign currency exchange gains or losses and the tax impact of all the applicable adjustments. The income tax impact of each item excluded from Adjusted Diluted EPS is calculated by applying the statutory rate and local tax regulations in the jurisdiction in which the item was incurred. Free cash flow is defined as cash flows from operating activities net of purchases of property and equipment. Constant currency revenue growth is defined as revenues for a given period restated at the comparative period's foreign currency exchange rates measured against the comparative period's reported revenues.

Management believes providing investors with an operating view consistent with how we manage the Company provides enhanced transparency into our operating results. For our internal management reporting and budgeting purposes, we use various GAAP and non-GAAP financial measures for financial and operational decision-making, to evaluate period-to-period comparisons, to determine portions of the compensation for our executive officers and for making comparisons of our operating results to those of our competitors. Accordingly, we believe that the presentation of our non-GAAP measures, which exclude certain costs, when read in conjunction with our reported GAAP results, can provide useful supplemental information to our management and investors regarding financial and business trends relating to our financial condition and results of operations.

A limitation of using non-GAAP financial measures versus financial measures calculated in accordance with GAAP is that non-GAAP financial measures do not reflect all of the amounts associated with our operating results as determined in accordance with GAAP and may exclude costs that are recurring such as our net non-operating foreign currency exchange gains or losses. In addition, other companies may calculate non-GAAP financial measures differently than us, thereby limiting the usefulness of these non-GAAP financial measures as a comparative tool. We compensate for these limitations by providing specific information regarding the GAAP amounts excluded from our non-GAAP financial measures to allow investors to evaluate such non-GAAP financial measures.

COGNIZANT TECHNOLOGY SOLUTIONS CORPORATION
Reconciliations of Non-GAAP Financial Measures
(Unaudited)

	Three Months Ended March 31, 2023
GAAP diluted EPS	\$ 1.14
Non-operating foreign currency exchange (gains) losses, pre-tax ⁽¹⁾	(0.02)
Tax effect of non-operating foreign currency exchange (gains) losses ⁽²⁾	(0.01)
Adjusted Diluted EPS	\$ 1.11

Notes:

- (1) Non-operating foreign currency exchange gains and losses, inclusive of gains and losses on related foreign exchange forward contracts not designated as hedging instruments for accounting purposes, are reported in "Foreign currency exchange gains (losses), net" in our unaudited consolidated statement of operations.
- (2) Presented below is the tax impact of our non-GAAP adjustment to pre-tax income:

(in millions)	Three Months Ended March 31, 2023
Non-GAAP income tax benefit related to:	
Foreign currency exchange gains and losses	\$ 5

The effective tax rate related to non-operating foreign currency exchange gains and losses varies depending on the jurisdictions in which such income and expenses are generated and the statutory rates applicable in those jurisdictions. As such, the income tax effect of non-operating foreign currency exchange gains and losses shown in the above table may not appear proportionate to the net pre-tax foreign currency exchange gains and losses reported in our consolidated statements of operations.

Reconciliation of Free Cash Flow

(in millions)	Three Months Ended March 31, 2023
Net cash provided by operating activities	\$ 729
Purchases of property and equipment	(98)
Free cash flow	\$ 631