



Hilton San Diego Bayfront  
May 1-3, 2023

# Appian Investor Day 2023

# Disclaimer.

In this presentation, we may make statements related to our business that are forward-looking statements under federal securities laws and are made pursuant to the Safe Harbor provisions of the Private Securities Litigation Reform Act of 1995, including statements related to our financial results, trends and guidance for the first quarter and full year 2023, the impact of macroeconomic changes, the benefits of our platform, industry and market trends, our go-to-market and growth strategy, our market opportunity and ability to expand our leadership position, our ability to maintain and upsell existing customers, and our ability to acquire new customers. The words “anticipate,” “continue,” “estimate,” “expect,” “intend,” “will,” “plan,” and similar expressions are intended to identify forward-looking statements or similar indications of future expectations. These statements reflect our views only as of today and should not be reflected upon as representing our views as of any subsequent date. These statements are subject to a variety of risks and uncertainties that could cause actual results to differ materially from expectations.

For a discussion of the material risks and other important factors that could affect our actual results, please refer to those contained in our 2022 10-K filing and our other periodic filings with SEC. These documents are available in the Investors section of our website at [www.appian.com](http://www.appian.com).

Additionally, non-GAAP financial measures will be shared. Please refer to the tables in our earnings release and the Investors section of our website for a reconciliation of these measures to their most directly comparable GAAP financial measure.

# Agenda

|                    |                                   |  |
|--------------------|-----------------------------------|--|
| <b>1:30 p.m.</b>   | <b>Welcome</b>                    | <b>Sri Anantha, Senior Director – Finance &amp; IR</b> |
| <b>1:35 p.m.</b>   | Marketing Strategy                | Michael Beckley, Founder, CTO & CMO                    |
| <b>1:55 p.m.</b>   | AI Strategy                       | Malcolm Ross, SVP – Product Strategy                   |
| <b>2:15 p.m.</b>   | Engineering Strategy              | Suvajit Gupta, EVP - Engineering                       |
| <b>2:35 p.m.</b>   | Go-To-Market Strategy             | Chris Jones, Chief Revenue Officer                     |
| <b>Short Break</b> |                                   |  |
| <b>3:10 p.m.</b>   | Partner Panel                     | Moderator: Chris Jones                                 |
| <b>3:30 p.m.</b>   | Customer Panel                    | Moderator: Marc Wilson                                 |
| <b>3:50 p.m.</b>   | Business and Financial Highlights | Mark Matheos, Chief Financial Officer                  |
| <b>4:10 p.m.</b>   | Fireside Chat                     | Moderator: Sri Anantha<br>Matt Calkins, Founder & CEO  |
| <b>4:20 p.m.</b>   | Executive Q&A                     | Moderator: Sri Anantha<br>Matt Calkins, Mark Matheos   |



# Marketing Strategy

**Michael Beckley**

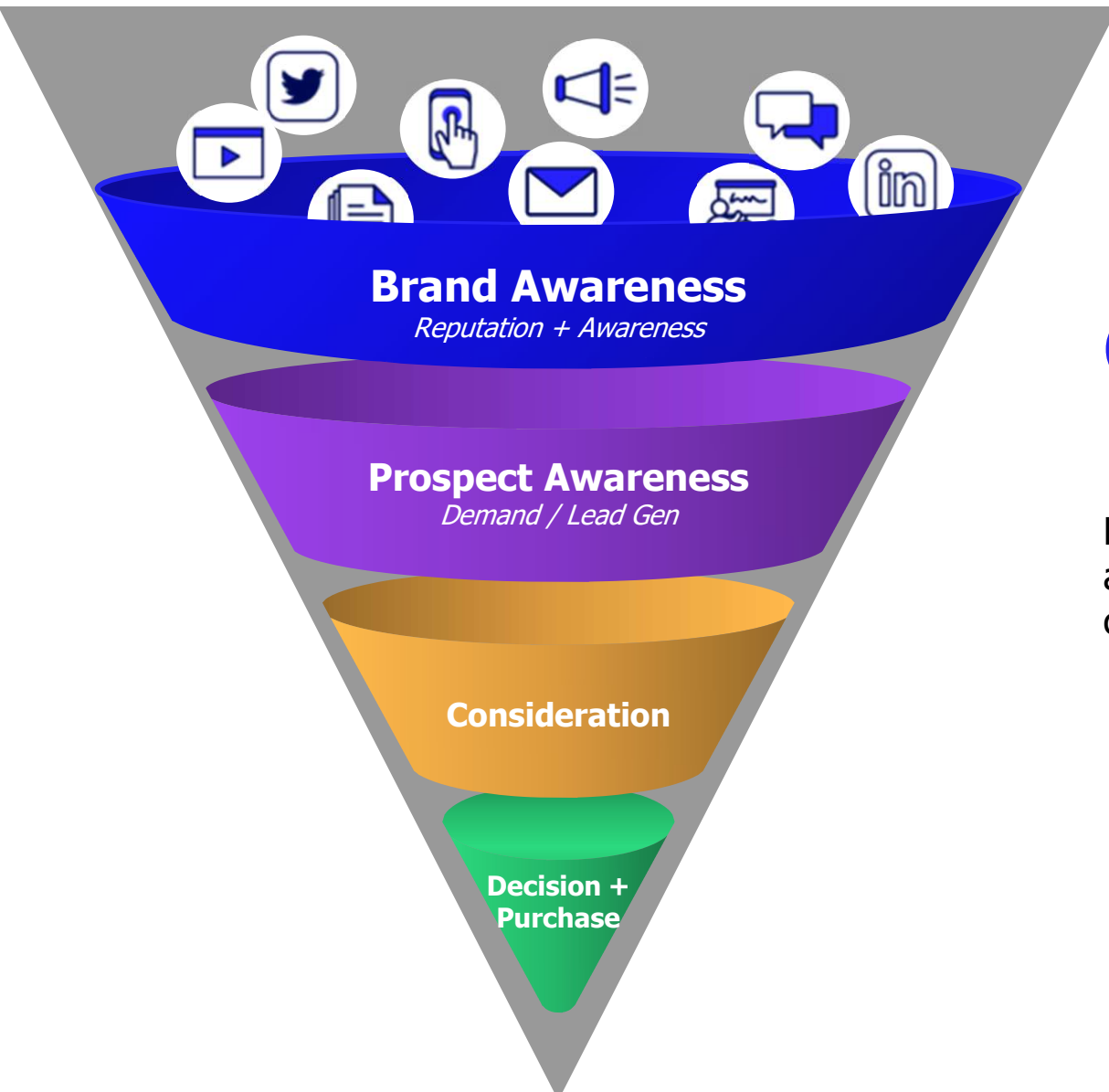
Founder, CTO, CMO





# Appian Marketing Priorities

- 1. Double **Quality Pipeline**
- 1. Differentiate our **Messaging**
- 1. Increase **Market Awareness**



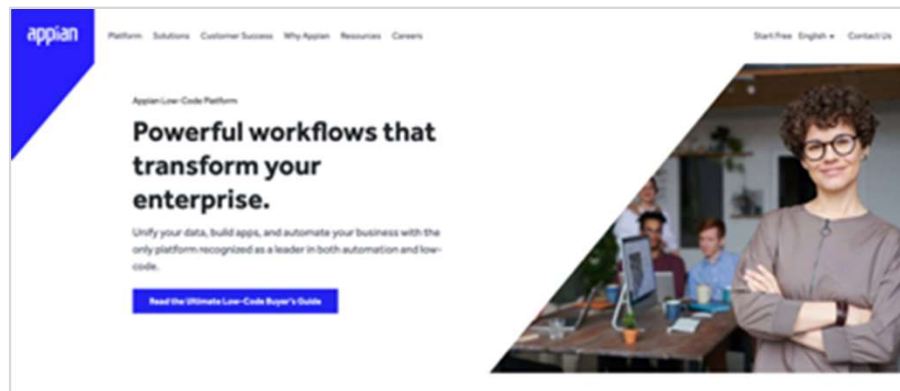
# Double Quality Pipeline.

Build pipeline by intercepting prospects across the buyer journey with different channels and tactics.

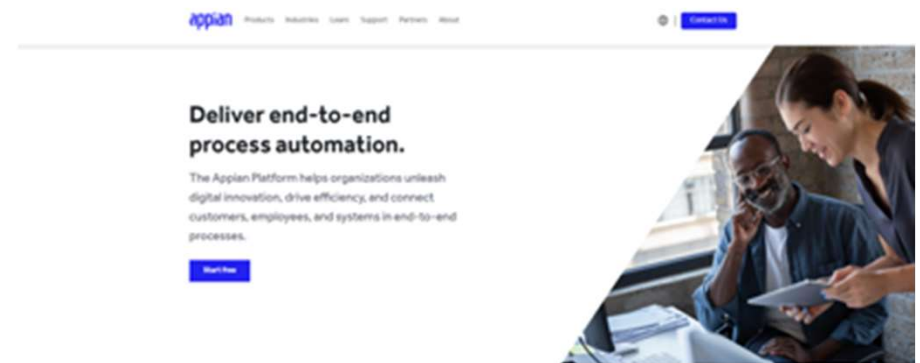
# A brand evolution.

Appian **Low-Code** Automation

Appian **End-to-End Process Automation**



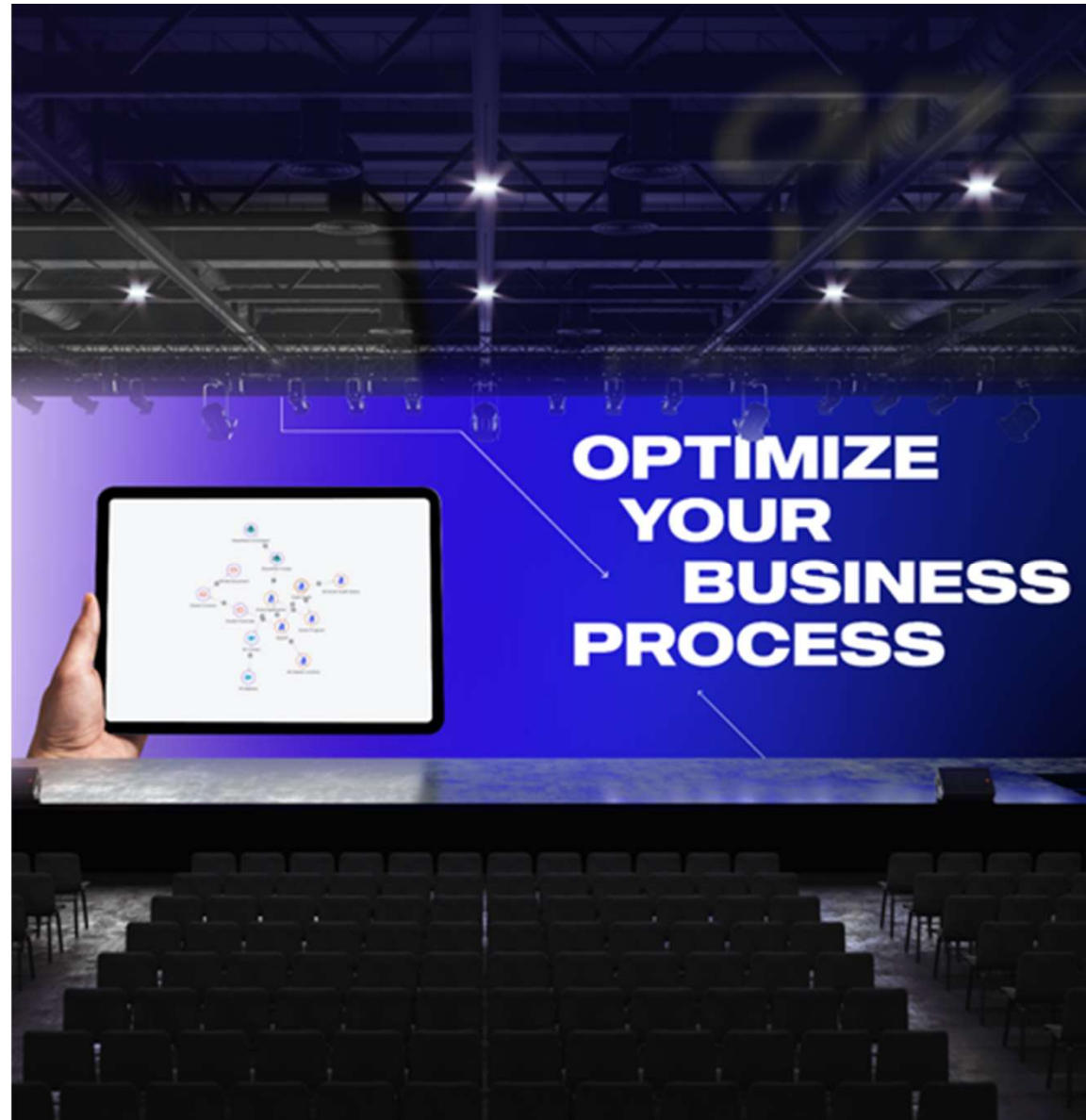
2022

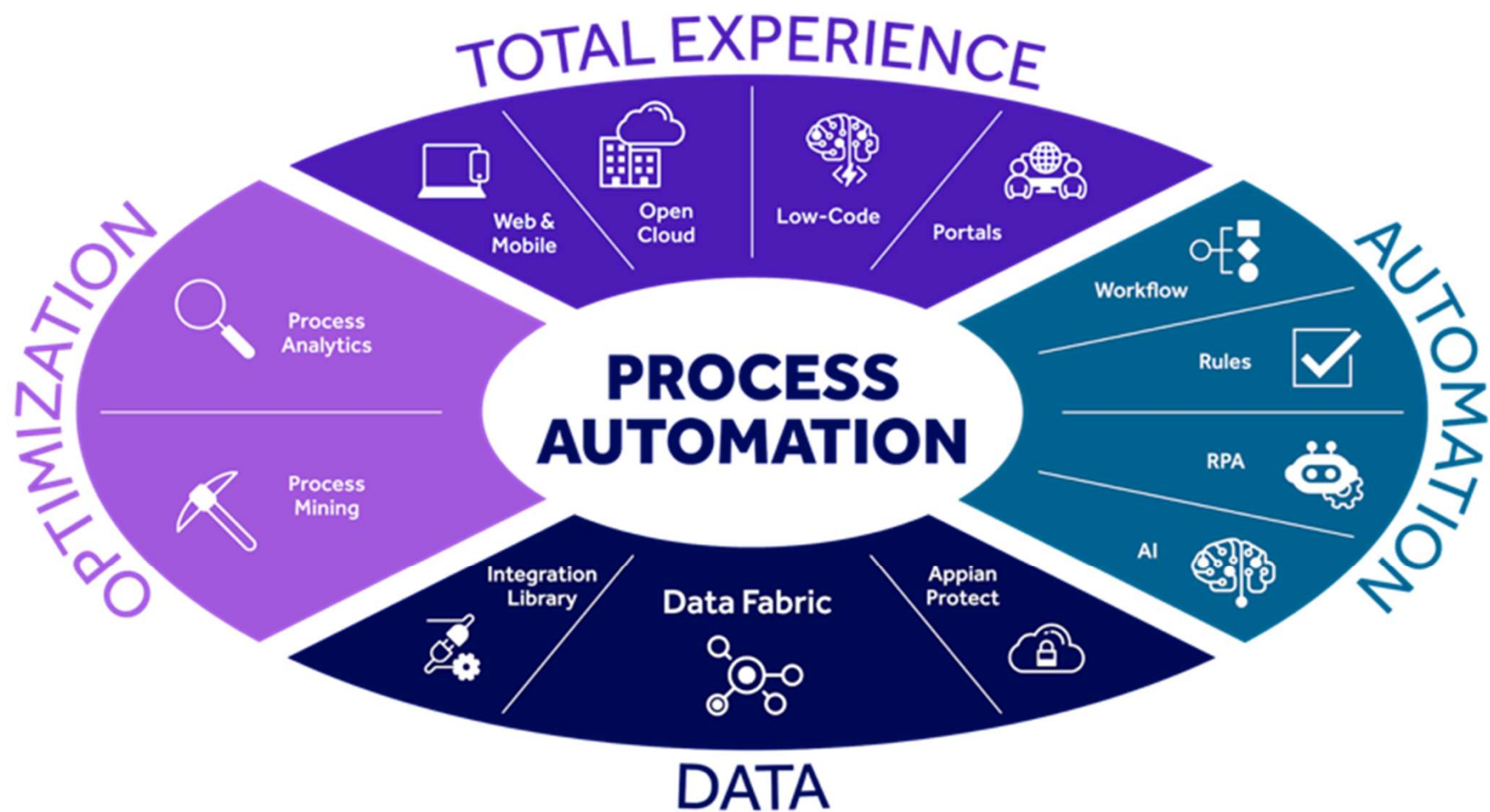


Today

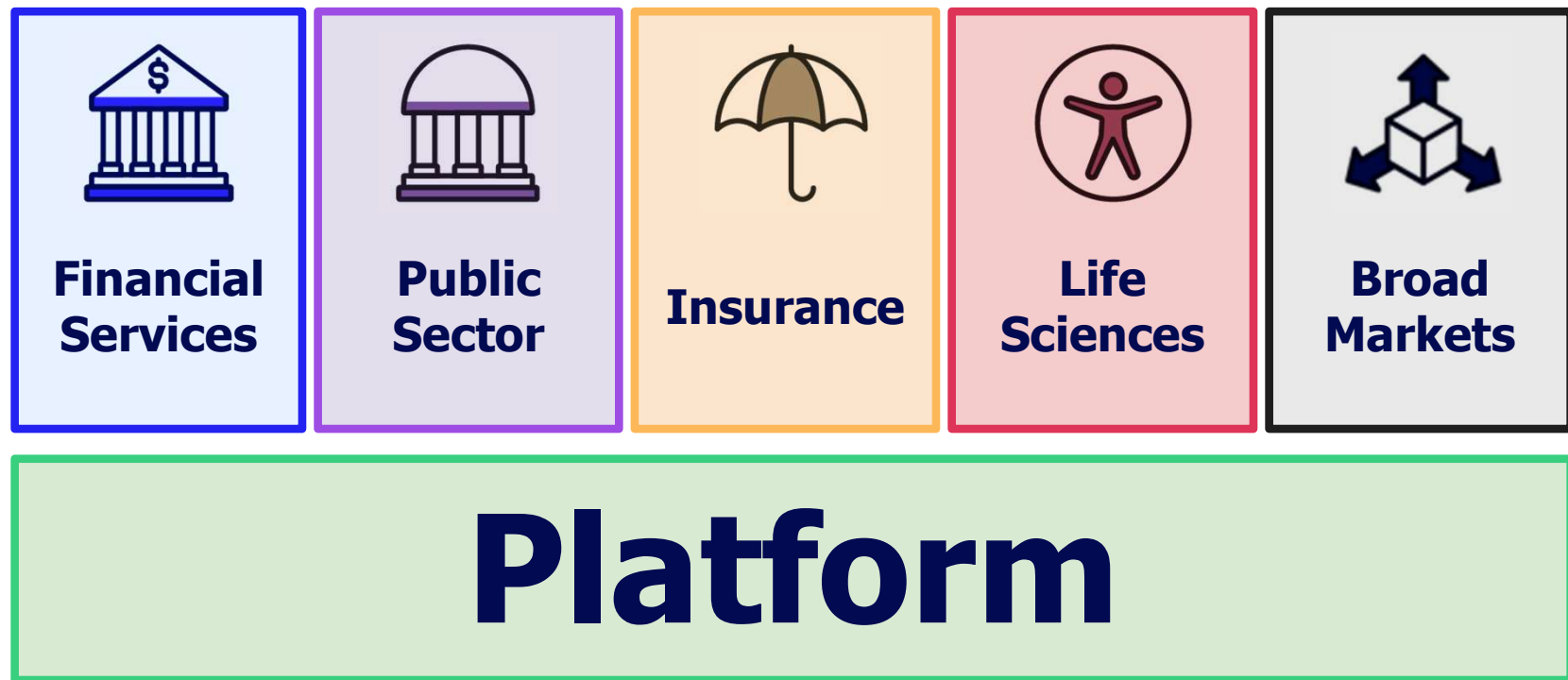
# Introducing **Appian Data Fabric.**

Unifies data from multiple systems to enable a complete 360° view of your enterprise data.



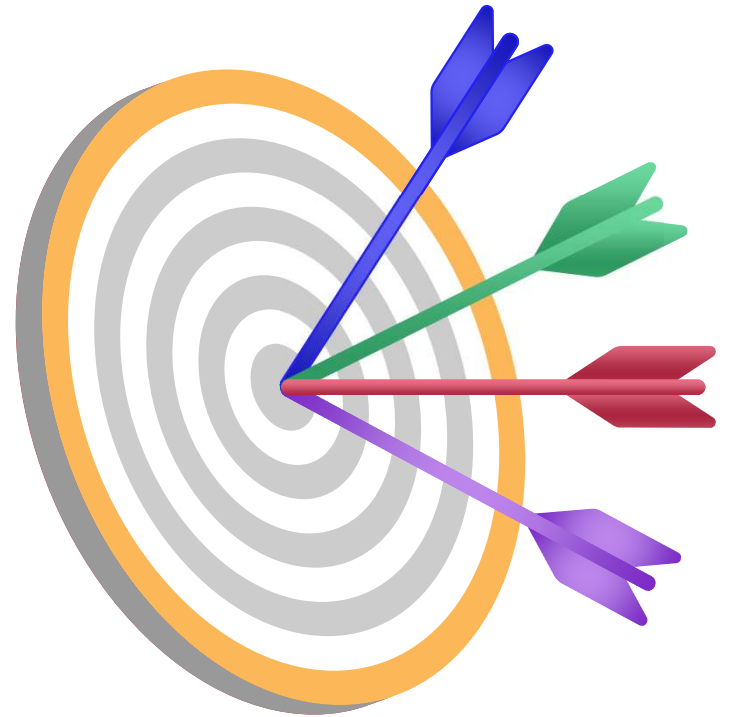


Focus on top performing market segments.



# Efficient **Account Based Marketing.**

Appian implements **Account Based Marketing** to deliver targeted content, microsites, and special programs to high-value accounts.






# Appian Community Edition

- **Free, unlimited, self-service** cloud sites for individual developers
- **200k+ users in the Community** and **5k+ users supported daily** to increase number of Appian developers
- Strong source of **highly qualified leads** to empower a **product-led sales motion**


## James Lee's Learning Journey

### What Learning Goals Do You Have Today?

Select an option below to get started. You will be guided towards the right content to help you get building using your Appian Community Edition site.

 I want to explore

 or 

 I want to learn

↓

### My Community Edition Site

[aeri.appian.community](http://aeri.appian.community)

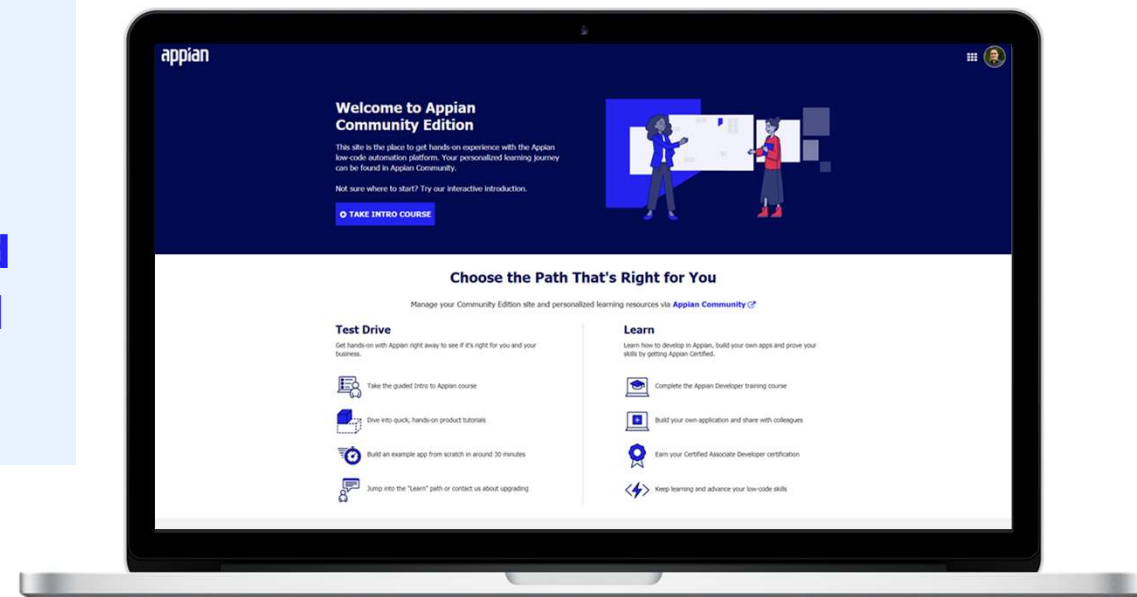
Active

Last login: 4 days ago

Appian Community Edition sites are shutdown after 5 days of inactivity.

### Actions

- Shutdown Site
- Request Upgrade



# Partners

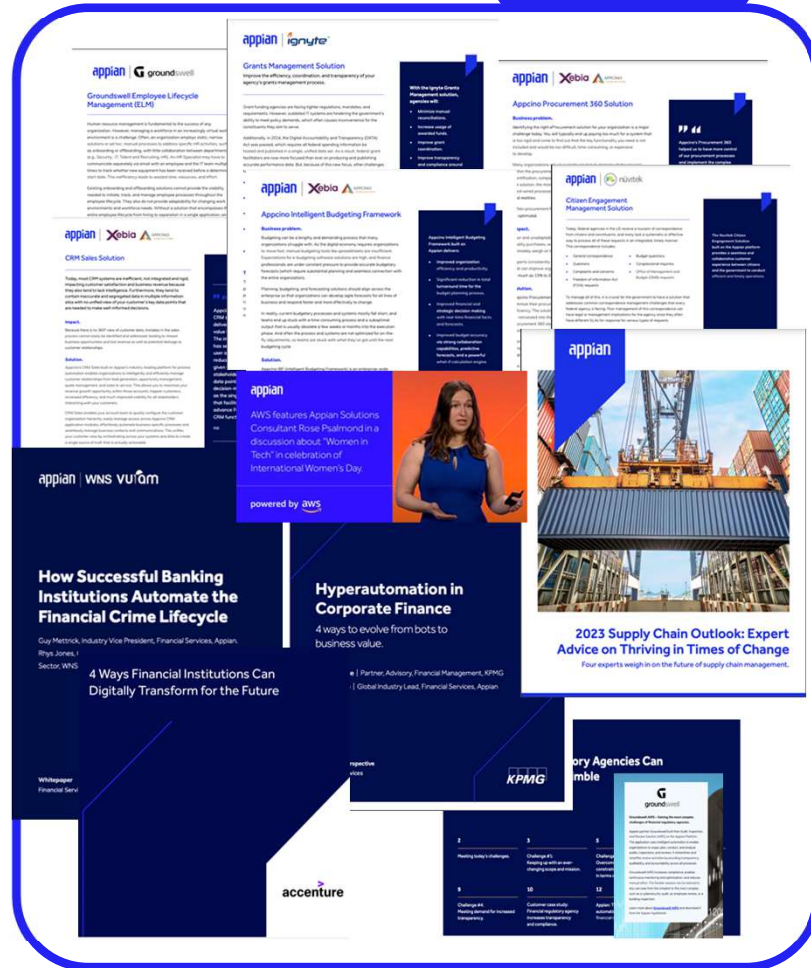
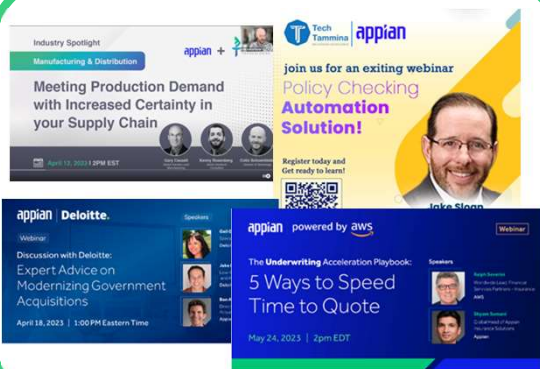
## CONTENT



## EVENTS

## WEBINARS

## MEDIA





# CTO Priorities



# AI Investment Areas



## **AI for IDP**

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Low-code AI design for building custom machine learning models for document and email processing.



## **AI for Low-code**

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AI guided assistance, conformance and governance.  
Generative AI for building low-code design components.



## **AI for Process Mining**

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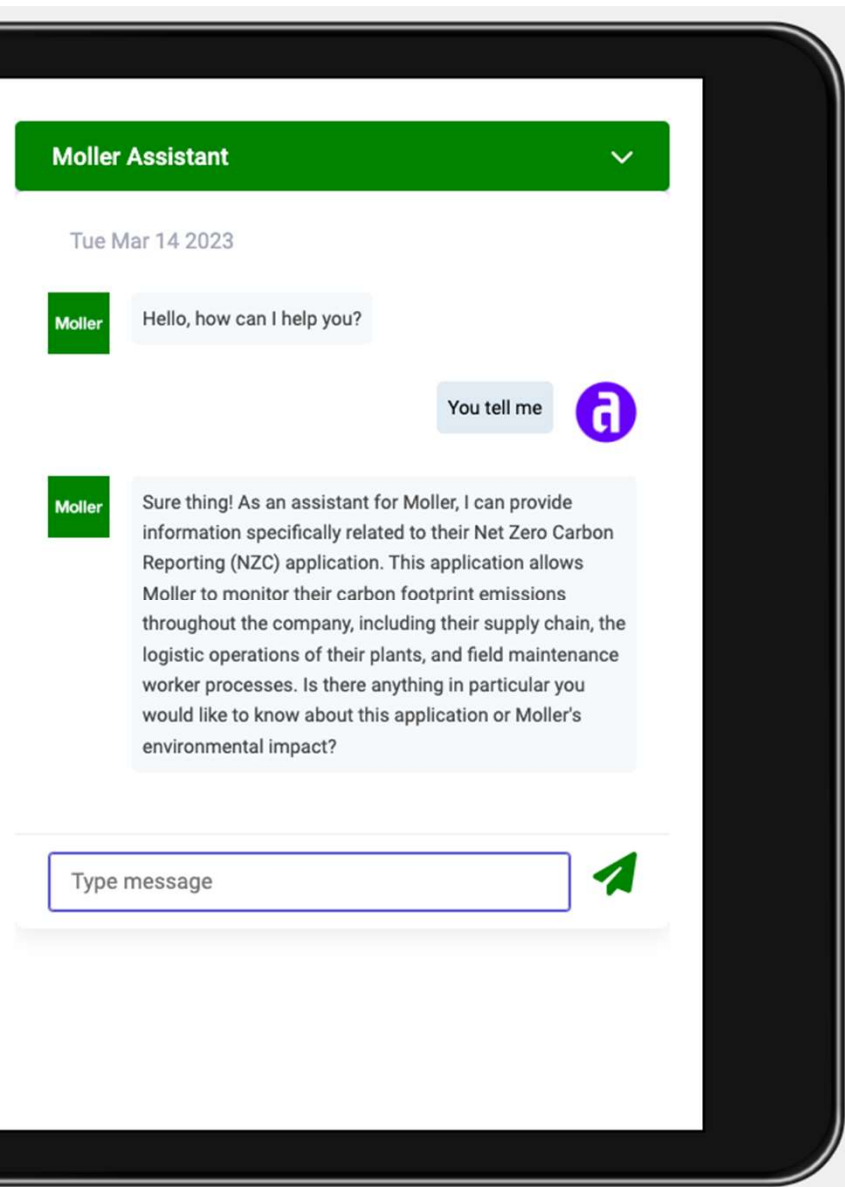
Machine learning models for automated insights into process patterns, conformance checking, root-cause analysis and recommendations.



## **AI Integration**

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Support composable business application design through packaged integration to 3rd party AI services.



# OpenAI plug-in for **Appian**.

**ChatGPT** connected system and component released to Appian AppMarket - Supports GPT 4.0, Whisper, and Dall-E.

Offers multi-language support, custom branding, and custom assistant behavior.

Our fastest adopted app market add-on ever, even more popular than Microsoft Excel

# Technology Partnerships.

Appian collaborates with the premier technology companies to enhance and extend process automation capabilities, ensuring a seamless customer experience.



# Case Study: Guidewire

**Technology partnership** formed in 2022.



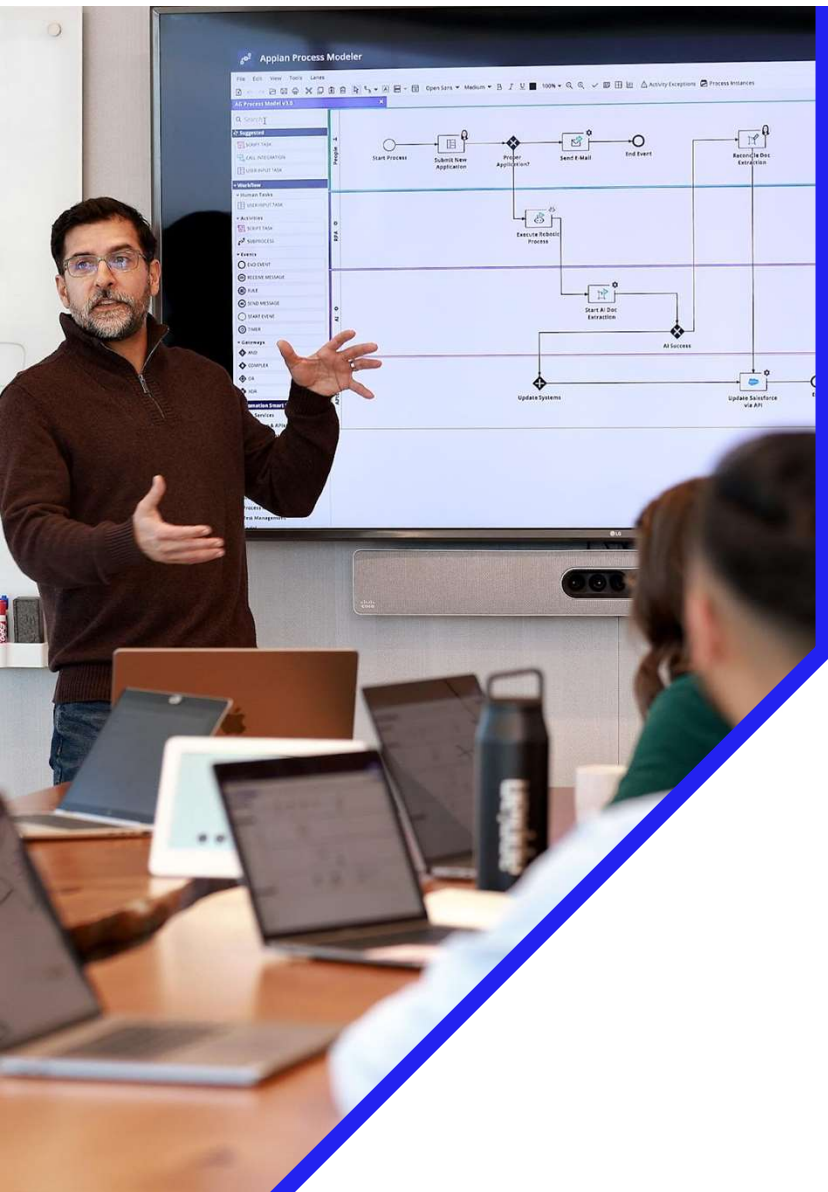
**25+** opportunities in active pursuit.



The background of the image is a low-angle shot of a modern glass skyscraper against a clear blue sky. The building's facade is composed of large glass panels reflecting the sky. In the upper right corner, the word "appian" is visible in a dark, three-dimensional font mounted on the building's exterior. Centered in the middle of the image is the word "appian" in a large, white, lowercase sans-serif font.

# appian

A leader in process automation.



# AI Strategy

**Malcolm Ross**

SVP of Product Strategy

# Agenda

- Appian AI Market Advantages
- New - Appian AI Skill Designer
- Futures - Generative AI in Appian



# Appian AI Advantages



appian

# The Future of Low-Code is Hyperautomation



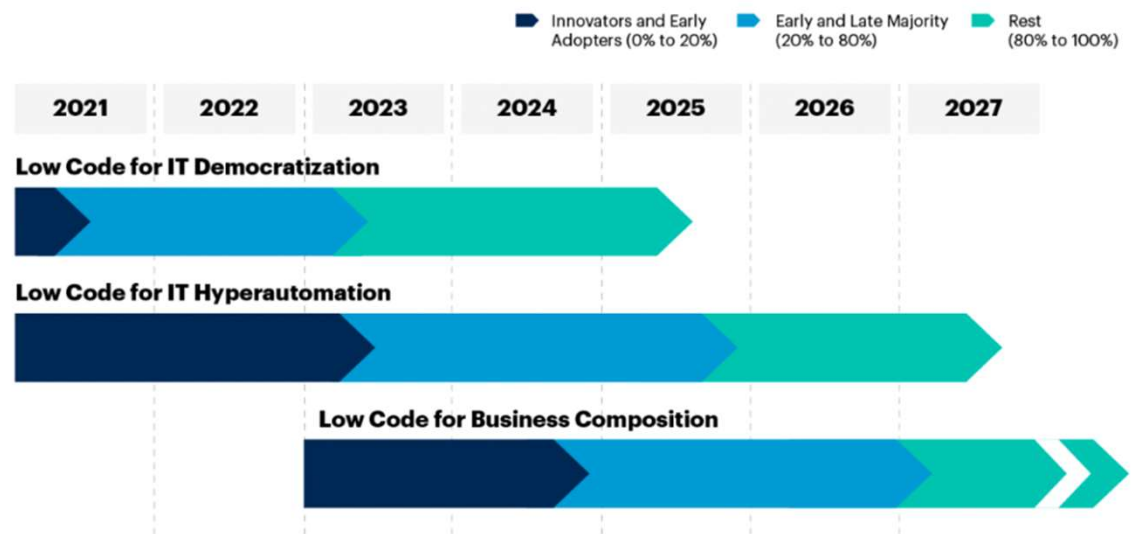
by 2024, hyperautomation functionality will be the dominant competitive differentiator among low-code development tools.



**Gartner**

**Emerging Technologies:  
The Future of Low-Code**

## Low-Code Evolution Spectrum



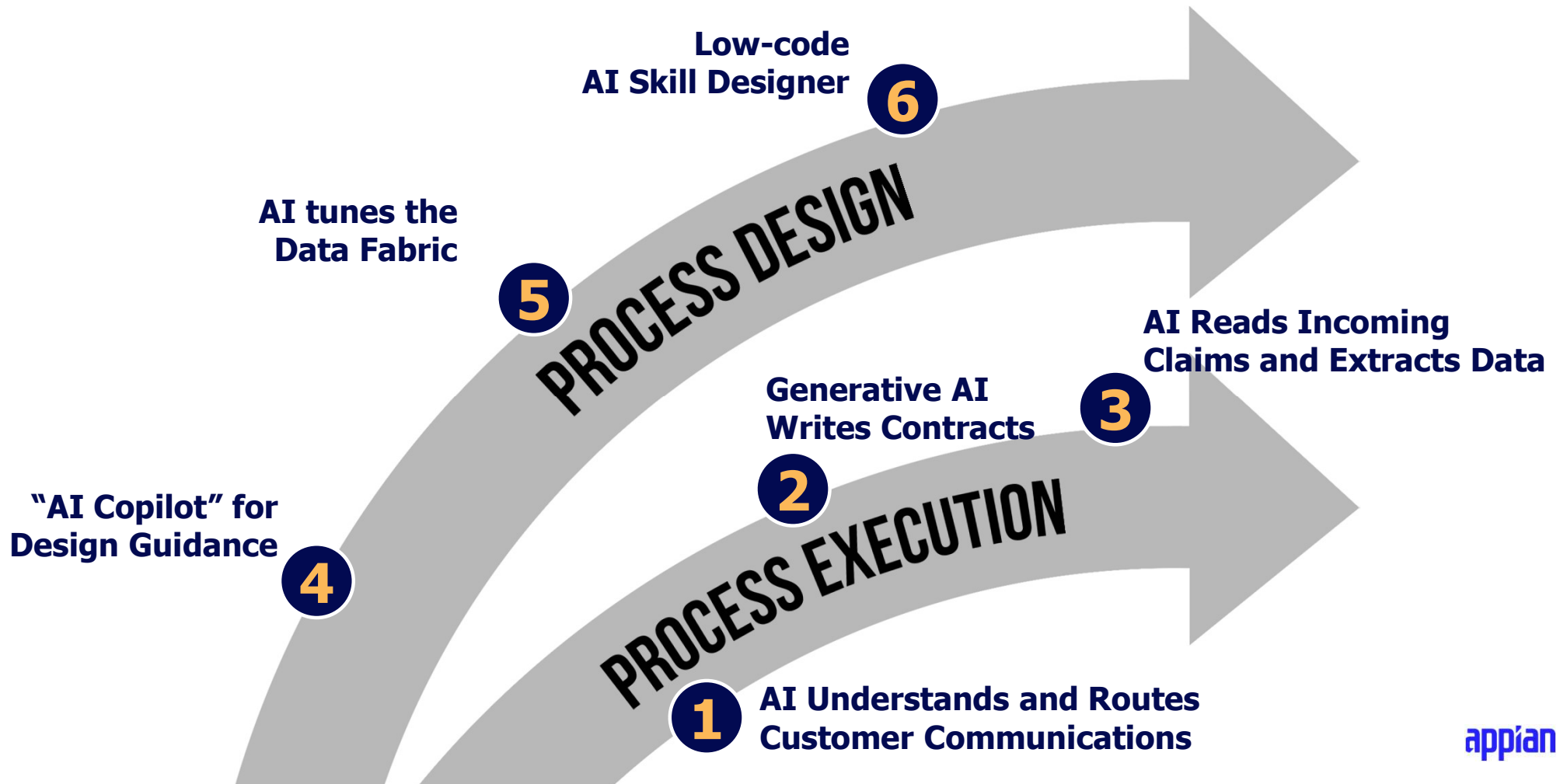
Source: Gartner  
754212\_C

Gartner

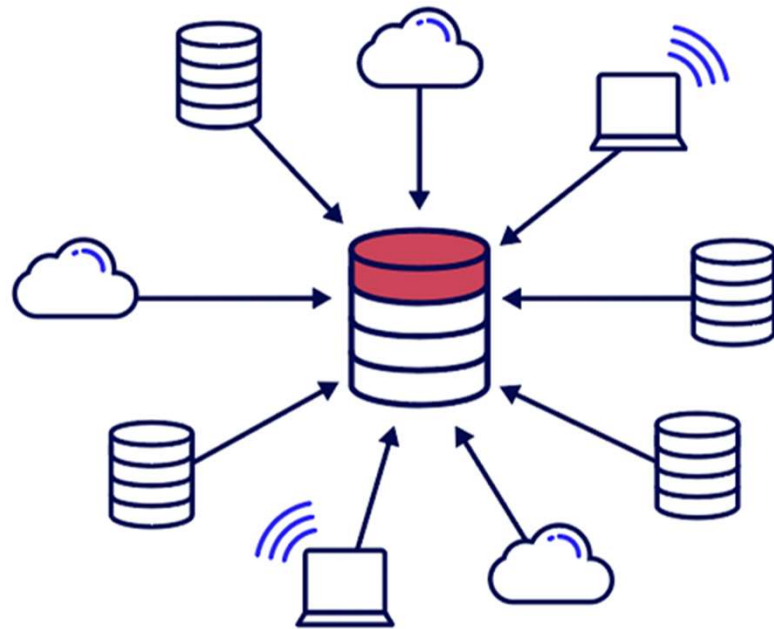
appian



# AI is Everywhere in Appian



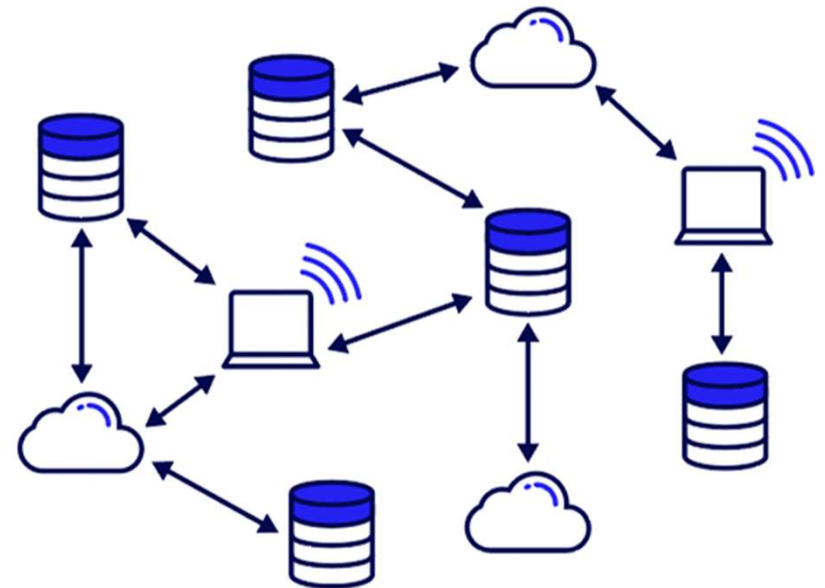
## One Database



**Stop Collecting**

vs

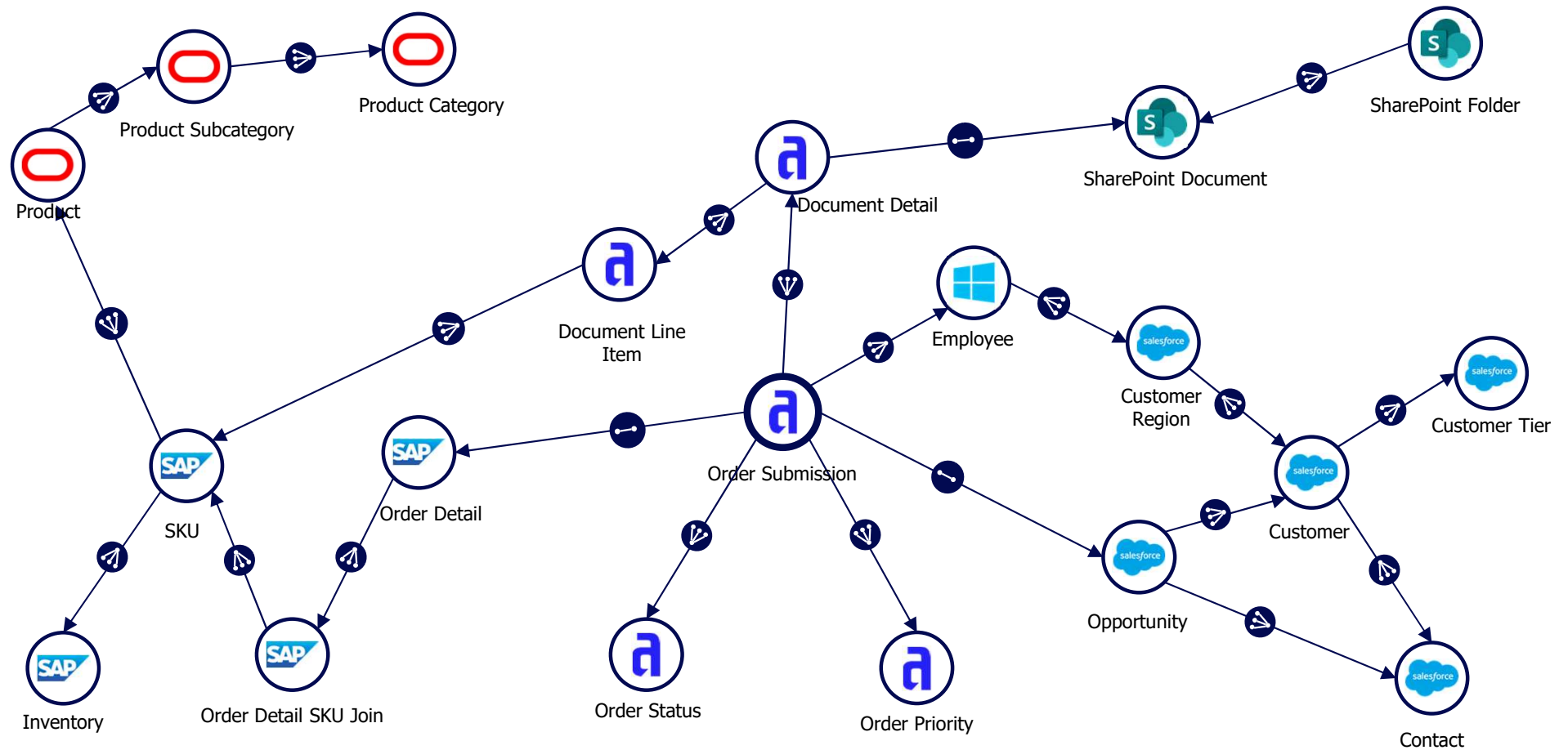
## Appian Data Fabric



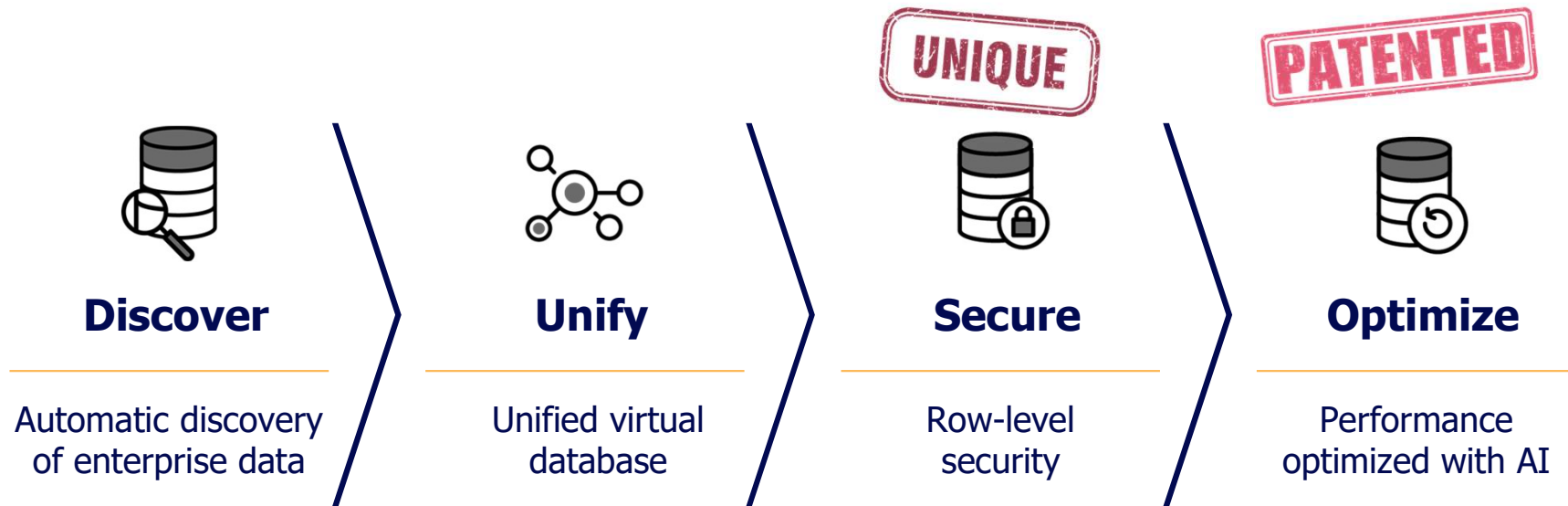
**Start Connecting**



# Unify Data in Appian's Data Fabric



# AI Advantage with Data Fabric





# AI Skill Designer



appian

# Appian Offers Private AI

Trained on your data.

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Data never escapes your control.

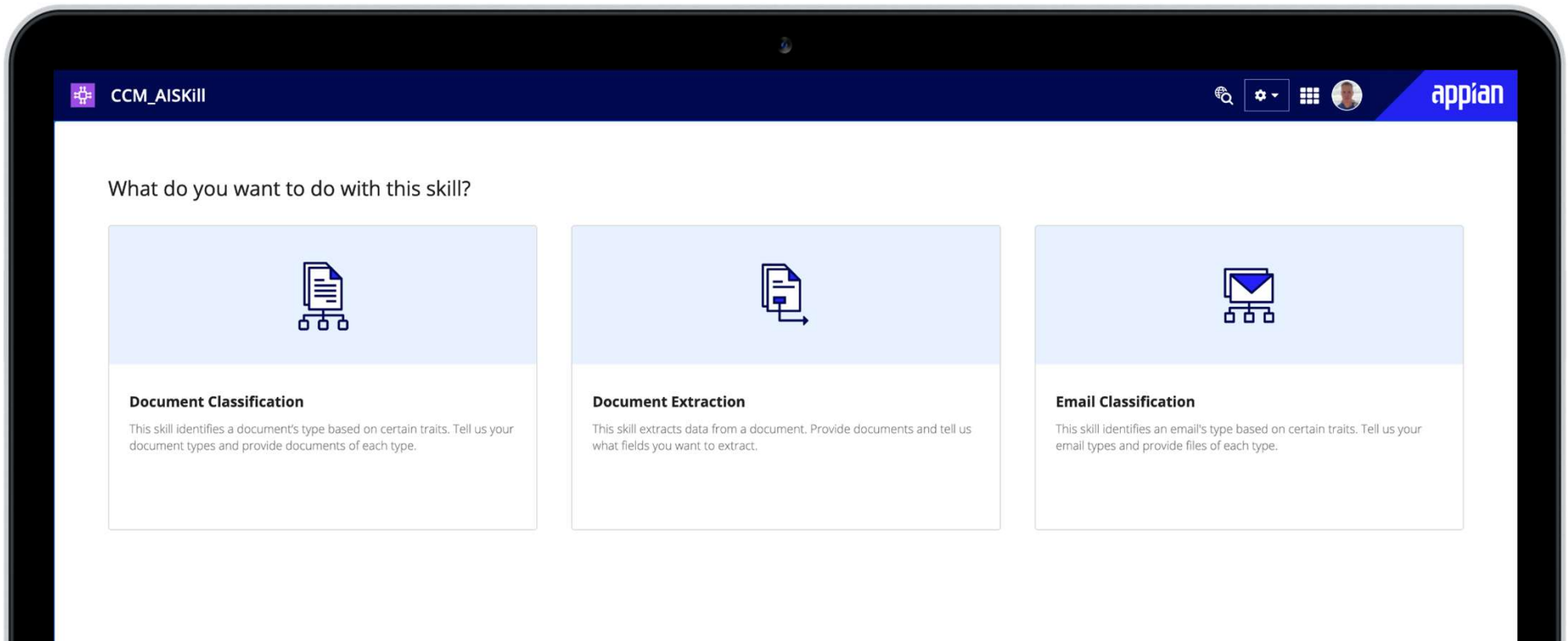
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AI models are unique to your enterprise and never shared.








# Intuitive, Low-code AI Skill Design


Easily build AI skills to process documents and natural language understanding of email communications.



# Create a Custom AI Model for Email Processing

appian



CCM\_AISkill

[← View training summary](#)

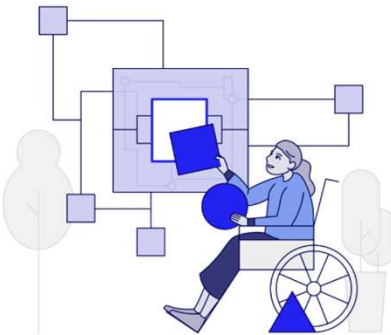
## Create Model

Define the types of emails you work with. A model needs at least two email types to begin training.

Then, add example emails of each type to train the skill to classify similar emails.

**i** Make sure the emails you add represent the emails you expect to see when you use your skill in production.

### Email Types (0)



#### Collect Examples of Your Email Types

Keep the following requirements in mind:

- Collect at least 10 emails per email type. More is better!
- Collect EML files only and put them in one ZIP file.
- Make sure all email files are unique.
- Make sure no folders or ZIP files within the ZIP file.

[+ NEW EMAIL TYPE](#)



# Upload Training Data for an Email Type

The screenshot displays the Appian CCM\_AISkill interface. On the left, a sidebar contains a link to 'View training summary' and a 'Create Model' section. The 'Create Model' section explains that a model needs at least two email types to begin training and provides instructions on adding example emails. A note advises ensuring the emails represent those expected in production. The main area shows 'Email Types (0)' with a diagram of a box and line. A 'Create New Email Type' dialog box is open in the center. It has a text input for 'Email Type Name' containing 'Analyst Emails'. Below this, a 'File' section shows an upload icon and the text 'Analyst Emails ZIP - 228.58 KB', with a 'Clear All' link. To the right of the file section, a 'Requirements for Training' box lists guidelines for uploading email data. At the bottom of the dialog are 'CANCEL', 'CREATE AND ADD ANOTHER', and 'CREATE' buttons.

**CCM\_AISkill**

← View training summary

## Create Model

Define the types of emails you work with. A model needs at least two email types to begin training.

Then, add example emails of each type to train the skill to classify similar emails.

• Make sure the emails you add represent the emails you expect to see when you use your skill in production.

Email Types (0)

### Create New Email Type

Email Type Name  
Analyst Emails

File  
Analyst Emails  
ZIP - 228.58 KB

Clear All

#### Requirements for Training

For the best results, upload emails that represent what you expect to classify in production.

Additionally, make sure of the following:

- Upload at most one ZIP file containing at least 10 EML files
- ZIP should contain only EML files
- All individual EML files within a ZIP are unique
- Ensure there are no folders or ZIP files within the ZIP

You can come back later to address all requirements.

CANCEL CREATE AND ADD ANOTHER CREATE

# Upload Training Data for an Email Type

The screenshot displays the Appian CCM\_AISkill interface. On the left, a sidebar contains a link to 'View training summary' and a 'Create Model' section. The 'Create Model' section explains that a model needs at least two email types to begin training and provides instructions on adding example emails. A note advises ensuring the emails represent those expected in production. The main area shows 'Email Types (0)' with a diagram of a box and line. A 'Create New Email Type' dialog box is open in the center. It has a text input for 'Email Type Name' containing 'Analyst Emails'. Below this, a 'File' section shows an upload icon and the text 'Analyst Emails ZIP - 228.58 KB', with a 'Clear All' link. To the right of the file section, a 'Requirements for Training' box lists guidelines for uploading email data. At the bottom of the dialog are 'CANCEL', 'CREATE AND ADD ANOTHER', and 'CREATE' buttons.

**CCM\_AISkill**

← View training summary

## Create Model

Define the types of emails you work with. A model needs at least two email types to begin training.

Then, add example emails of each type to train the skill to classify similar emails.

• Make sure the emails you add represent the emails you expect to see when you use your skill in production.

Email Types (0)

### Create New Email Type

Email Type Name  
Analyst Emails

File  
Analyst Emails  
ZIP - 228.58 KB

Clear All

#### Requirements for Training

For the best results, upload emails that represent what you expect to classify in production.

Additionally, make sure of the following:

- Upload at most one ZIP file containing at least 10 EML files
- ZIP should contain only EML files
- All individual EML files within a ZIP are unique
- Ensure there are no folders or ZIP files within the ZIP

You can come back later to address all requirements.

CANCEL CREATE AND ADD ANOTHER CREATE

# One-click Training Initiation on the Data Set

The screenshot displays the Appian CCM\_AISkill interface. On the left, the 'Create Model' section provides instructions: 'Define the types of emails you work with. A model needs at least two email types to begin training.' and 'Then, add example emails of each type to train the skill to classify similar emails.' It also includes a tip: 'Make sure the emails you add represent the emails you expect to see when you use your skill in production.' The main area shows 'Email Types (2)' with a table listing 'Federal Contracts' and 'Analyst Emails', each with '1 file' and 'EDIT'/'REMOVE' buttons. A '+ NEW TYPE' button is in the top right. A 'TRAIN MODEL' button is also present. A 'Training Started' modal is centered, featuring a diagram of a square with a circle and a triangle inside, and text stating 'Training might take a while. Check back later to see the training result.' with a 'VIEW TRAINING SUMMARY' link.

CCM\_AISkill

appian

← View training summary

### Create Model

Define the types of emails you work with. A model needs at least two email types to begin training.

Then, add example emails of each type to train the skill to classify similar emails.

ⓘ Make sure the emails you add represent the emails you expect to see when you use your skill in production.


#### Email Types (2)

| Type              | Files  |      |        |
|-------------------|--------|------|--------|
| Federal Contracts | 1 file | EDIT | REMOVE |
| Analyst Emails    | 1 file | EDIT | REMOVE |

+ NEW TYPE

TRAIN MODEL

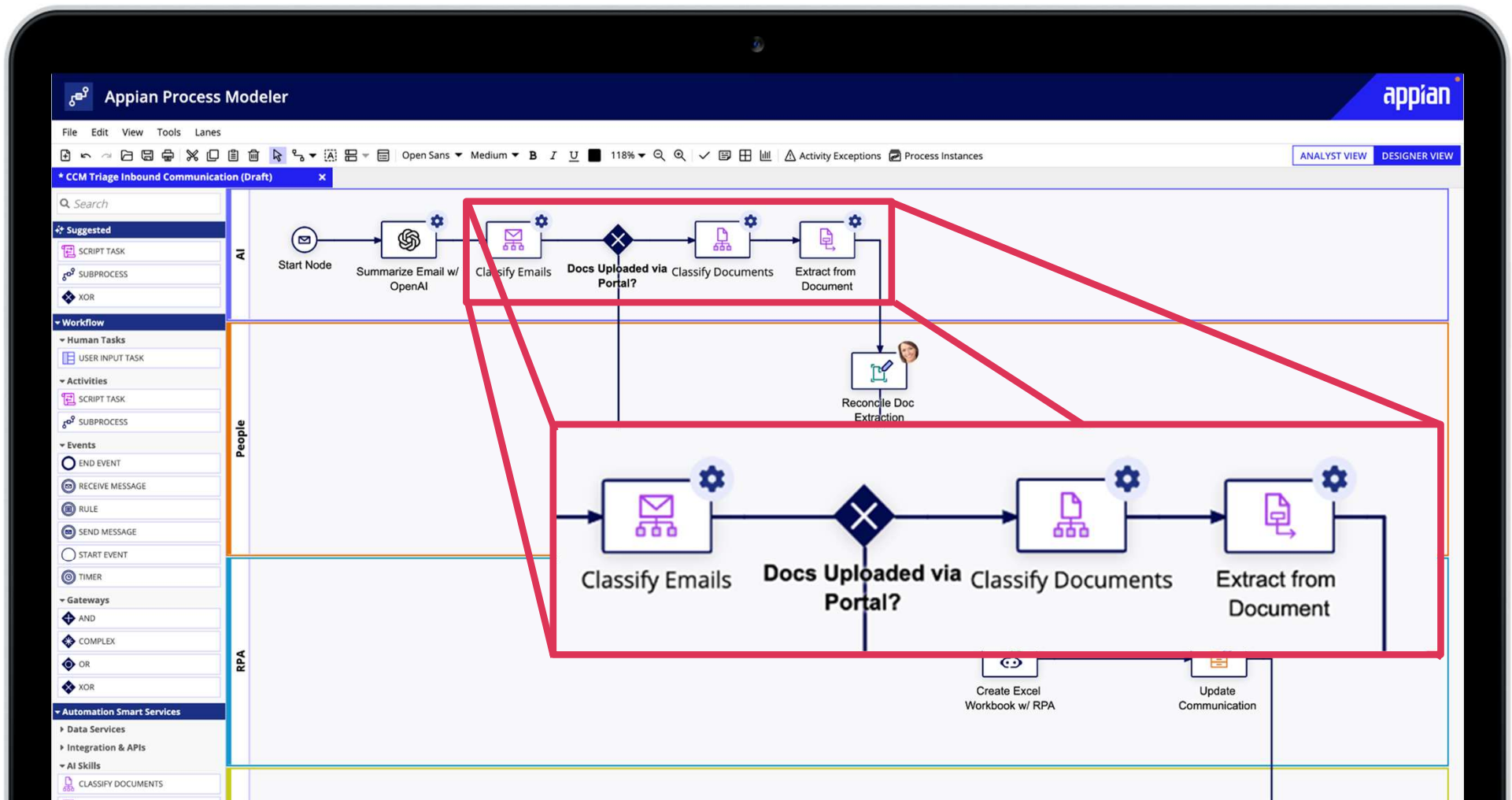
### Training Started



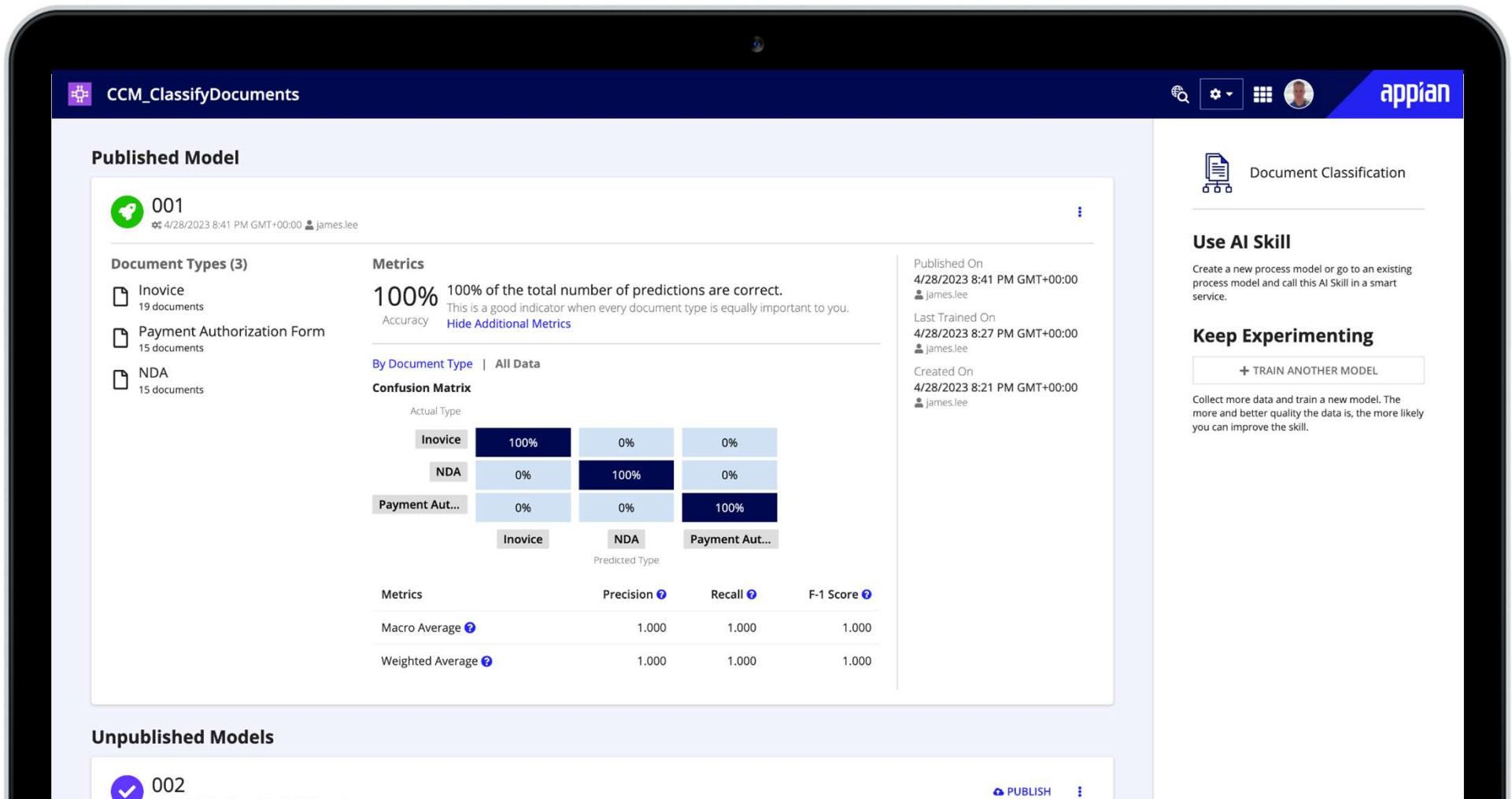
Training might take a while.  
Check back later to see the training result.

[VIEW TRAINING SUMMARY](#)

# Orchestrate AI Skills Anywhere in Appian apps.



# Track AI Performance and Create More Models





# Generative AI

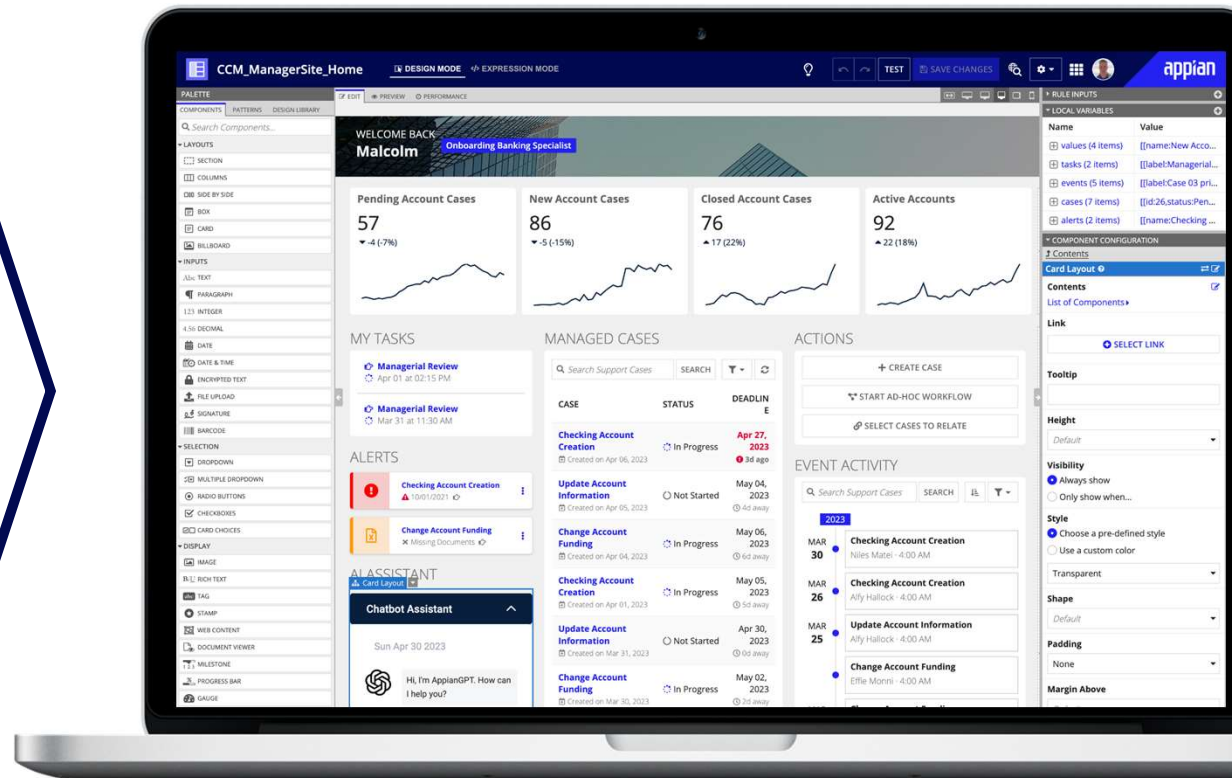




# What is Appian SAIL?

A declarative expression language that underpins Appian's visual low-code design experience.

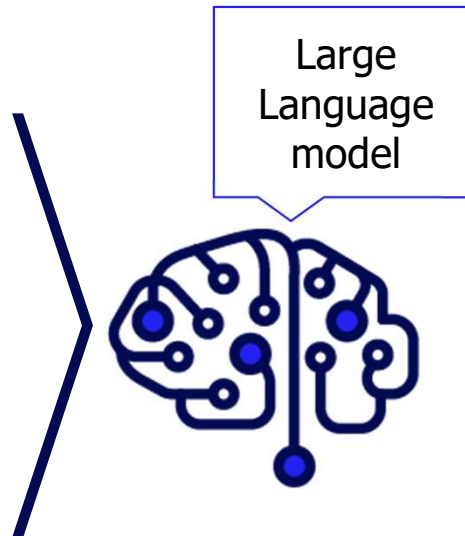
```
1 cast(  
2   'type!{http://www.appian.com/ae/types/2009}Bool'  
3   if(  
4     or(  
5  
6       /*If index is less than 0*/  
7       tointeger(ri!index) <= 0,  
8  
9       /*If index is greater than array length*/  
10      tointeger(ri!index) > count(ri!array),  
11  
12      /*If we are skipping nulls, and the current  
13      and(  
14        rule!AS_CO_UT_booleanDefaultFalse(ri!skip  
15        rule!AS_CO_UT_isBlank(ri!array[ri!index]  
16      )  
17    ),  
18  
19    /*Then return false*/  
20    false,  
21  
22    /*Otherwise, remove the current index  
23    /*And check if the remaining list co  
24    with(  
25      local!array: remove(  
26        ri!array,  
27        tointeger(ri!index)  
28      ),  
29      local!valueAtIndex: ri!array[ri!index],  
30      if(  
31        ri!caseSensitive,  
32        contains(  
33          local!array,  
34          local!valueAtIndex  
35    )  
36  )  
37 )
```



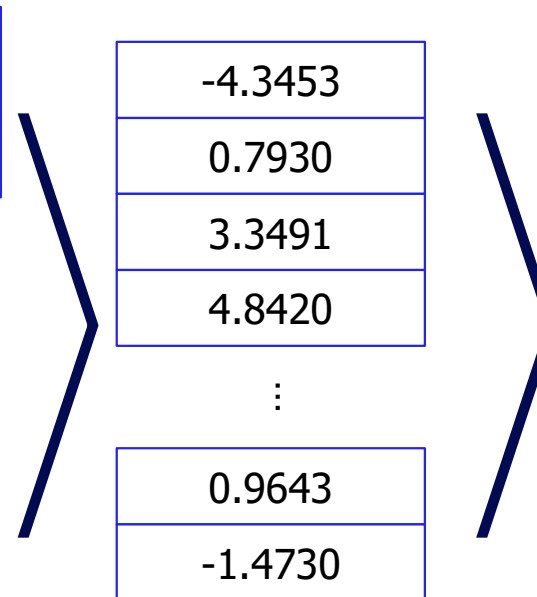
# Training Large Language Models on Appian SAIL

```
1 cast(  
2   'type!{http://www.appian.com/ae/types/2009}Boo  
3   if(  
4     or(  
5  
6       /*If index is less than 0*/  
7       tointeger(ri!index) <= 0,  
8  
9       /*If index is greater than array length*/  
10      tointeger(ri!index) > count(ri!array),  
11  
12      /*If we are skipping nulls, and the current  
13      and(  
14        rule!AS_CO_UT_booleanDefaultFalse(ri!skip  
15        rule!AS_CO_UT_isBlank(ri!array[ri!index])  
16      )  
17    ),  
18  
19    /*Then return false*/  
20    false,  
21  
22    /*Otherwise, remove the current index from the  
23    /*And check if the remaining list contains the  
24    with(  
25      local!array: remove(  
26        ri!array,  
27        tointeger(ri!index)  
28      ),  
29      local!valueAtIndex: ri!array[ri!index],  
30      if(  
31        ri!caseSensitive,  
32        contains(  
33          local!array,  
34          local!valueAtIndex  
35    ),
```

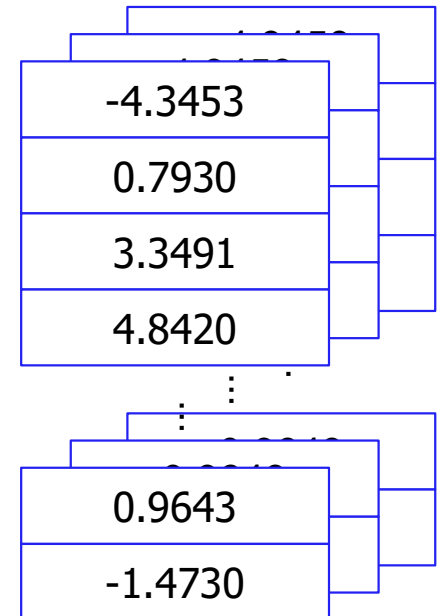
Extract SAIL expression



Run SAIL expression  
through Language Model\*

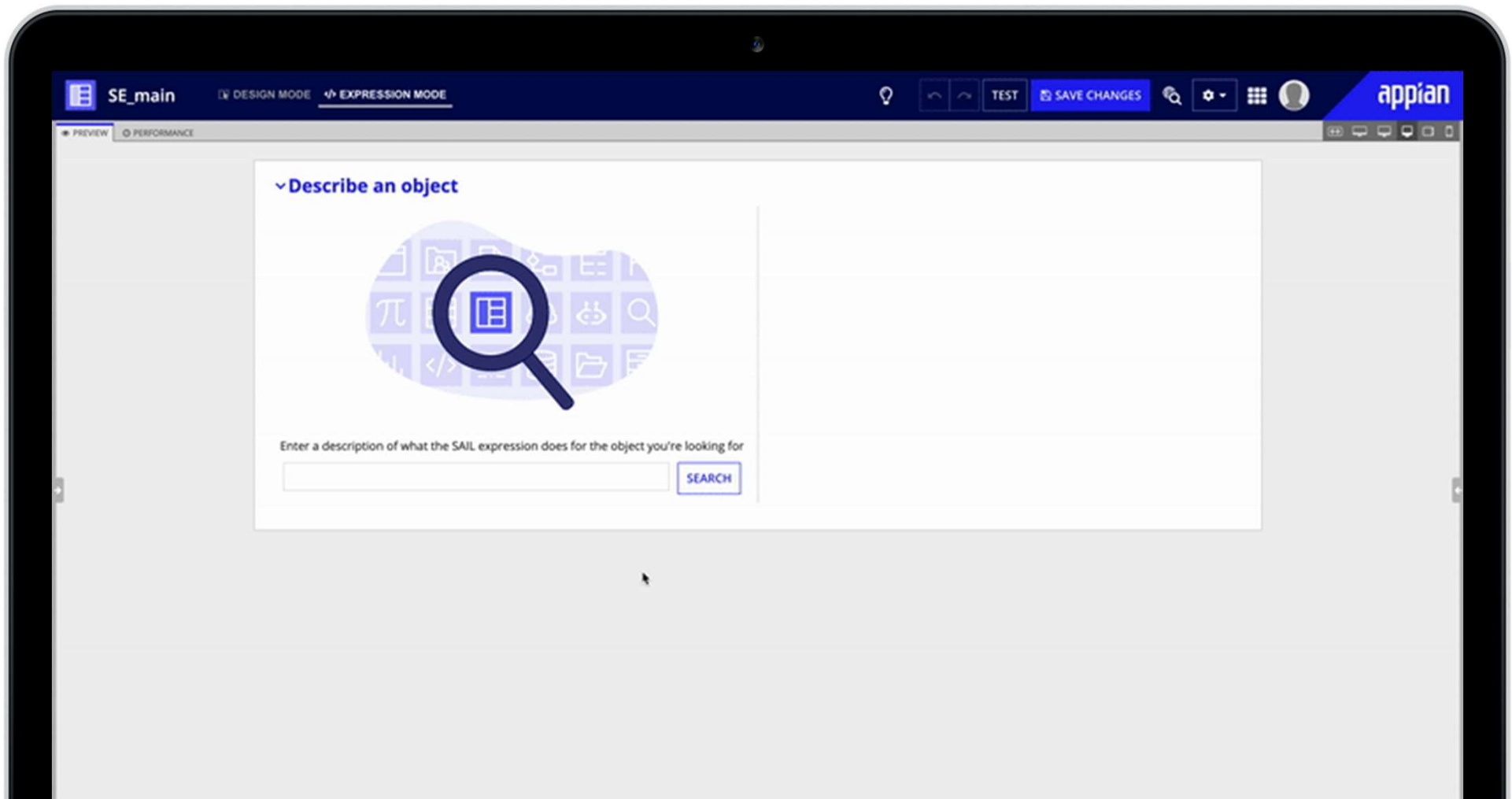


Get an Embedding Vector  
that numerically  
describes/represents what  
the SAIL expression does

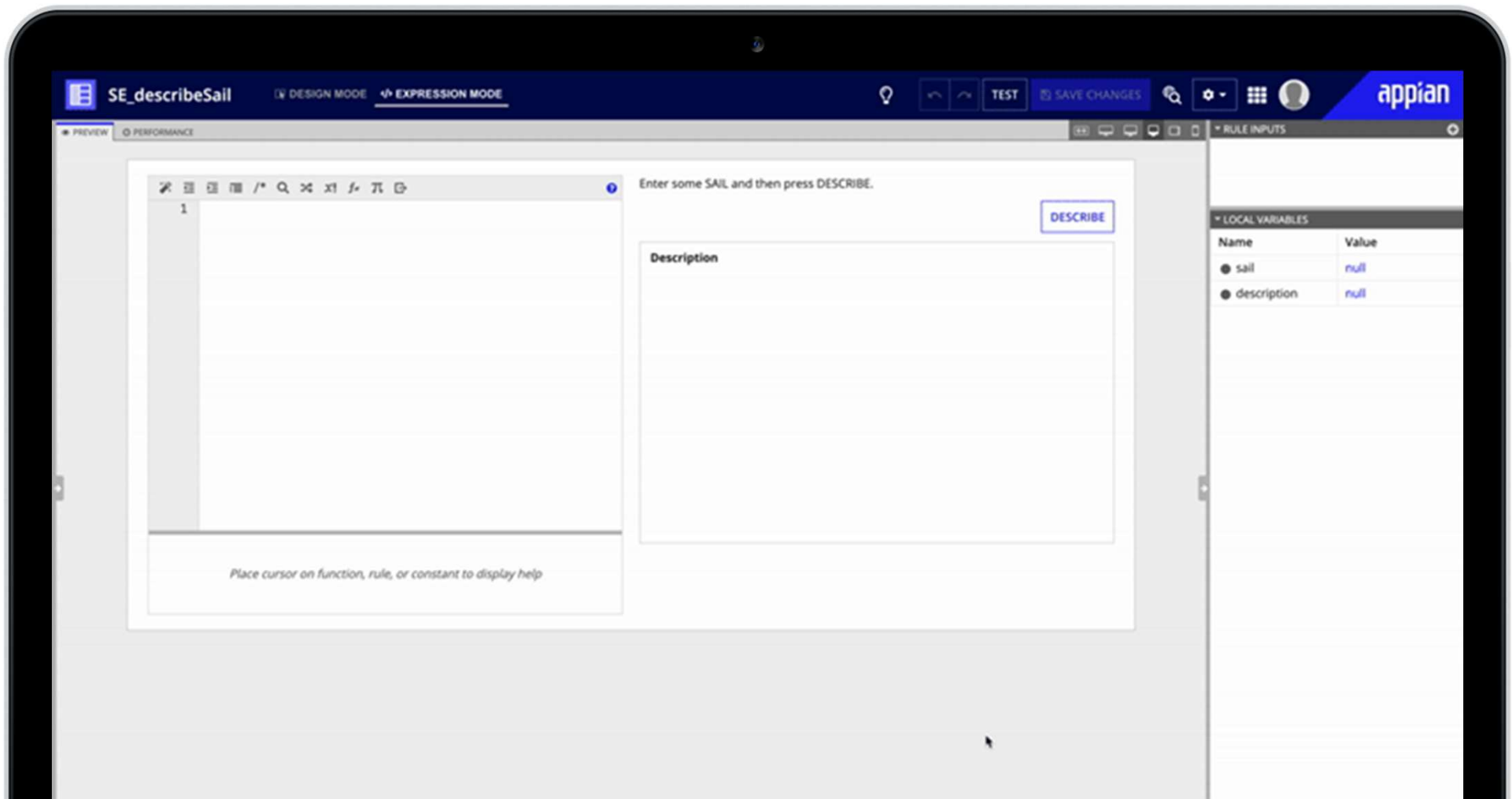


Do this for all objects with  
SAIL expressions

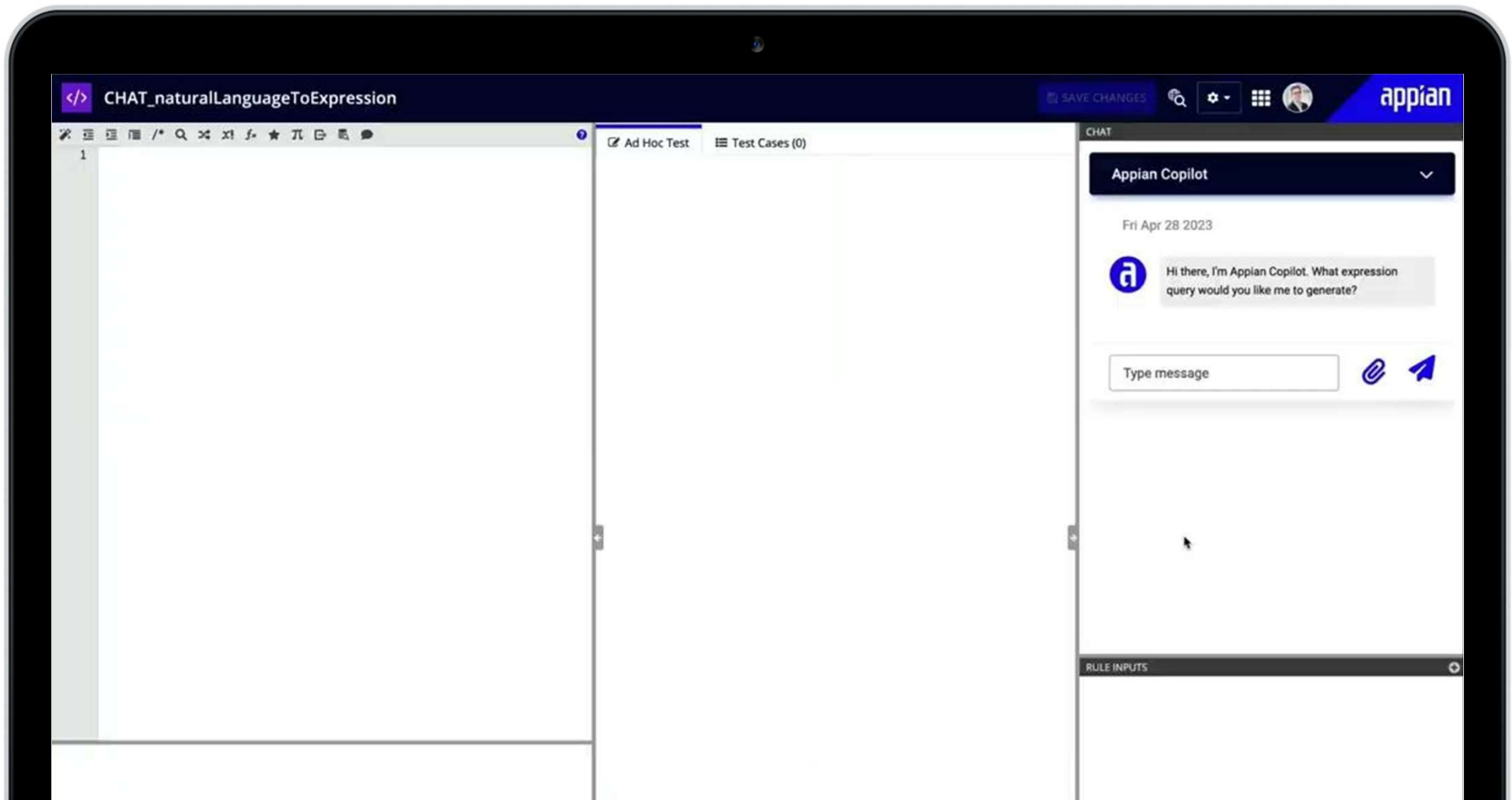
# Natural Language Search of Appian SAIL



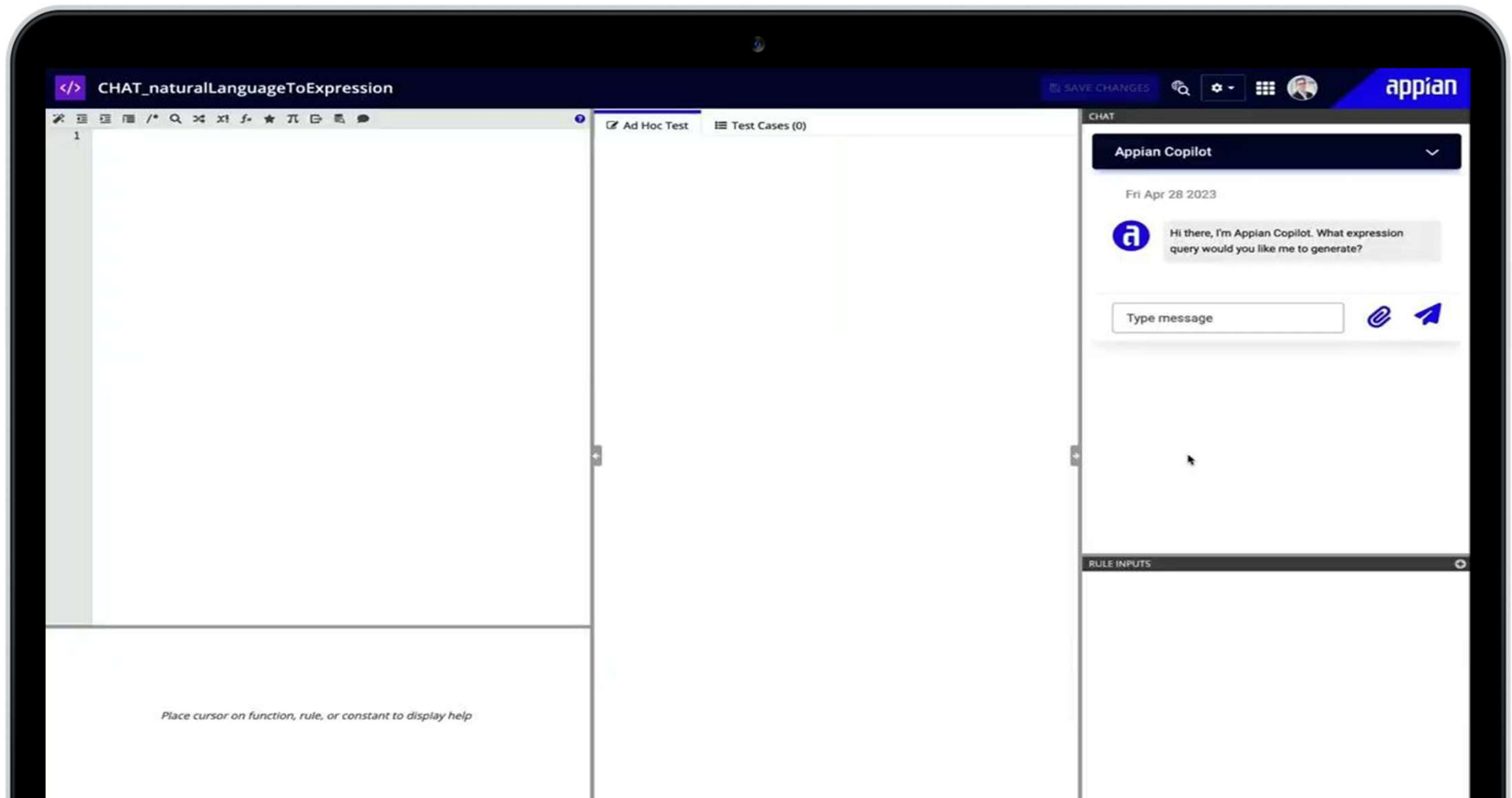
# Natural Language Generating App Documentation



# Create Complex Expressions from Natural Language

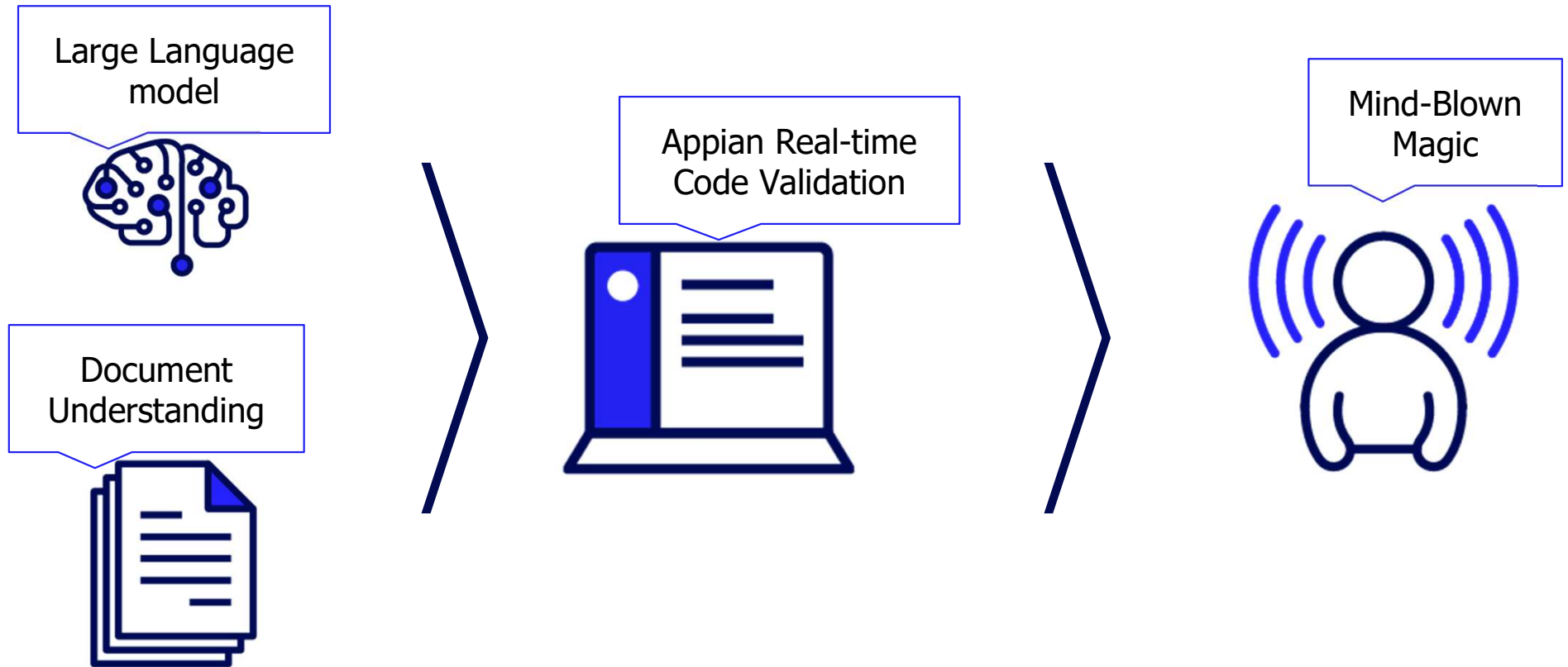


# Create Complex Expressions from Natural Language

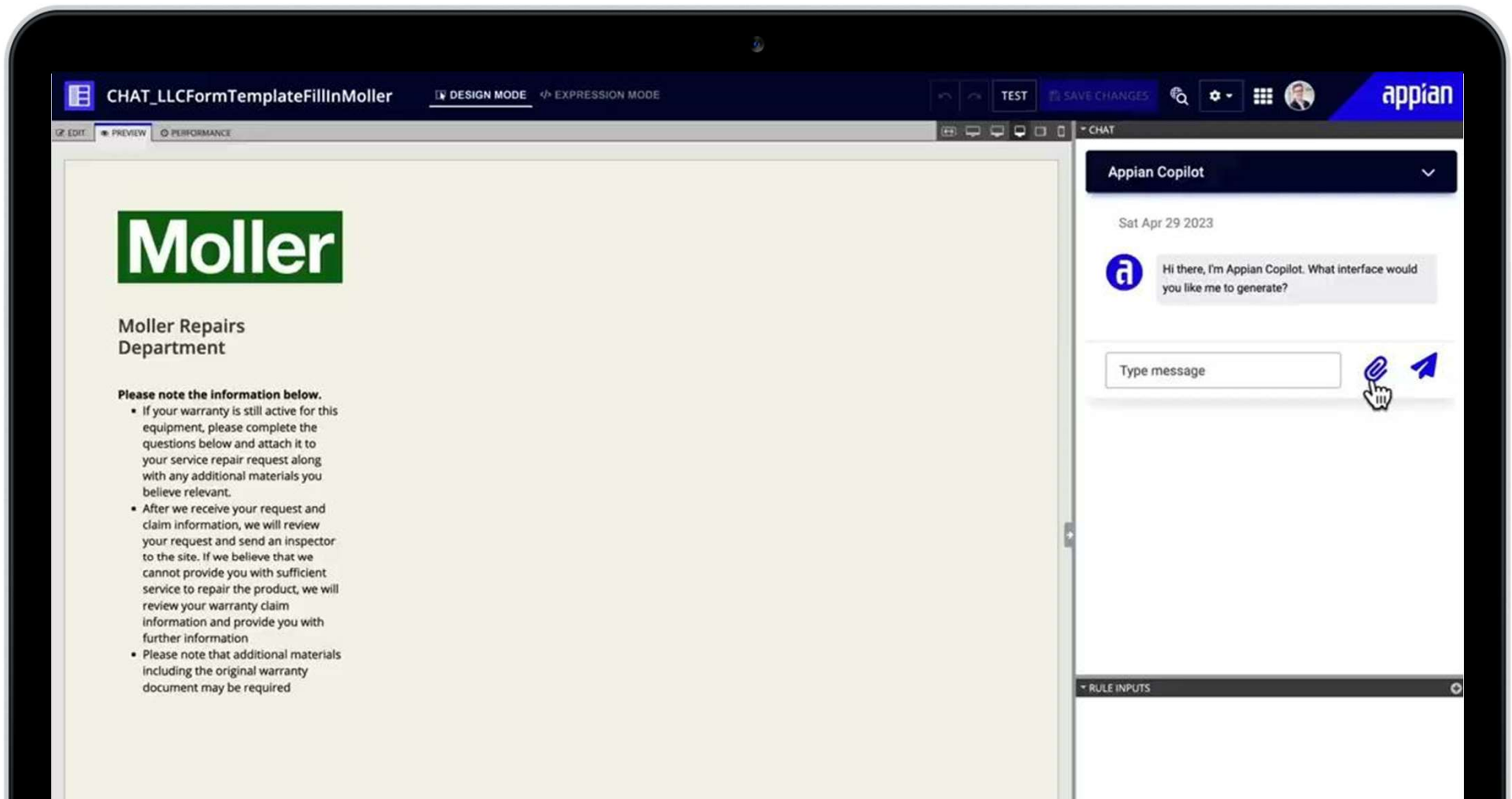




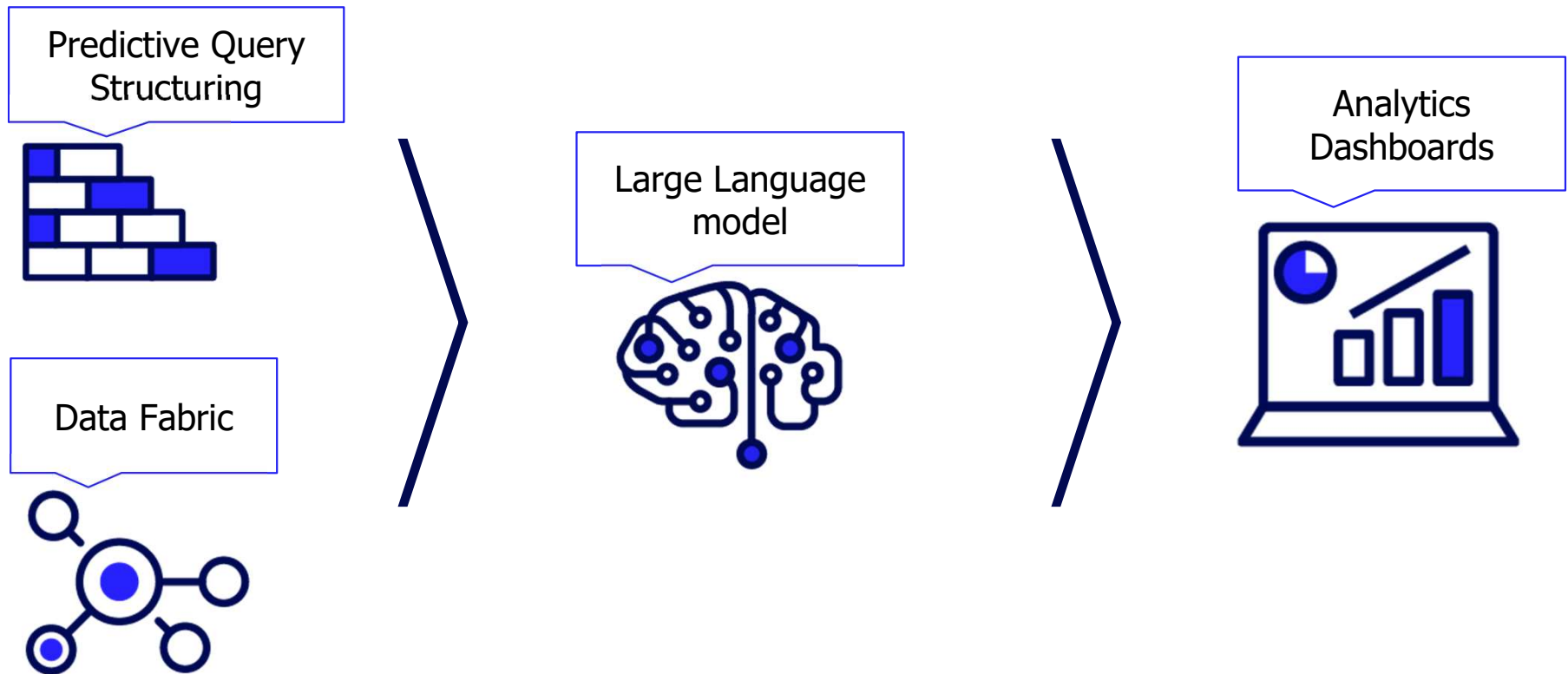
# Combining AI Services for Greater Effect.



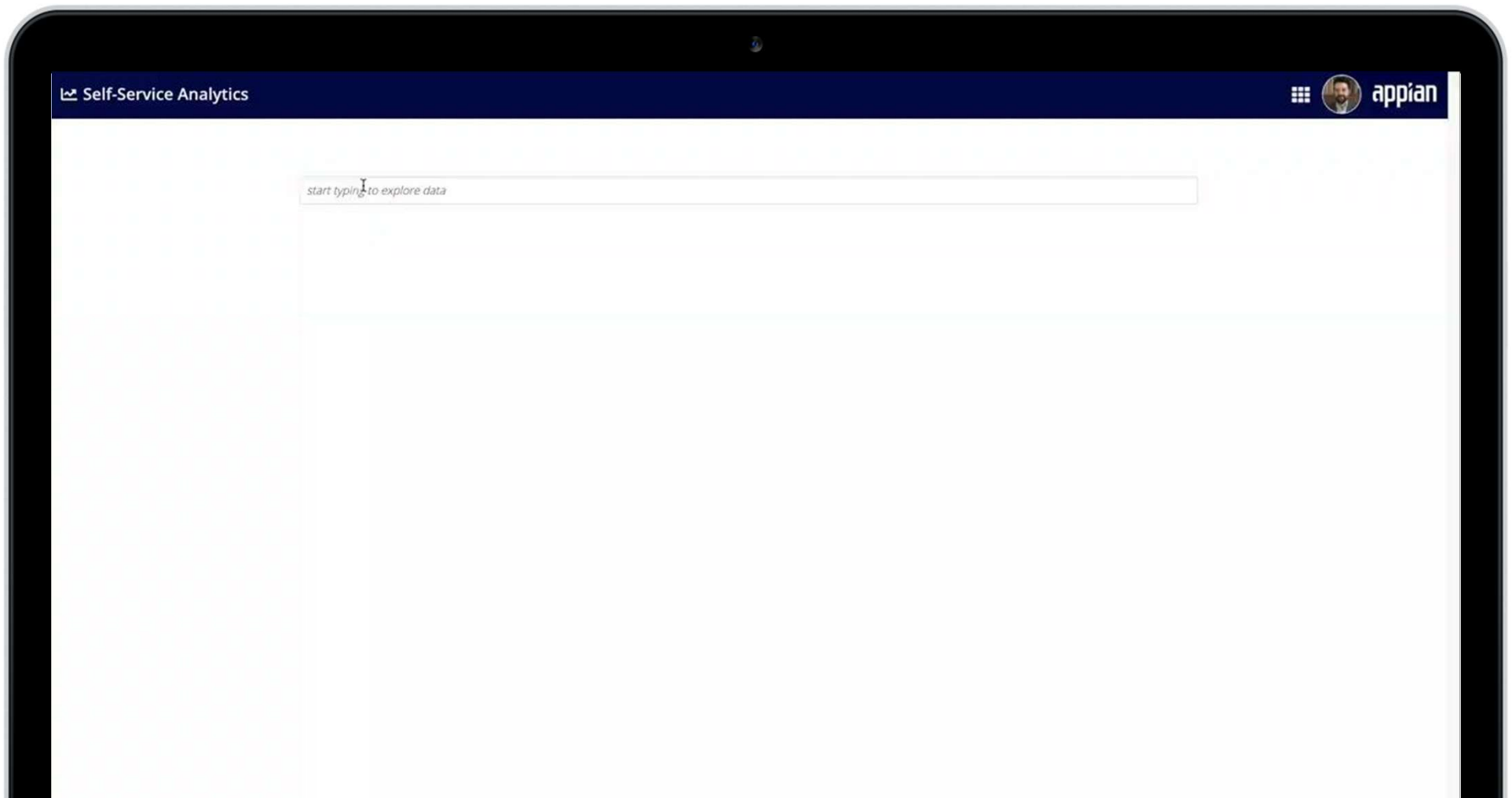
# Doc and Generative AI in Interface Design



# Natural Language Query of the Data Fabric



# Intuitive BI for Data Fabric Reporting



The background of the image is a low-angle shot of a modern glass skyscraper against a clear blue sky. The building's facade is composed of large glass panels reflecting the sky. In the upper right corner, the word "appian" is visible in a dark, three-dimensional font mounted on the building's exterior. Centered in the middle of the image is the word "appian" in a large, white, lowercase sans-serif font.

# appian

A leader in process automation.



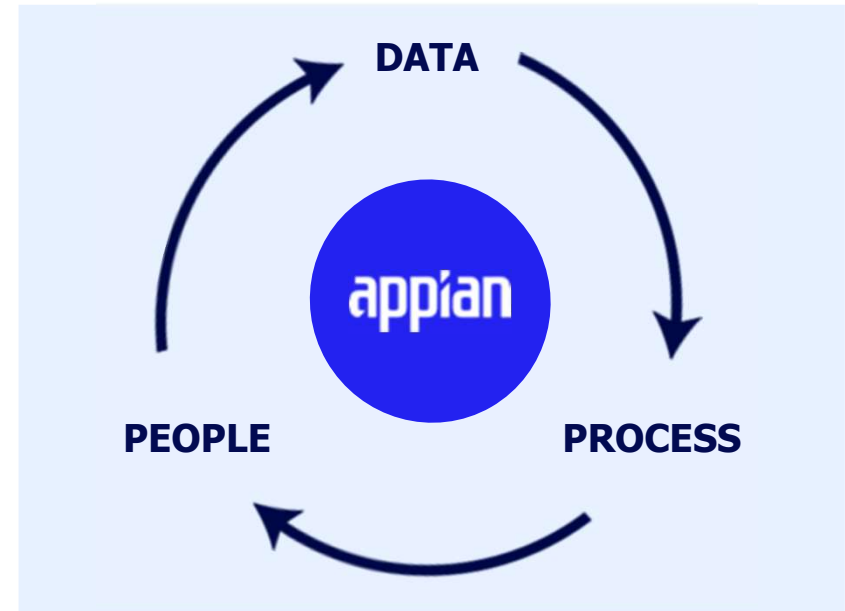
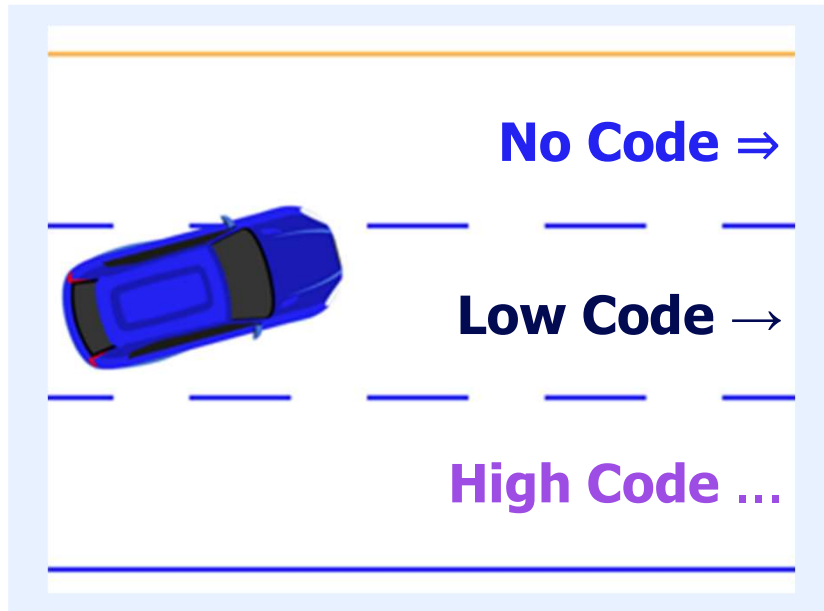
# Engineering Strategy

**Suvajit Gupta**

Executive Vice President, Engineering



# Appian Platform Value



**Use**  
"Easy, productive"

**Develop**  
"Fast, powerful"

**Extend**  
"Open, seamless"

**Administer**  
"Secure, robust"

# Appian's Critical Capabilities

## Data Fabric



Unify data across systems to build powerful applications.

## Automation



Automate anything with integrated Workflow, RPA, AI, IDP, and API Integration.

## Total Experience



Engage internal and external users across web & mobile experiences.

## Process Mining



Discover process inefficiencies and optimize business outcomes.



## Low-Code

Enabling business and IT with fast speed to solution through intuitive controls.



## Unified

Integrated solution reducing training times and dependence on additional tools.



## Enterprise-Grade

Highly reliable, scalable, and secure architecture for demanding applications.

# Appian's Capabilities Reduce Effort and Needed Expertise

## Automation



Automate anything with integrated Workflow, RPA, AI, IDP, and API Integration.

**2006**

Replaces:

- Java/C# code
- Parallel processing
- ML toolchain
- Task scheduling
- Infrastructure

## Total Experience



Engage internal and external users across web and mobile experiences.

**2012**

Replaces:

- Javascript code
- HTML and CSS
- Web frameworks
- Client/server
- iOS/Android apps

## Data Fabric

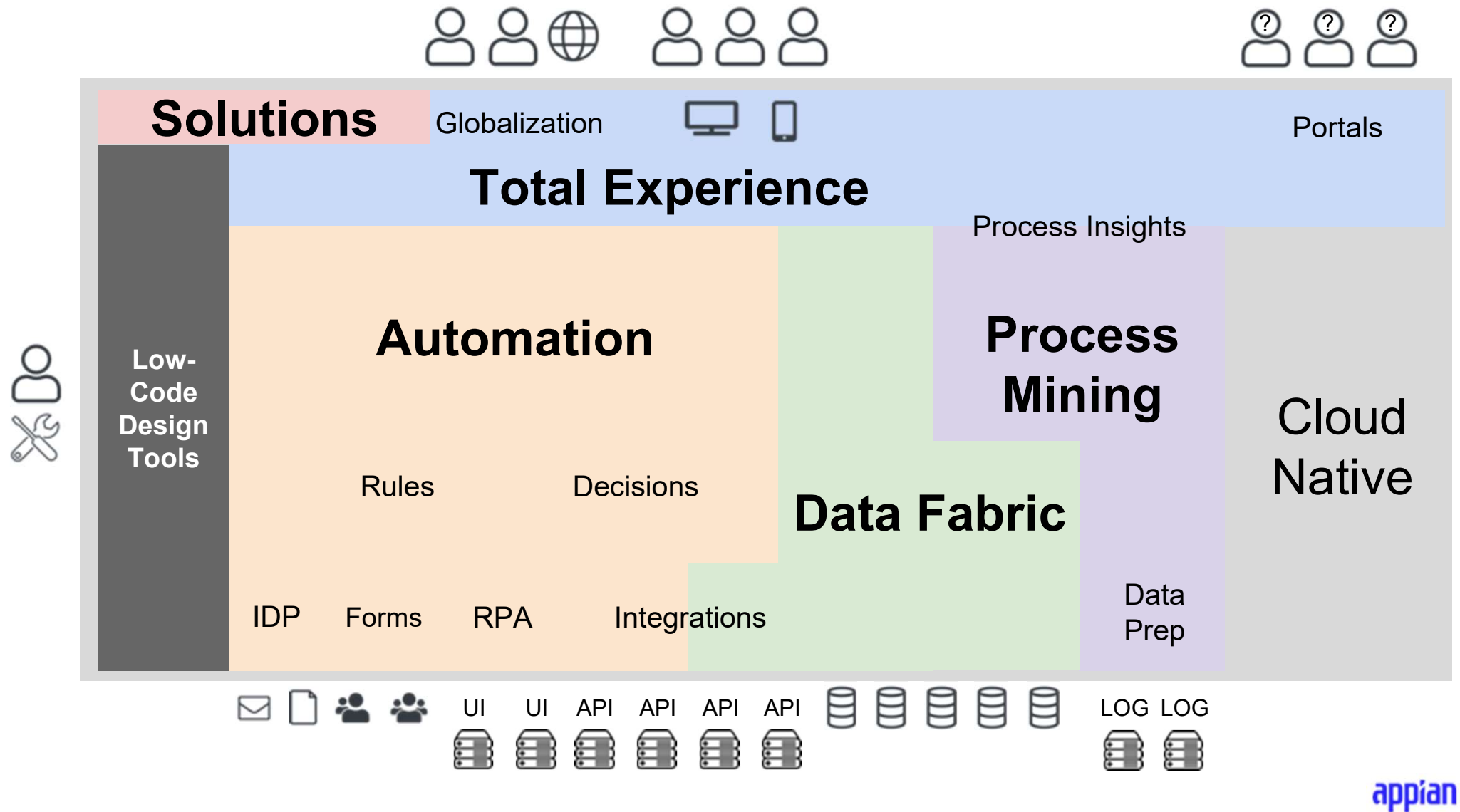


Unify data across systems to build powerful applications.

**2021**

Replaces:

- SQL code
- Database views
- Federated queries
- Indices and tuning
- Schema optimization



## Slide 53

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1

slides 23-25 are really complicated. I think the new architecture diagram (the potato) should be what we should show.  
Lang Ly, 4/21/2023



# Process Mining



appian



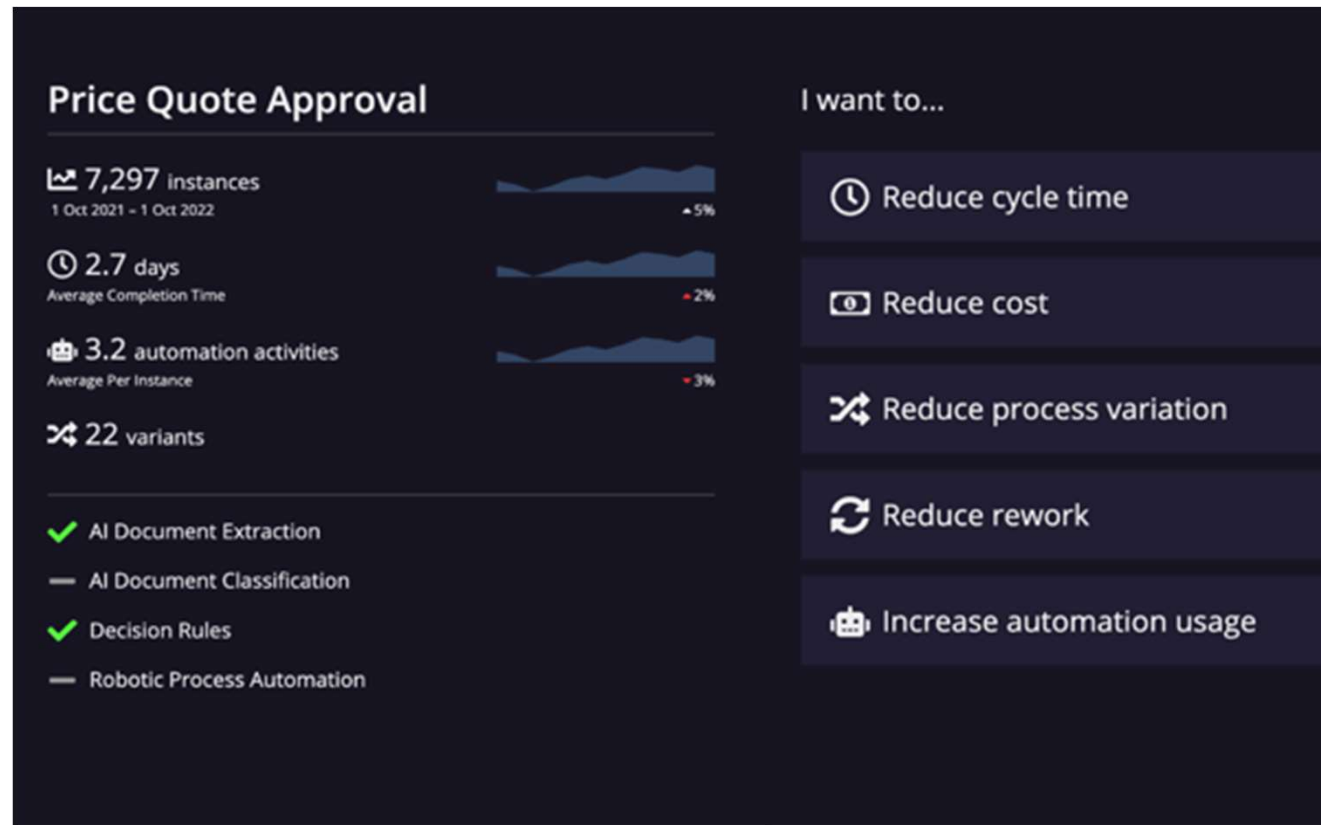
# Process Insights

Process owners and business analysts can **explore their processes** and related data and systems in a new out-of-the-box experience.

**Users are guided** to the most important insights and problem areas.

Highlight use of **automation**: RPA, IDP, AI, APIs, rules, etc.

Estimate business impact, **build a case for change**, even make changes directly in production.



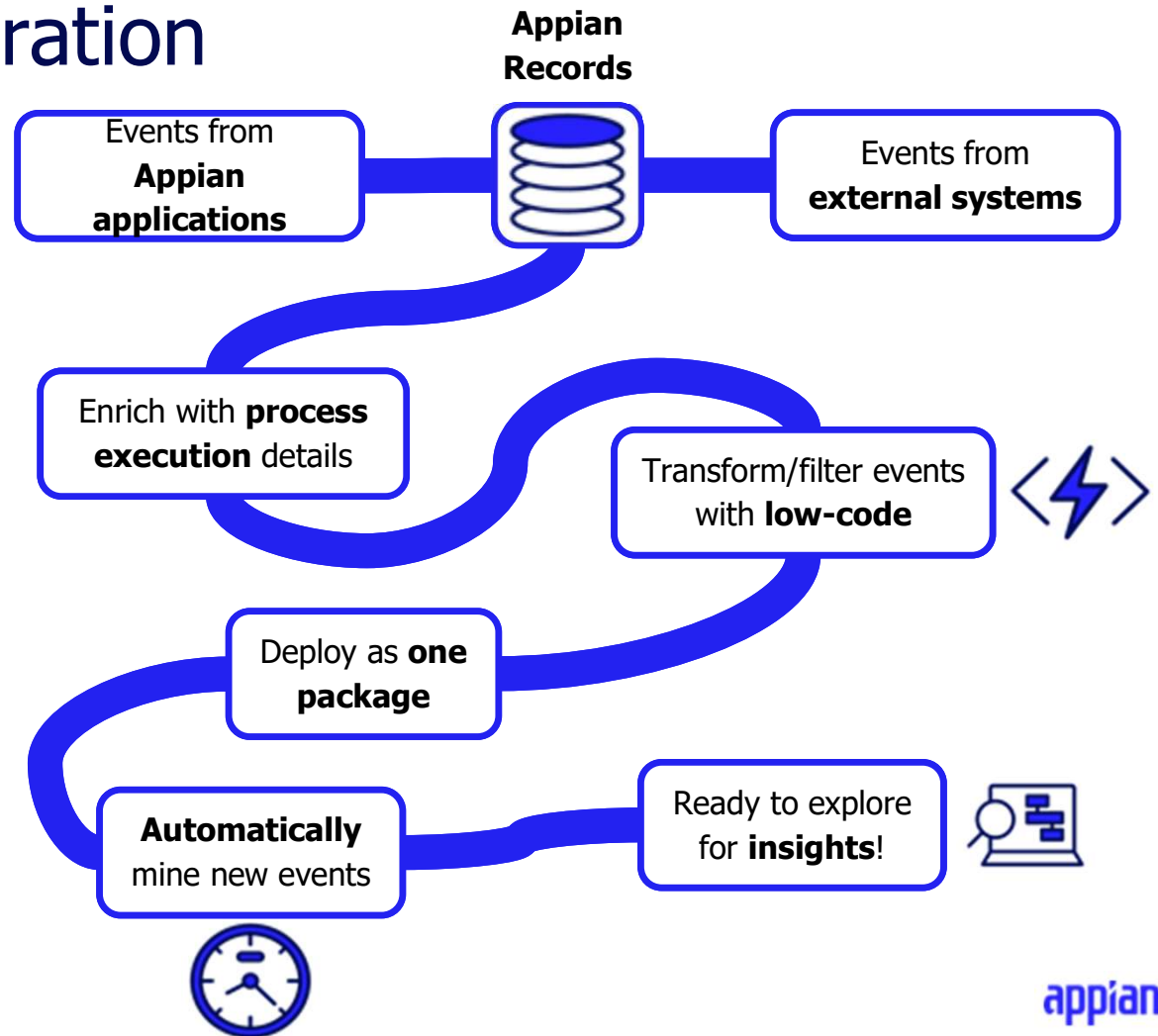
# Low-code Data Preparation

**Every application built in Appian can be easily configured** for process insights and improvements.

Developers use Records to add event logging to their apps, and to bring in events from external systems.

Data prep is deployed with the application, and the process appears automatically in the process insights interface.

**No separate process mining engagement is needed.**



# Business Event Audit

It's easy for customers to capture and display a history of business events to **help end users make decisions faster**.

**Accelerate development** by generating objects and providing smart defaults throughout the configuration process.

**Empower customers to mine their business processes** by standardizing the data structure of business events.

## Claims History



**Robin Sultan** accepted ownership of a participant

Nov 14, 2022 12:18 PM **Megan Cassidy - 44568289**



**Robin Sultan** accepted ownership of a participant

Nov 13, 2022 7:00 PM **Ken Stephens - 445682091**



**Regina Yan** assigned participants to a queue

Nov 11, 2022 12:18 PM



**Regina Yan** completed accounting review

Nov 11, 2022 12:18 PM



Ken Stephens and Megan Cassidy were marked as Approved: In Good Order

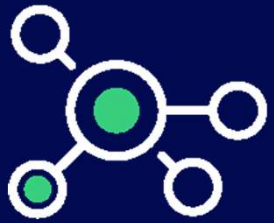


**Regina Yan** added payment to participant

Nov 10, 2022 12:18 PM **Ken Stephens - 445682091**

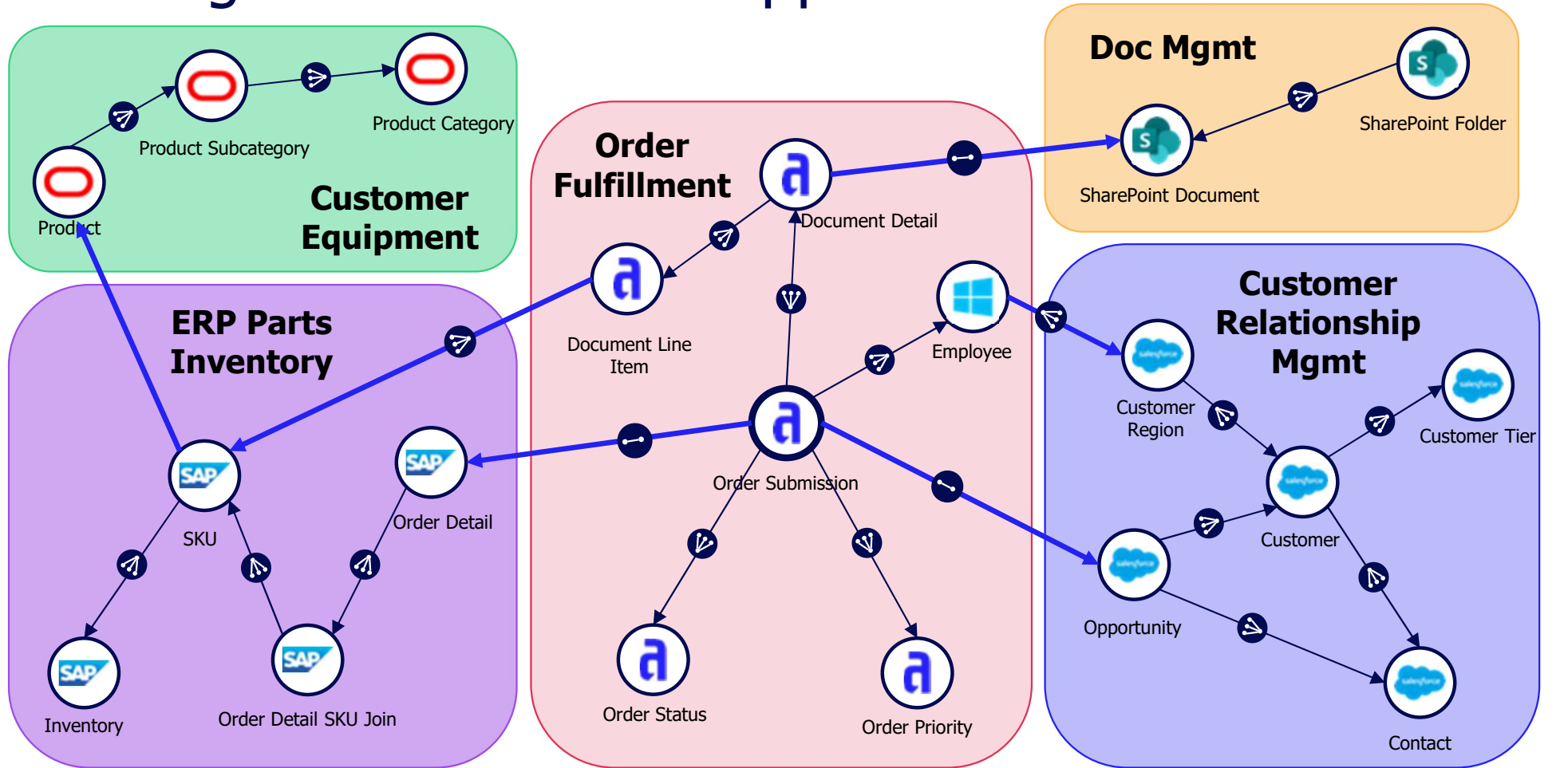


[View All \(18\)](#)

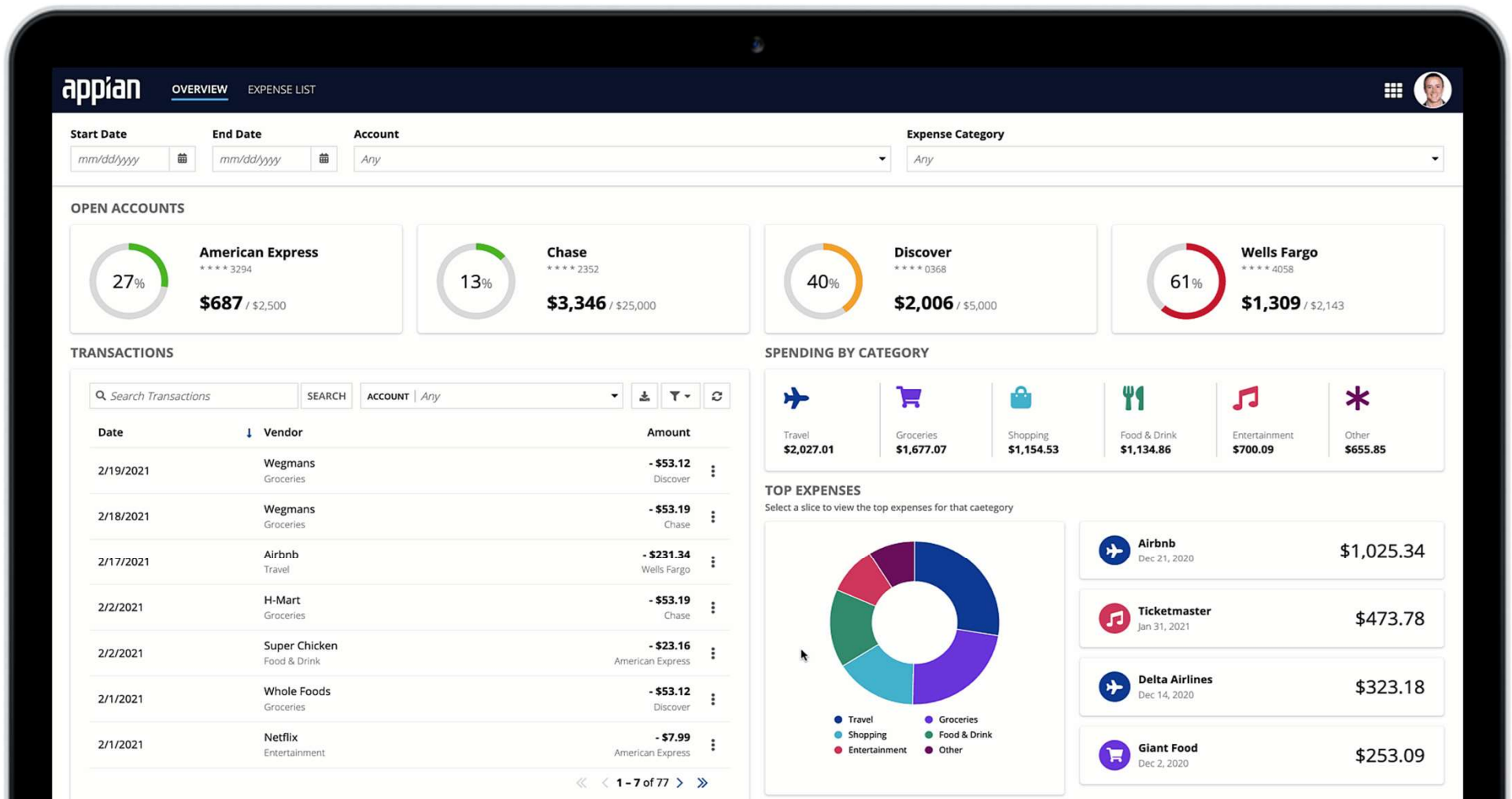


# Data Fabric

# Building a Data Fabric in Appian



# Powered by Data Fabric





# Enterprise Scale and Intelligent Optimizations

Larger data volume support (**10M+ rows**) for data sync to enable more use cases.

**Automatic optimizations** to data queries will **improve query performance** without developer intervention, **reducing need** for up-front capacity planning and data design.

Additional **sync and source filter features** will help apps better **manage exceeding data sync row limits**.

The screenshot shows the 'Zendesk Incidents' Data Sync configuration page. The left sidebar contains navigation links for DATA (Data Model, Data Sync), USER INTERFACES (Tempo, List, User Filters, Views, Related Actions), SECURITY (Record-Level Security), and MONITORING (Performance, Sync History). The main content area is titled 'Data Sync' and shows a 'Full Sync Succeeded' status with a green checkmark. It includes a 'Sync Settings' section with options for 'Schedule a sync', 'Record Volume' (Sync All Records or Sync Only), 'Sync Time' (3:00), and 'Sync Frequency' (15 minutes). There is also a 'Skip failed sync' option. The 'Sync Changed Records' section includes a 'Generate Web APIs' link. The 'Configure Source Filters' section allows users to configure filters to limit rows returned from the source entity, with a table showing a filter for 'Department' equals 'Engineering'. The 'Row Limit and Sort' section shows a limit of 250,000 rows and sorting by 'EmployeeName' in ascending order. A preview table shows the resulting data rows.

| ID | Employee Name   | Title                       | Department  | Tribe | Squad |
|----|-----------------|-----------------------------|-------------|-------|-------|
| 01 | John Snow       | Software Engineer           | Engineering | MR    | RDS   |
| 02 | Edward Stark    | Senior Product Manager      | Engineering | MR    | RDS   |
| 03 | Jamie Lannister | Principal Software Engineer | Engineering | MR    | RDS   |

# Expanded Connectivity and Authentication

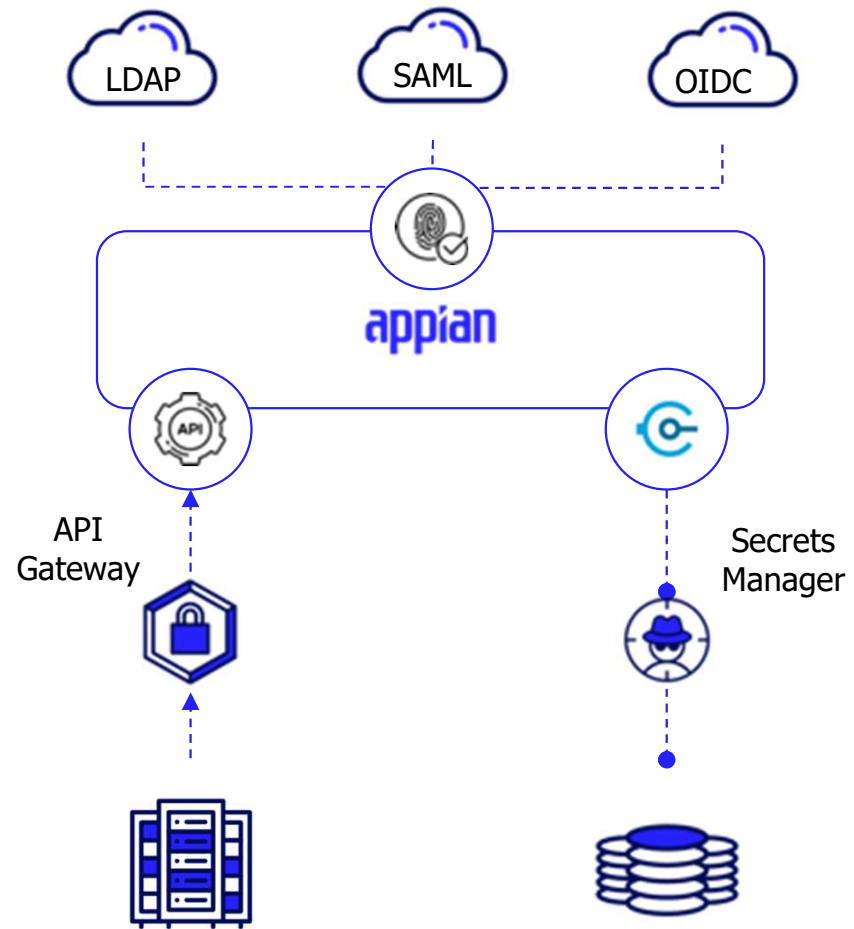
New **options** for connecting Appian to enterprise infrastructure.

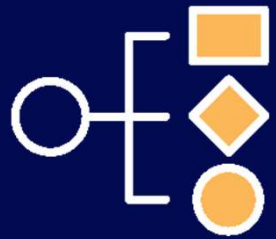
Wider **compliance** with existing security standards.

User authentication via **OpenID Connect**.

**API gateway support** for Web APIs.

Support for external **secrets managers** like CyberArk.





# Process Automation



appian

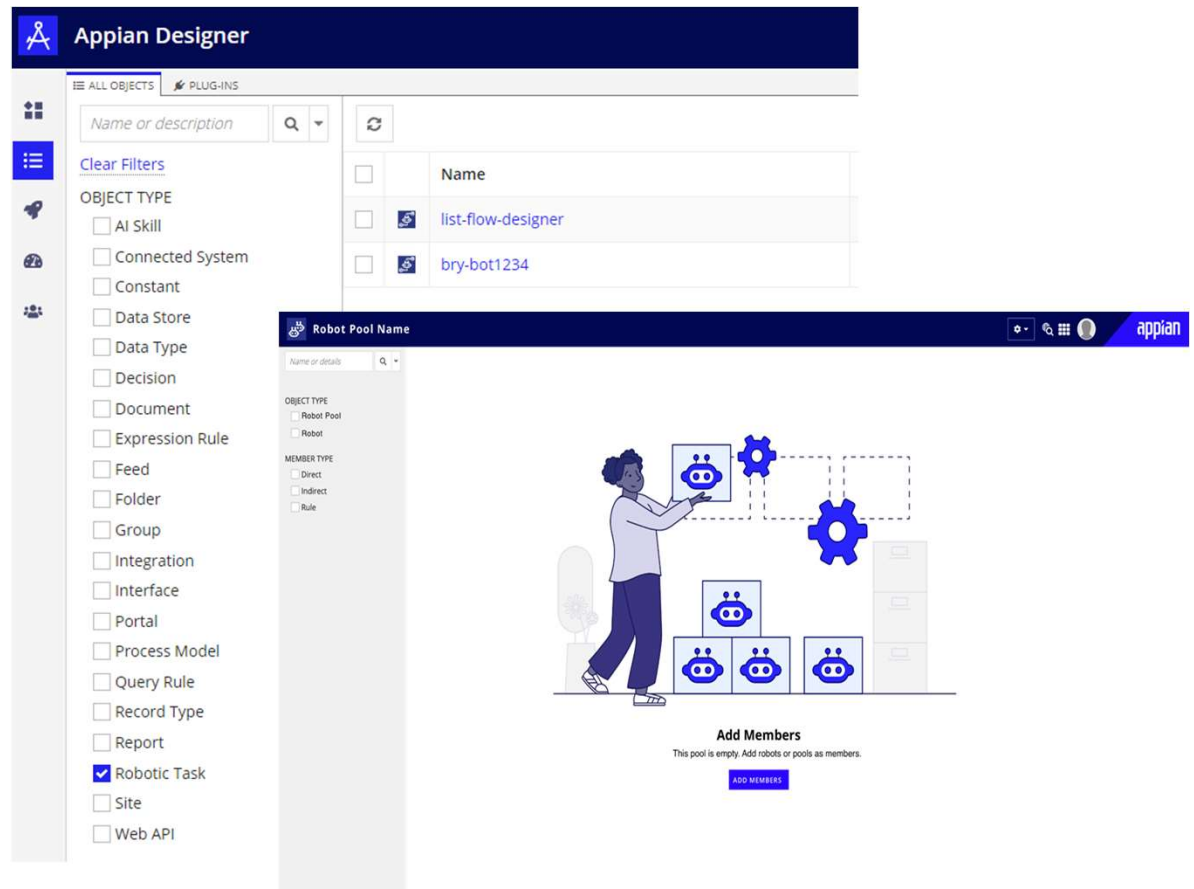
# Unifying RPA into Designer to Easily Build and Deploy

Developers will access and create **Robotic Tasks and “new” Robot Pools in the Appian Designer** - just like other objects.

Add RPA to the **same deployment package** as the rest of a designer’s application objects - **simplifying RPA DevOps!**

RPA now benefits from the same features as other objects:

- Shared security model
- Dependency analysis
- Compare & Deploy
- Versioning
- And more...!



# Faster RPA Development with New Actions / Debugger

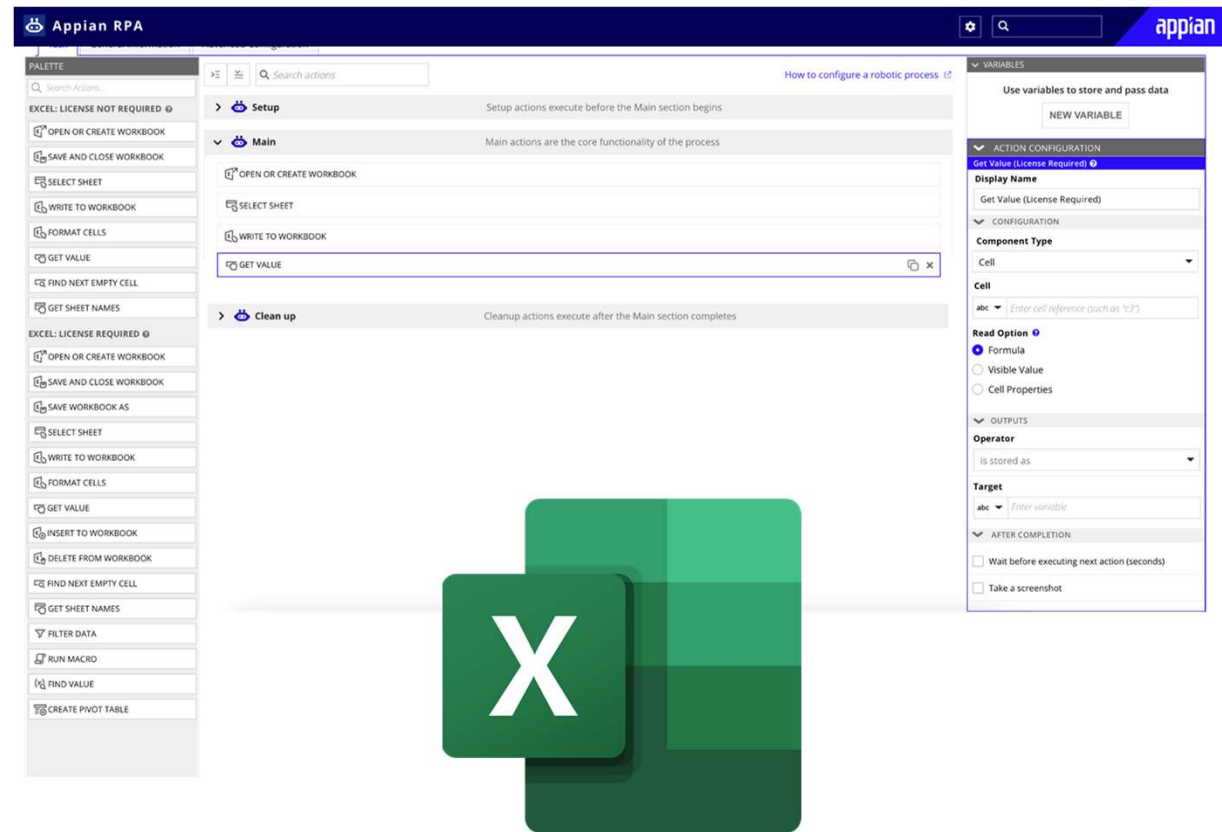
Expand capabilities and speed with **low-code Excel actions** including:

- Select Sheet(s)
- Insert Rows / Columns
- Format Cells
- Run Macros and More...!

**Advanced Browser Actions** including web table extraction and interacting with browser alerts

Improved **Image Recognition Actions** and new Task recorder support for image capture mode

Open and **debug robotic subtasks in separate tabs** or modify process variables during debugging

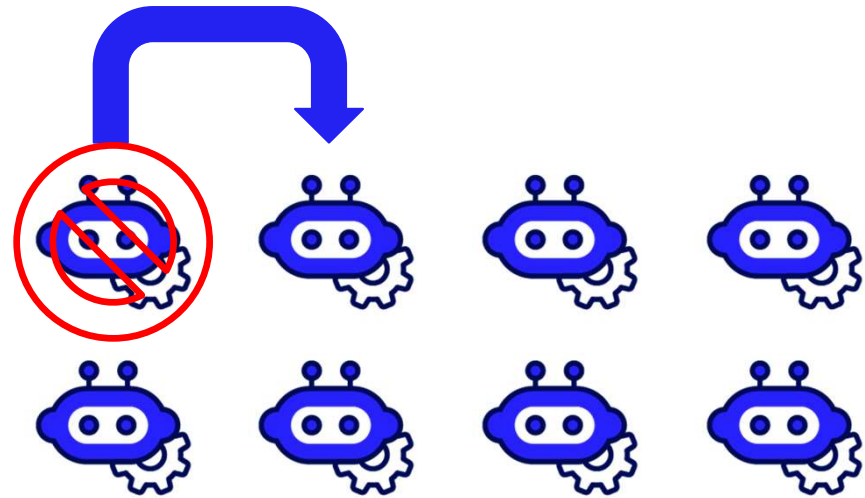


# High-Availability / Self-Managed RPA for More Scale

Improve performance of RPA to **scale**  
**and run more concurrent robots.**

**Robotic tasks will continue to work** during unexpected server outages or resume when service is restored.

RPA will be available natively for Appian self-managed customers,  
**eliminating the need for hybrid deployments.**





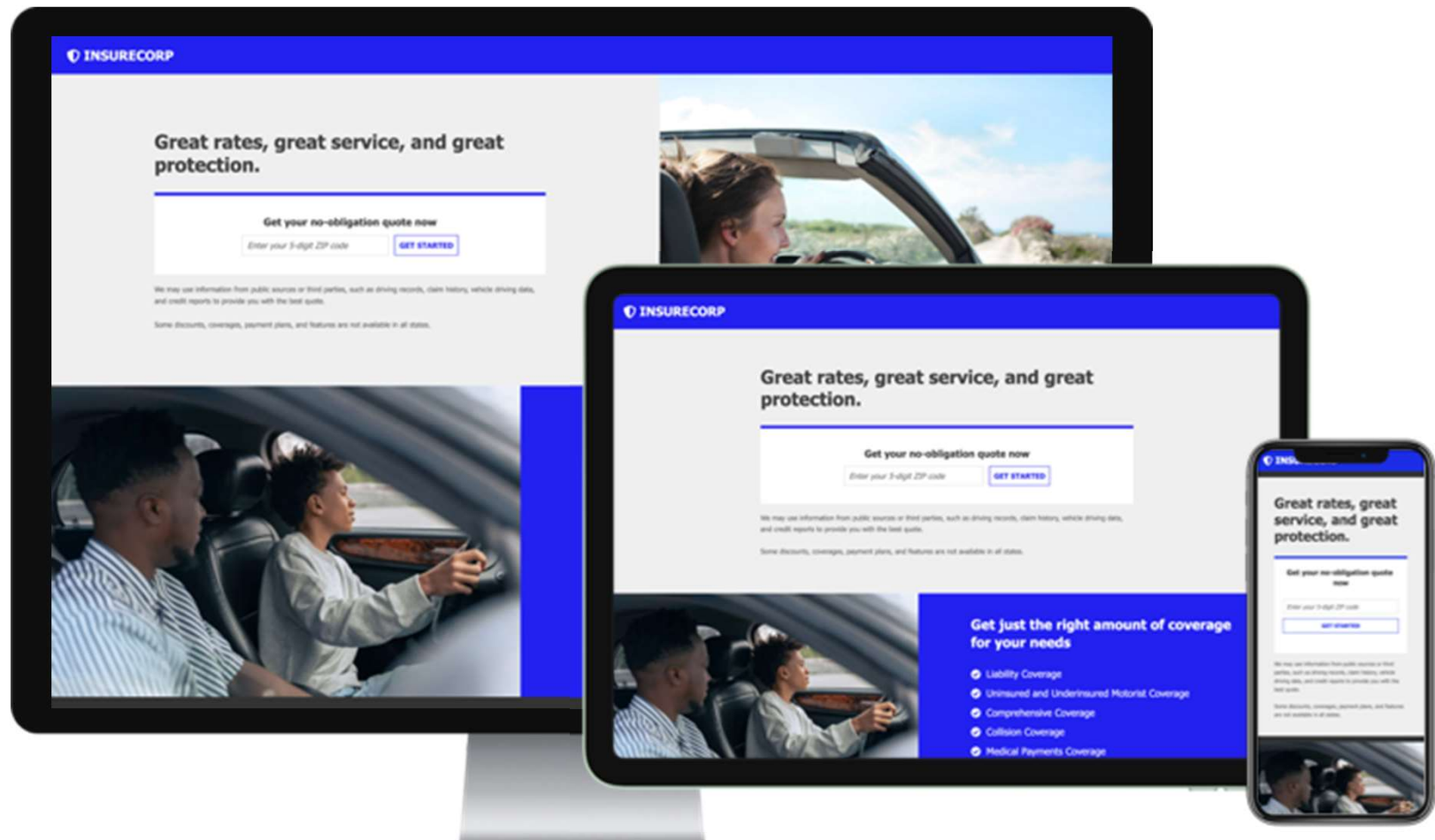


Total  
Experience



appian

# Total Experience



# Nested Pages in Sites and Portals

Site and portal **pages can be grouped into pulldown menus**, allowing significantly more complex app navigation.

This ubiquitous request **benefits all customers** and sets the foundation for a new generation of UI navigation improvements.

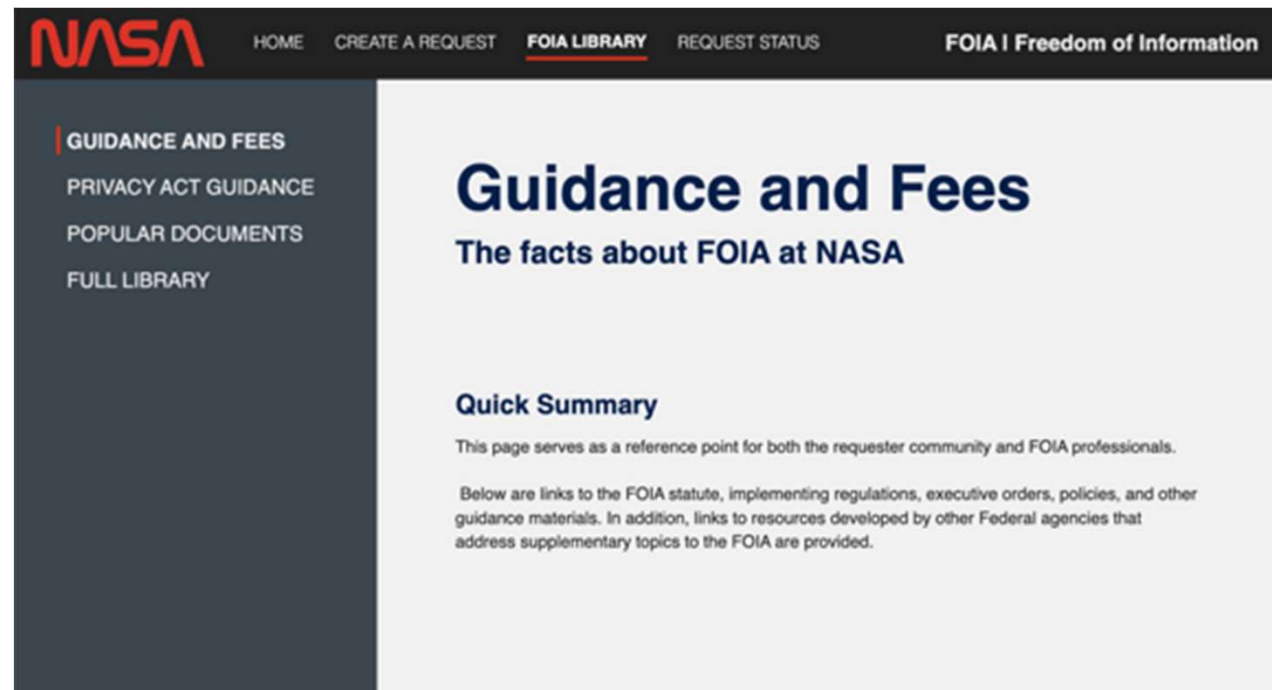
The screenshot displays the Appian user interface. At the top, a dark blue navigation bar contains the 'appian' logo and links for 'HOME', 'REQUEST SUMMARY', and 'CASES ^'. A pulldown menu is open under 'CASES', listing 'MESSAGES', 'OVERDUE CASES', 'ALL CASES', 'KNOWLEDGE BASE', and 'ADVANCED SEARCH'. Below the navigation bar, the 'Summary' section features a large '150 TOTAL' counter, a line graph, and a circular progress indicator showing '30%'. To the right, a '25/ BOUNDED' counter is visible. The 'Submissions' section includes filter dropdowns and buttons for '+ ADD SUBMISSION' and 'UPDATE SUBMISSION LIST'. Below these is a table with columns 'Insured', 'Phase', and 'Status'.

| Insured         | Phase       | Status      |
|-----------------|-------------|-------------|
| Elizabeth Ward  | Engineering | Engineering |
| Michael Johnson | Finance     | Finance     |
| John Smith      | Engineering | Engineering |

# Navigation Flexibility

Add features and options to UI navigation to **support the variety of customer needs**.

This includes **new styles** for headers and controls, **new navigation layouts** like having nested pages in a sidebar instead of a pulldown menu (see image on slide), page **footers**, and more.

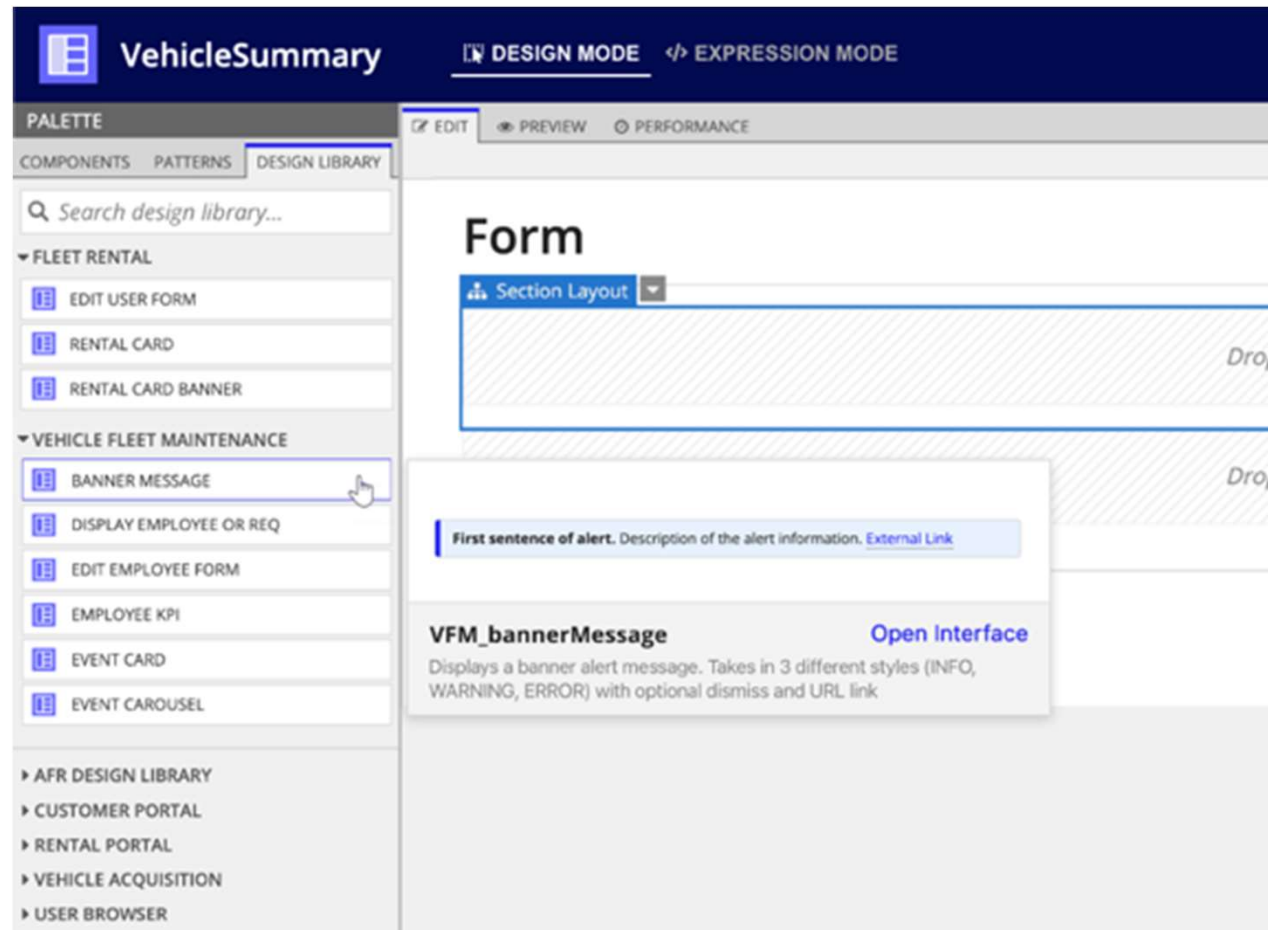


# Design Library

Capture and **promote UX best practices** through a **customer-defined design library**.

Applications have a **consistent look-and-feel** thanks to shared reusable components.

Designated developers are able to **govern which interfaces are included** in the library.







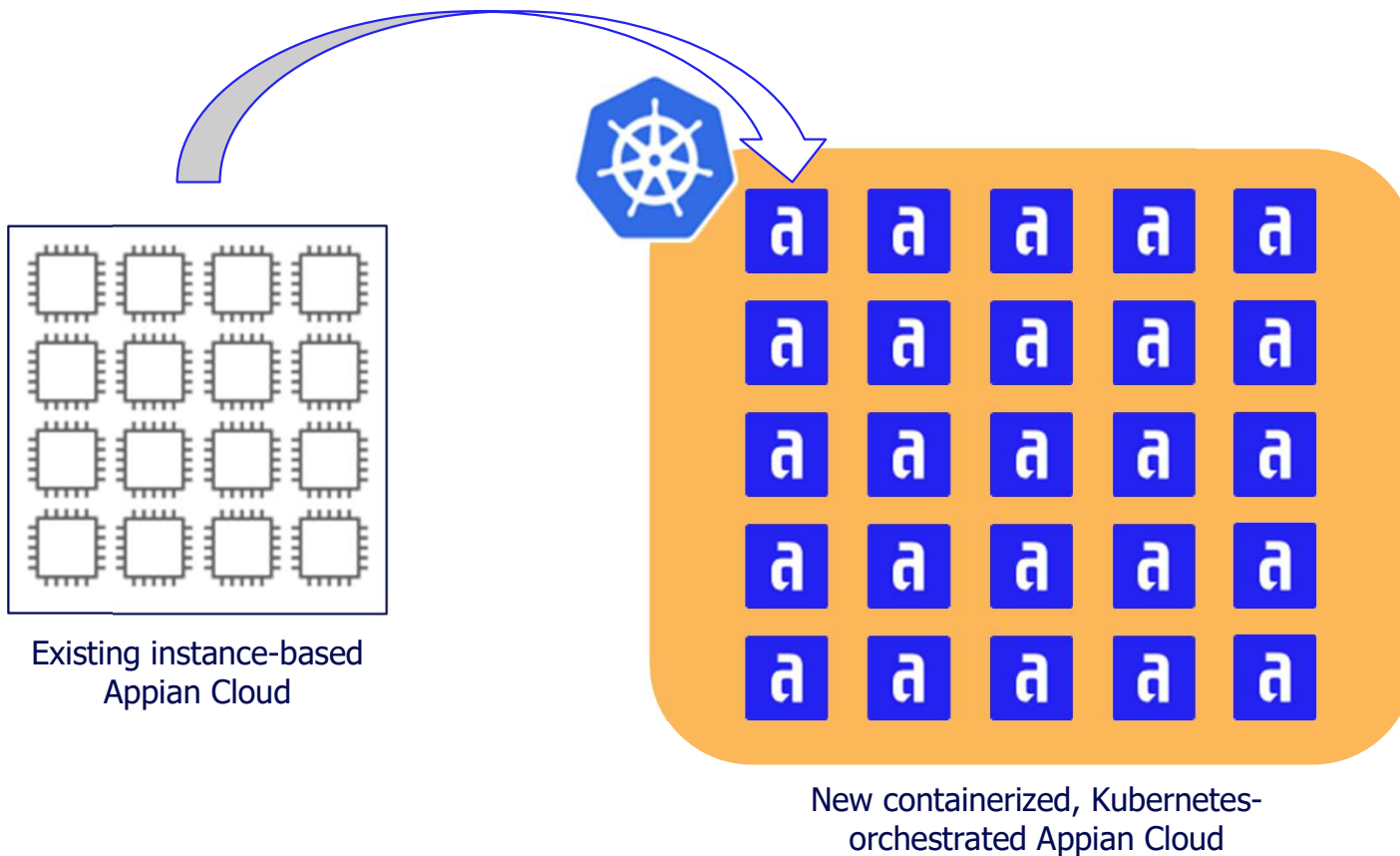
Cloud  
Native



appian



# Migration to Cloud Native Infrastructure



**State of the art** technical foundation to enable future capabilities such as **elastic scale** and **zero downtime upgrades**.

**More resilient** against availability zone outages.

**Self-healing** Appian services.

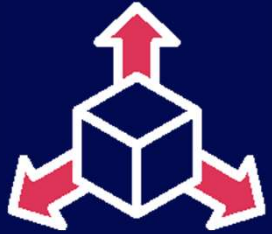
# Expanded Regions and Compliance



Expand Appian Cloud regions  
to a total of 19 countries, 25 regions, and 75 availability zones.



Uplift security and compliance capabilities to  
add new and improve existing compliance  
frameworks to better serve our global  
customers across industries and sectors.



Solutions

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# What is an Appian Solution?



## **Appian Solutions are a new kind of enterprise software application**

Appian Solutions offer “out of the box” capabilities but have the full flexibility of a low-code development platform and adapt quickly to your business needs.

### **COTS Applications**

- Inflexible; risk of project failure if a poor fit
- No process automation
- Dependent on third party for changes



### **Appian Solutions**

- **Low-code: Fast time to value with flexibility** to match your business
- Built-in process automation
- Adapt quickly to changing needs

### **Traditional Custom Software**

- Risky, long time to value
- High TCO
- Slow to change

# Appian Solutions February 2023

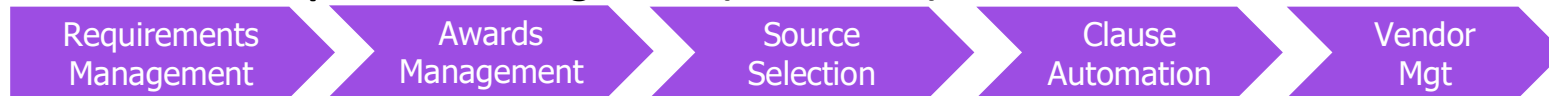
## Financial Services



## Insurance



## Government Acquisition Management (US Federal)



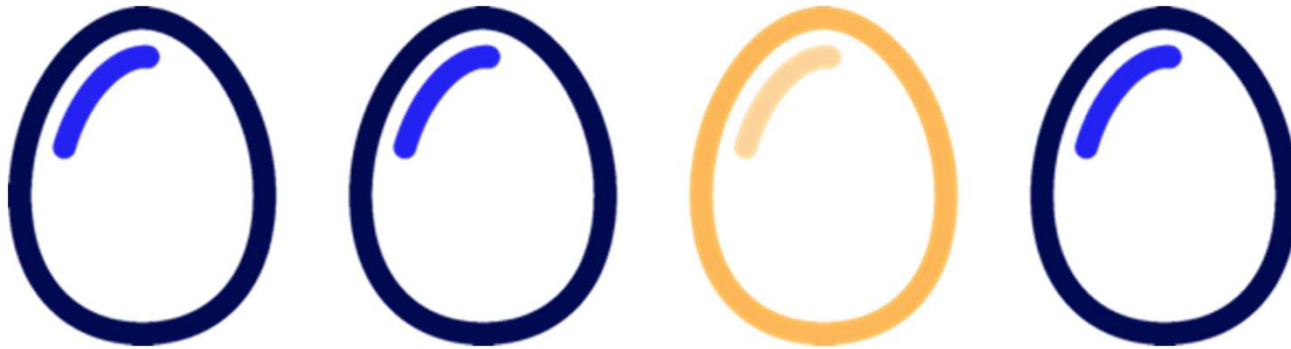
## eProcurement (US State & Local + non-US Public Sector)



## ESG



# Our Differentiators - “Differences That Matter”



## **Speed**

Simplicity, Time to Value

## **Reliability**

Robustness, Scalability

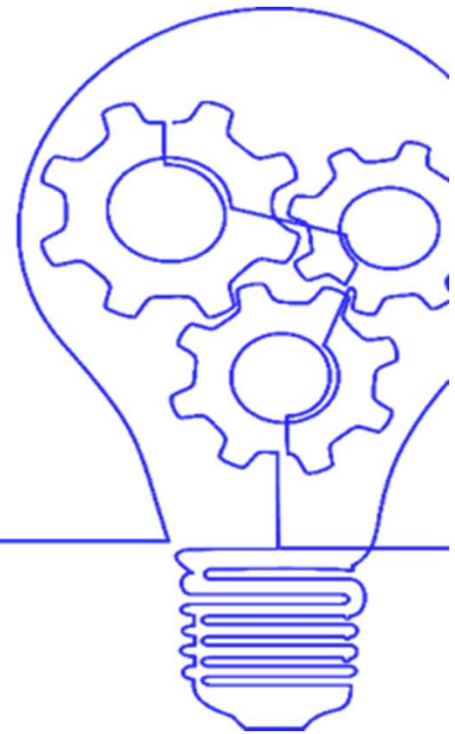
## **Flexibility**

Customizability, Extensibility



# **Operationalize** and **Innovate** Your Business

---



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The background of the image is a low-angle shot of a modern glass skyscraper against a clear blue sky. The building's facade is composed of large glass panels reflecting the sky. In the upper right corner, the word "appian" is visible in a dark, three-dimensional font mounted on the building's exterior. Centered in the middle of the image is the word "appian" in a large, white, lowercase sans-serif font.

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# Go to Market Strategy

**Chris Jones**

Chief Revenue Officer

# Agenda

- Market Opportunity
- Sales Strategy for Growth
- Customer Growth



# Appian Market Opportunity



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Large and growing TAM  
Low-code : Process : Workflow



---

Accelerating market adoption  
Apps replatformed: Dev shortage



---

Strategic differentiation with the  
most complex use cases



---

High net retention  
of customers (95%+)



---

Customers needing greater  
efficiencies with workflow



---

Strategic Partners



# Sales Philosophy

- Value selling
- Business outcomes
- Strong high performing collaborative teams
- Mandatory enablement
- Partners for scale





# Go to Market Strategy



Leverage value selling and broad platform architecture to **drive CxO relevance and \$10M+ ARR customers**

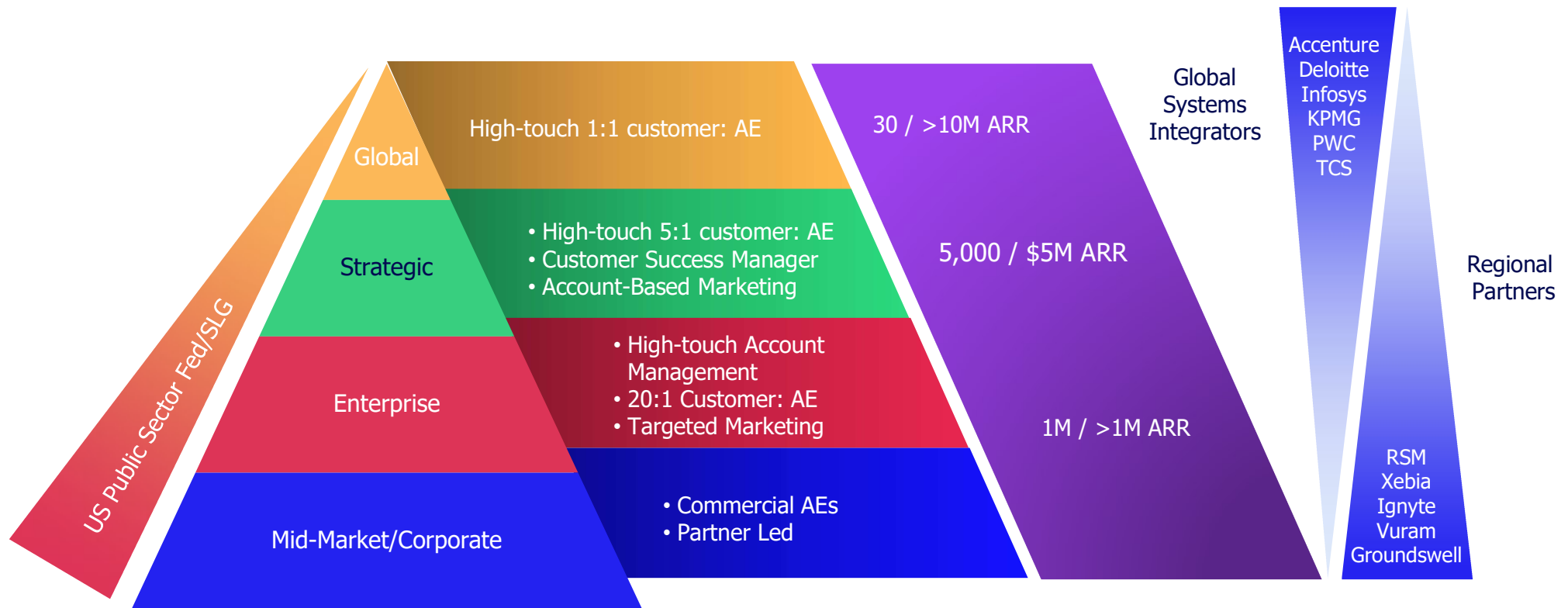


Further investment in field resources to **drive net new customers (+40% capacity)**



Extensive partner and alliance network to **scale our business**

# GTM Segmentation and Coverage Model



\* 2B based on current rules of engagement but suggested change after digging into the D&B Data (may include Large Commercial)

\*\* 10K Globally, however if we run an IS pilot in the US that number drops to ~4.7K meaning IS ration is 1:1k; regionally dependant in implementation.

# Scaling Through Partners

|   |   |  |   |   |
|---|---|--|---|---|
|    |    |    |    |    |
|    |    |    |    |    |
|   |    |   |   |   |
|  |  |  |  |  |

# Partner Focus Areas



Value-based  
partner  
strategy

Invest in  
partners that  
invest in us



Drive partner-led  
approach

Multi-year Recurring  
Revenue  
Subscriptions



Further grow key  
GSI relationships

Build solutions

Regional Sis for  
local enterprise  
growth



Net new  
customer  
acquisition



Massive Services  
Opportunity

# Focused Industries

**Focus**

## Public Sector / Government



## Insurance



## Financial Services



## Life Sciences / Healthcare



## Telecom/Media



## Energy & Utilities



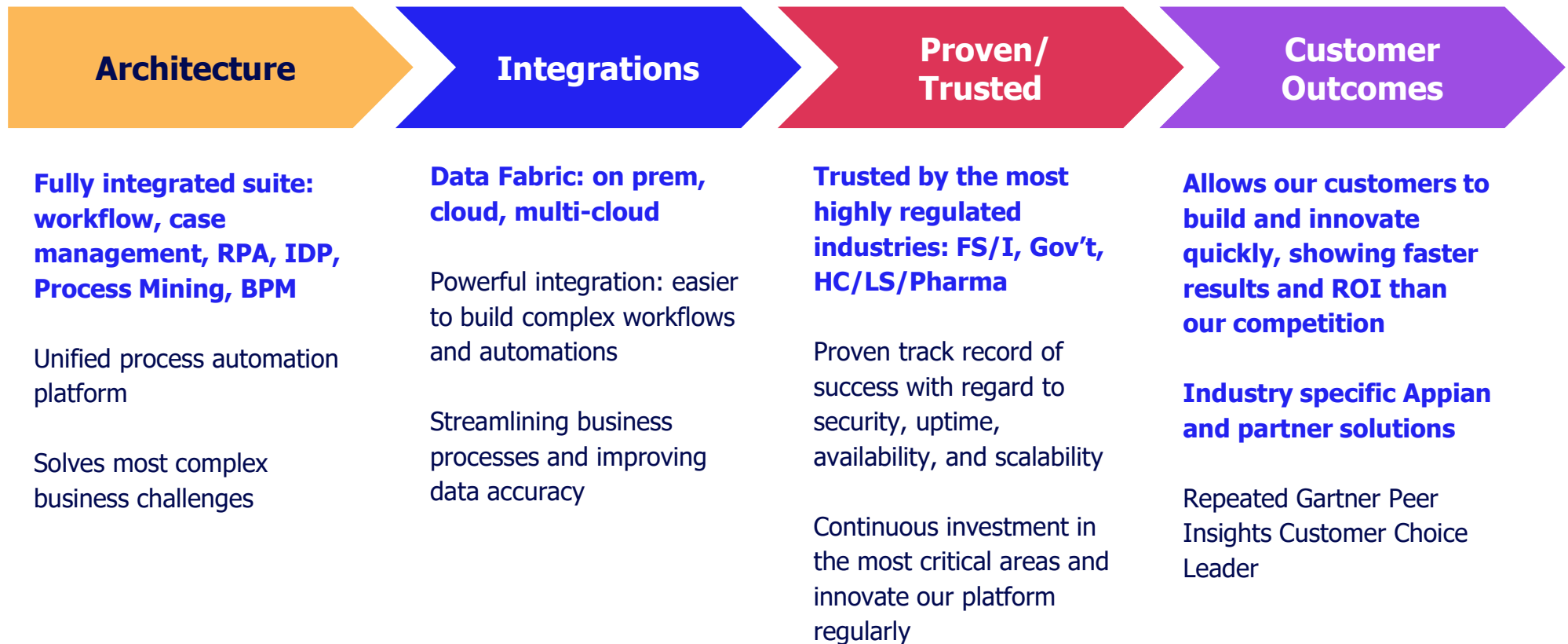
## Transportation



## Manufacturing/Other

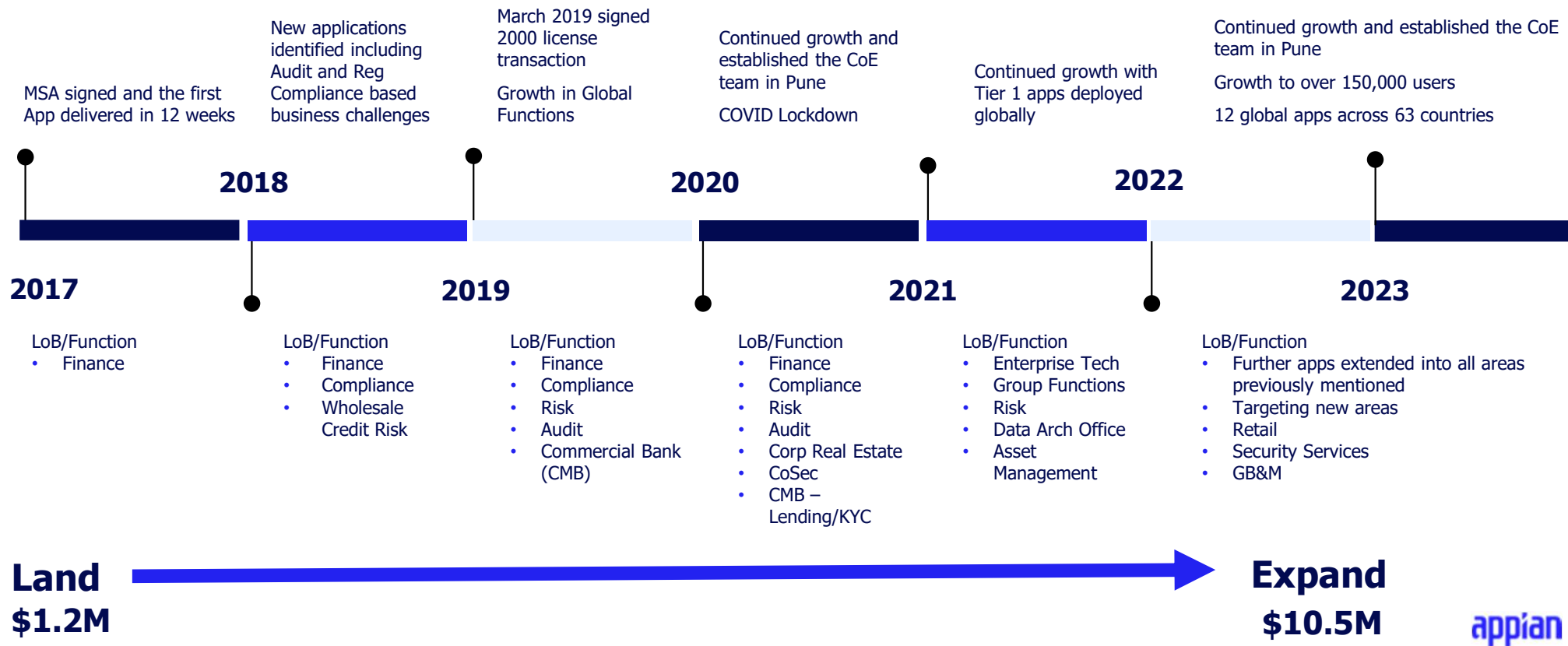


# Why We Win

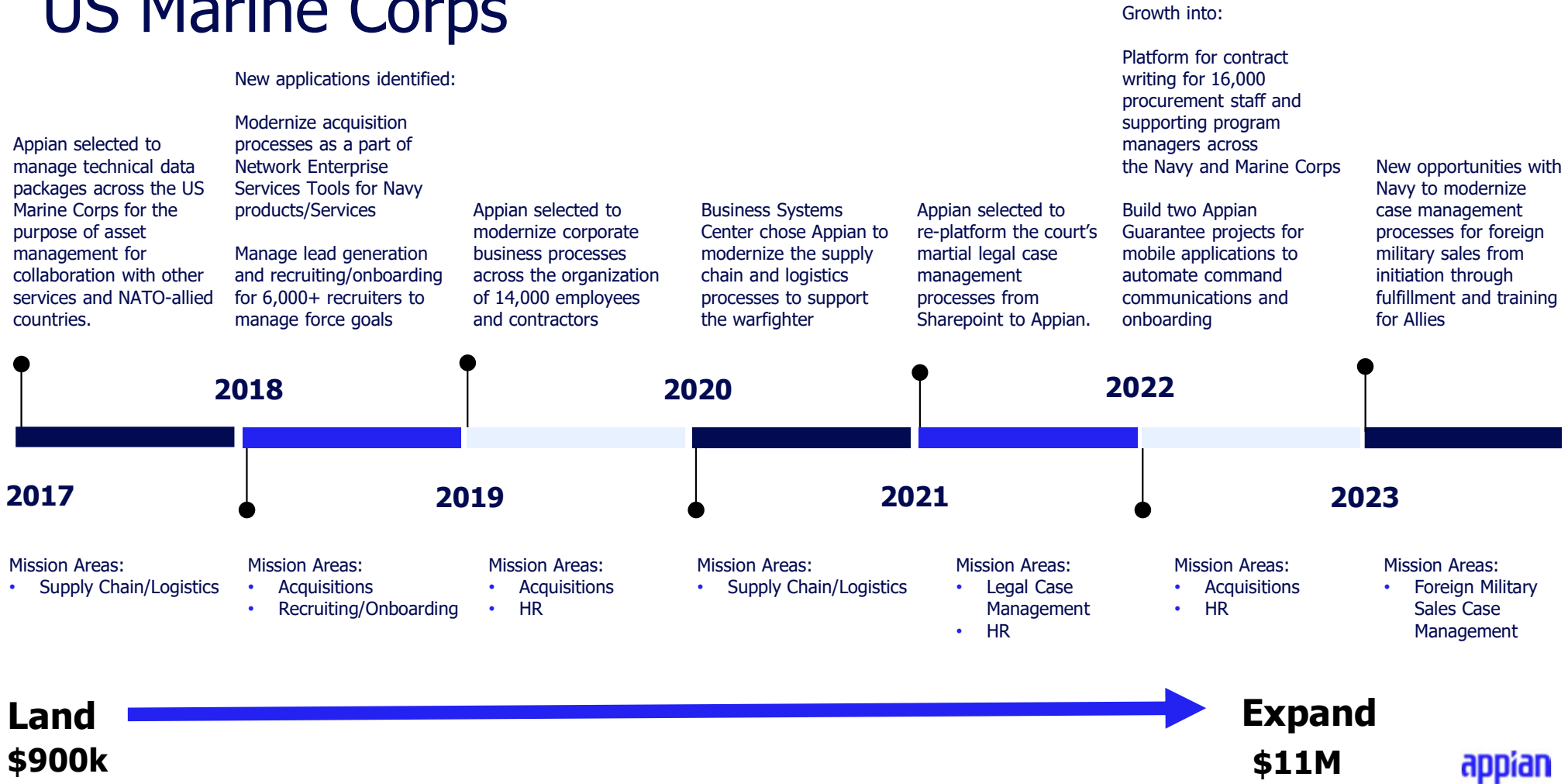




# Major Global Financial Services



# US Marine Corps



The background of the image is a low-angle shot of a modern glass skyscraper against a clear blue sky. The building's facade is composed of large glass panels reflecting the sky. In the upper right corner, the word "appian" is visible in a dark, three-dimensional font mounted on the building's exterior. Centered in the middle of the image is the word "appian" in a large, white, lowercase sans-serif font.

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# Partner and Customer Panels

**Chris Jones** | Chief Revenue Officer

**Marc Wilson** | Founder

# Partner Panel

**Moderator** | Chris Jones, CRO, Appian



**Usman Tareen**

---

Managing Director, Low Code  
Platforms Lead – US



**George Kaczmarsky**

---

Principal Partner Financial  
Services



**Chandra Surbhat**

---

Vice President, Global Head —  
Digital Experience

# Customer Panel

**Moderator** | Marc Wilson, Founder, Appian

**CARLYLE**

**Prakash Babu**

---

Vice President, Corporate Services  
Global Technology & Solutions



**Steve Felix**

---

Director of  
Process Automation



The background of the image is a low-angle shot of a modern glass skyscraper against a clear blue sky. The building's facade is composed of large glass panels reflecting the sky. In the upper right corner, the word "appian" is visible in a dark, three-dimensional font mounted on the building's exterior. Centered in the middle of the image is the word "appian" in a large, white, lowercase sans-serif font.

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# Business and Financial Highlights

**Mark Matheos**

Chief Financial Officer

# Financial highlights.



## **Strong Growth and Margin Profile**

Cloud Subscription revenue CAGR of 43%; 90% Subs GM



## **Predictable Business Model**

Strong cloud renewal rate; Increasing mix of subs. revenue



## **Solid Customer and Unit Economics**

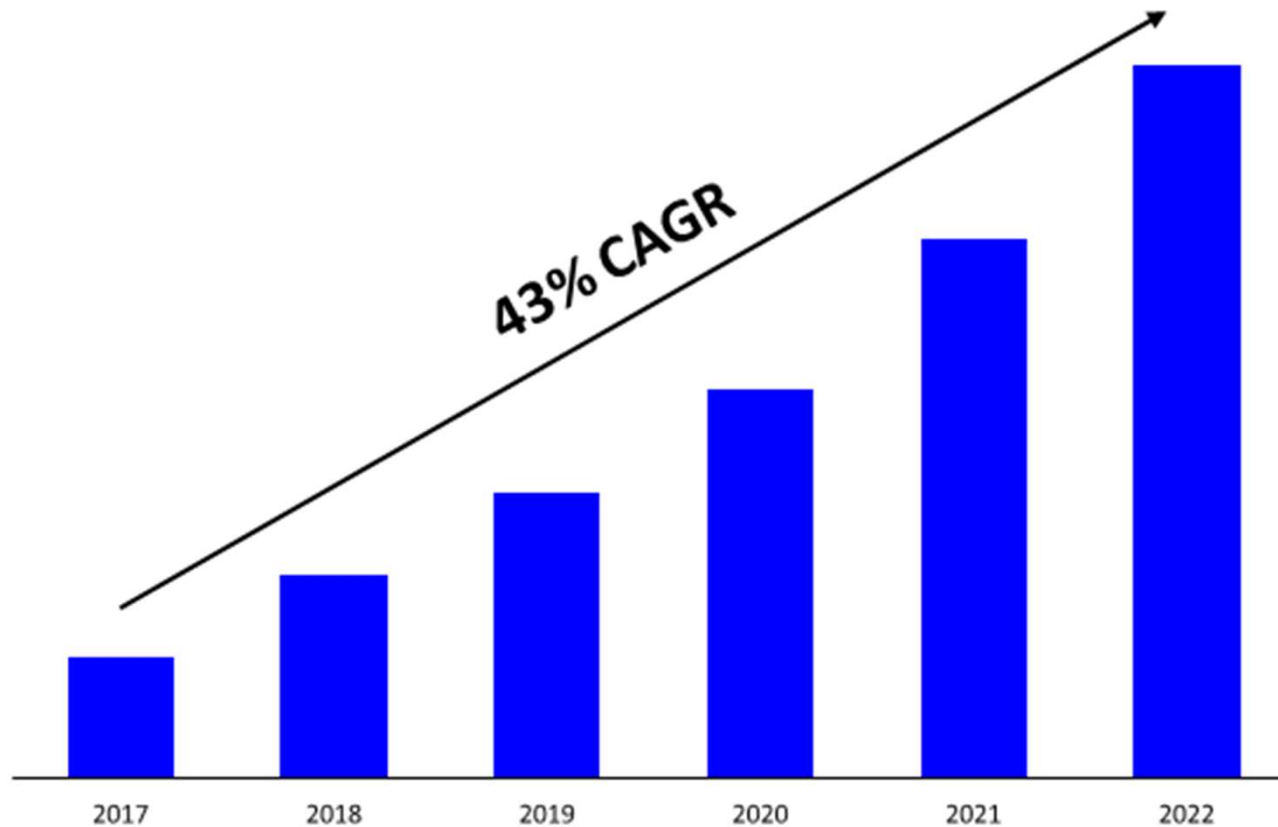
Growth across key customer cohorts and solid LTV/CAC



## **Investing For Sustainable Growth**

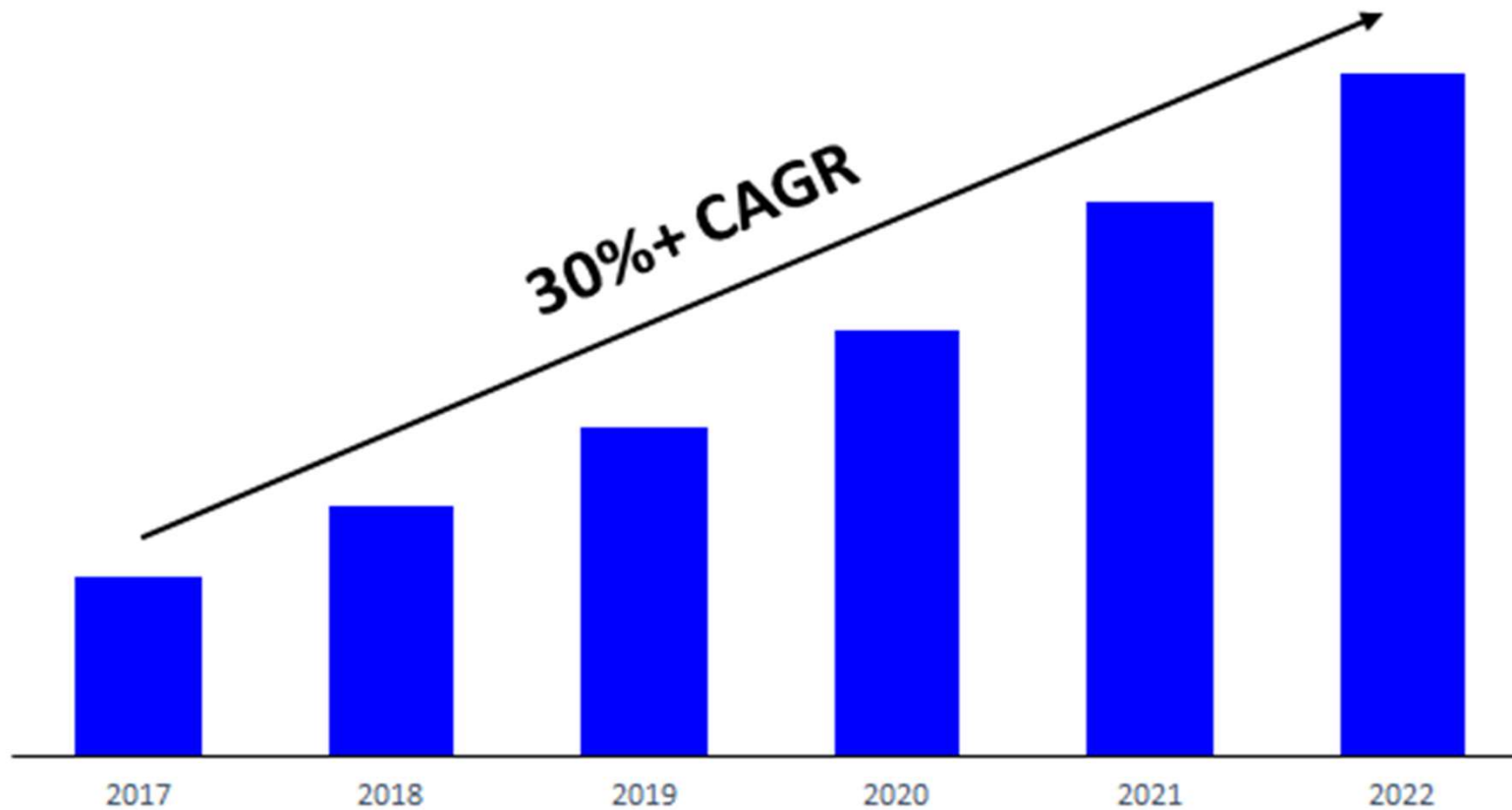
Key priorities: Platform/product expansion, AEs, Partners.

# Solid organic cloud subscription revenue growth.



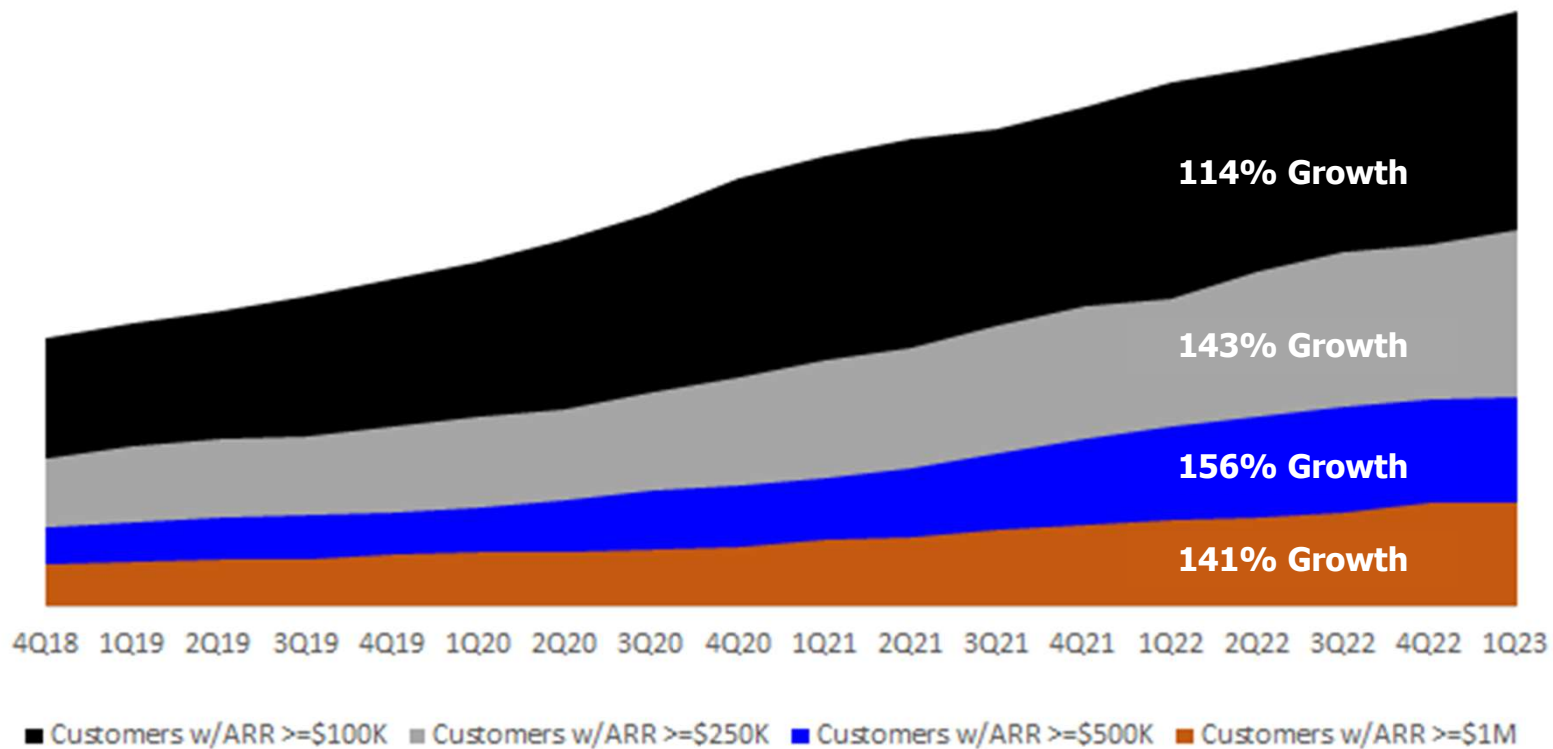
2019-2022 revenue figures are presented in accordance with ASC 606. 2017 and 2018 revenue figures are presented in accordance with ASC 605.

# Healthy ARR Growth.



Note: Total ARR includes only Software term licenses (both cloud and on-premise) and is calculated only for contract items that are of a recurring nature (e.g., excludes one-time fees).

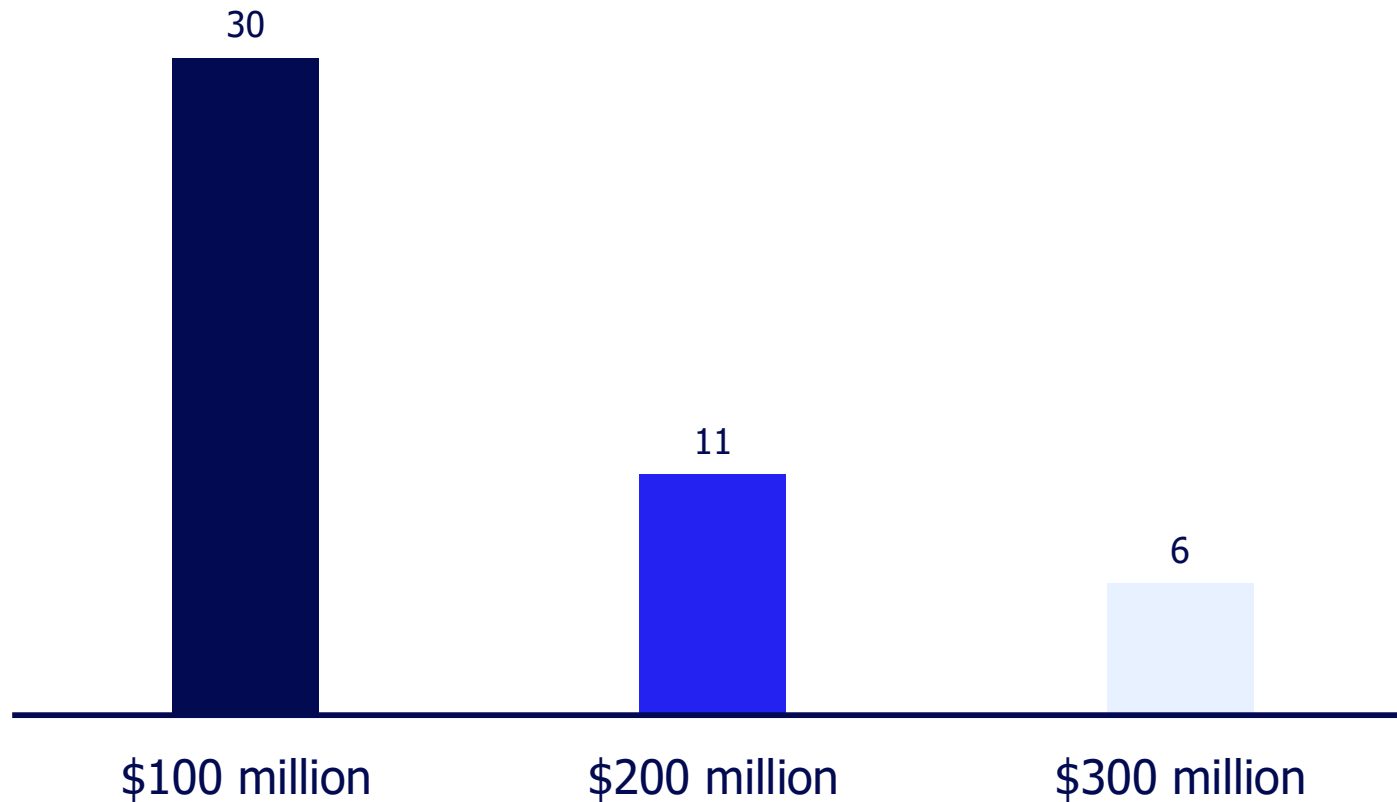
# Healthy customer growth across all deal sizes.



Note: Numbers rounded for presentation purposes.

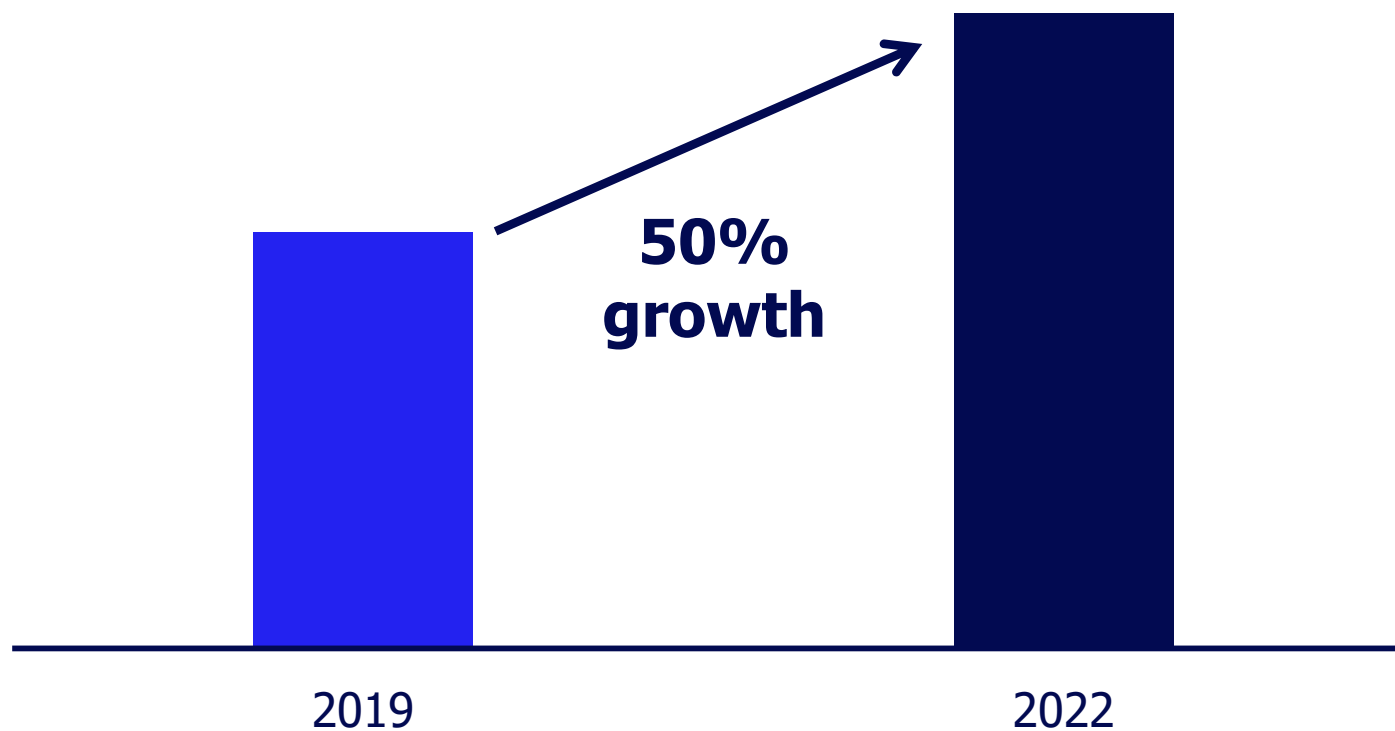


# Solid Subscription Revenue Momentum.



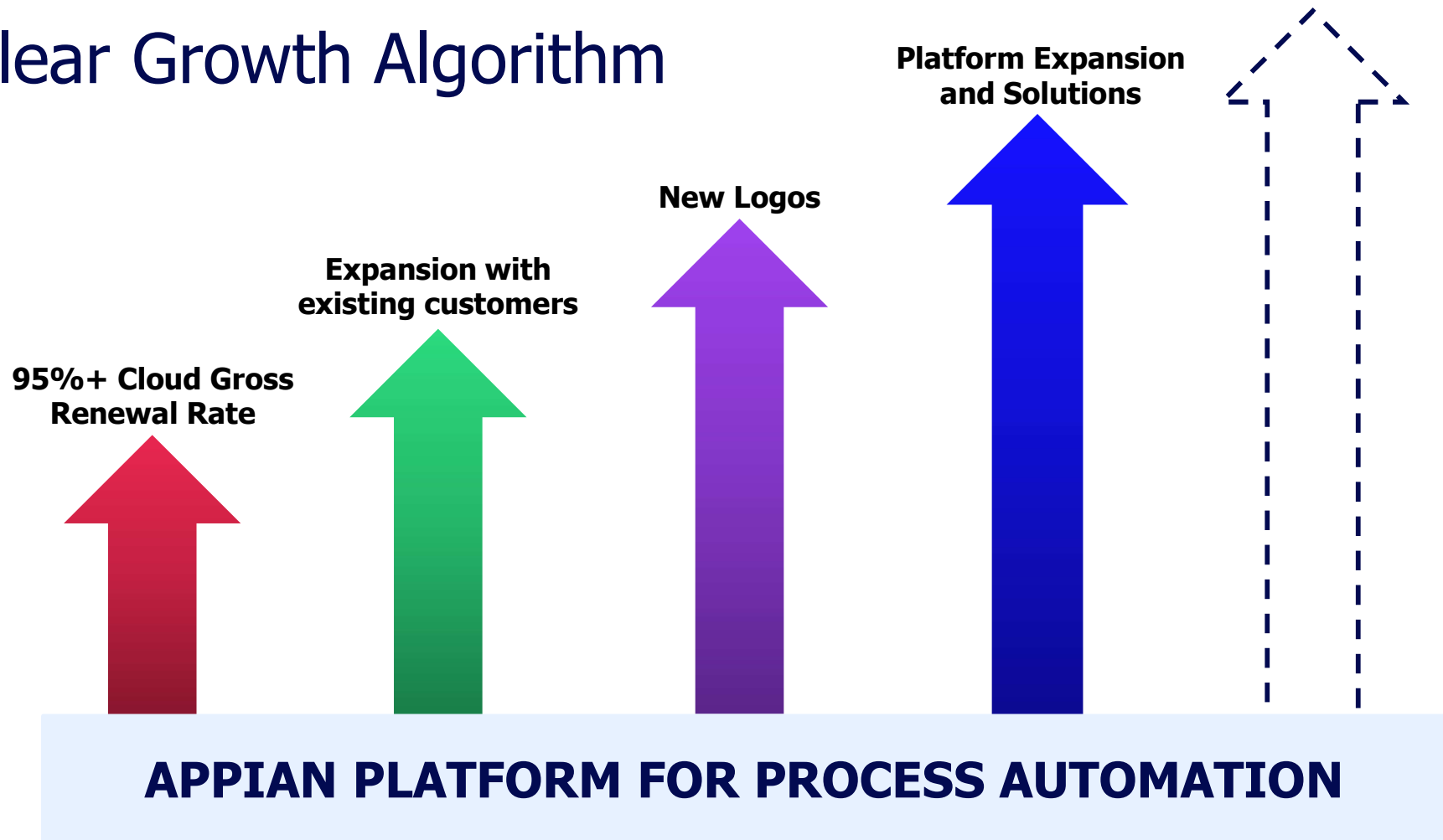
Note: Numbers rounded for presentation purposes.

# Landing bigger deals with new logos.

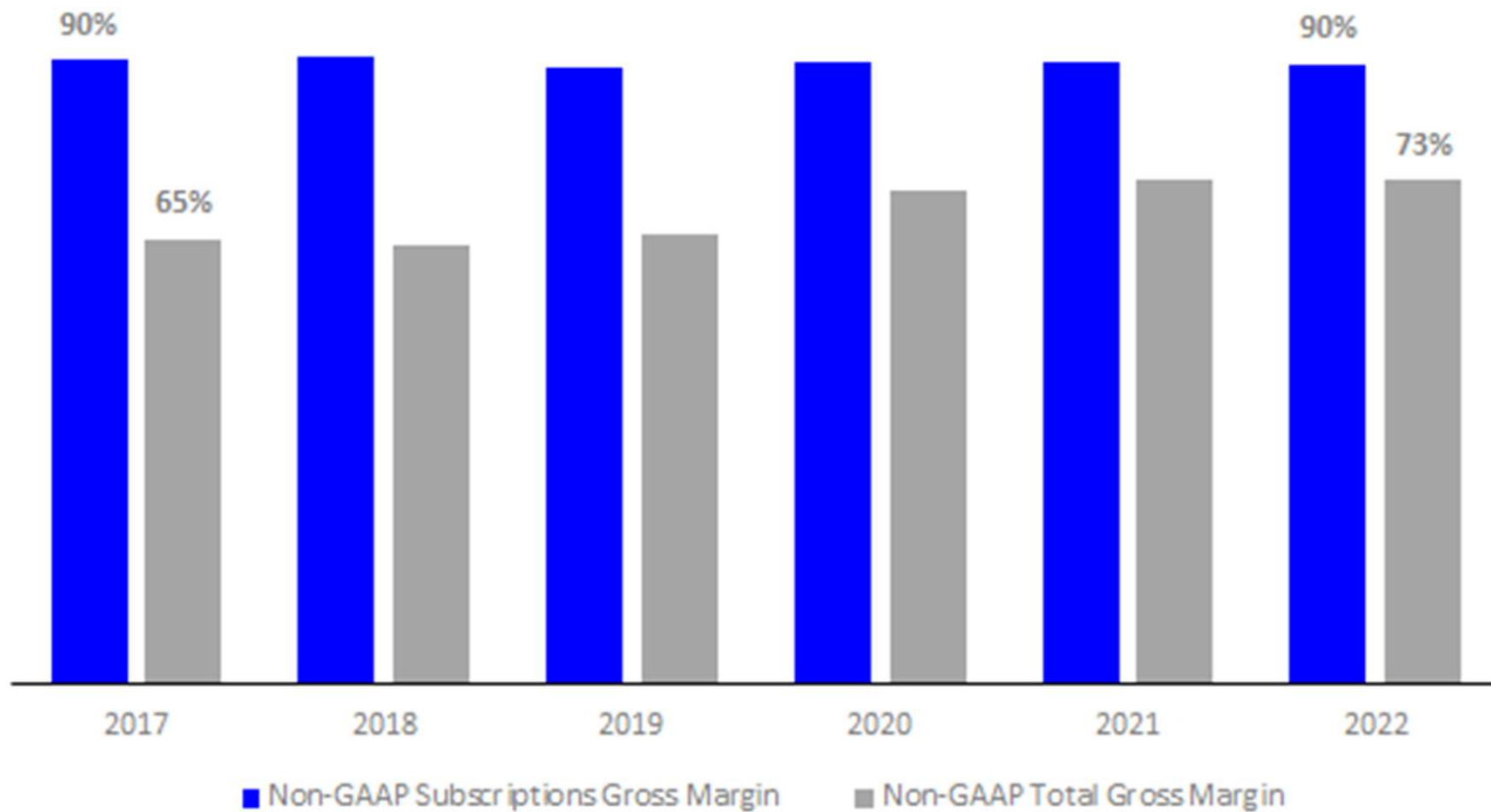


Note: Numbers rounded for presentation purposes.

# Clear Growth Algorithm

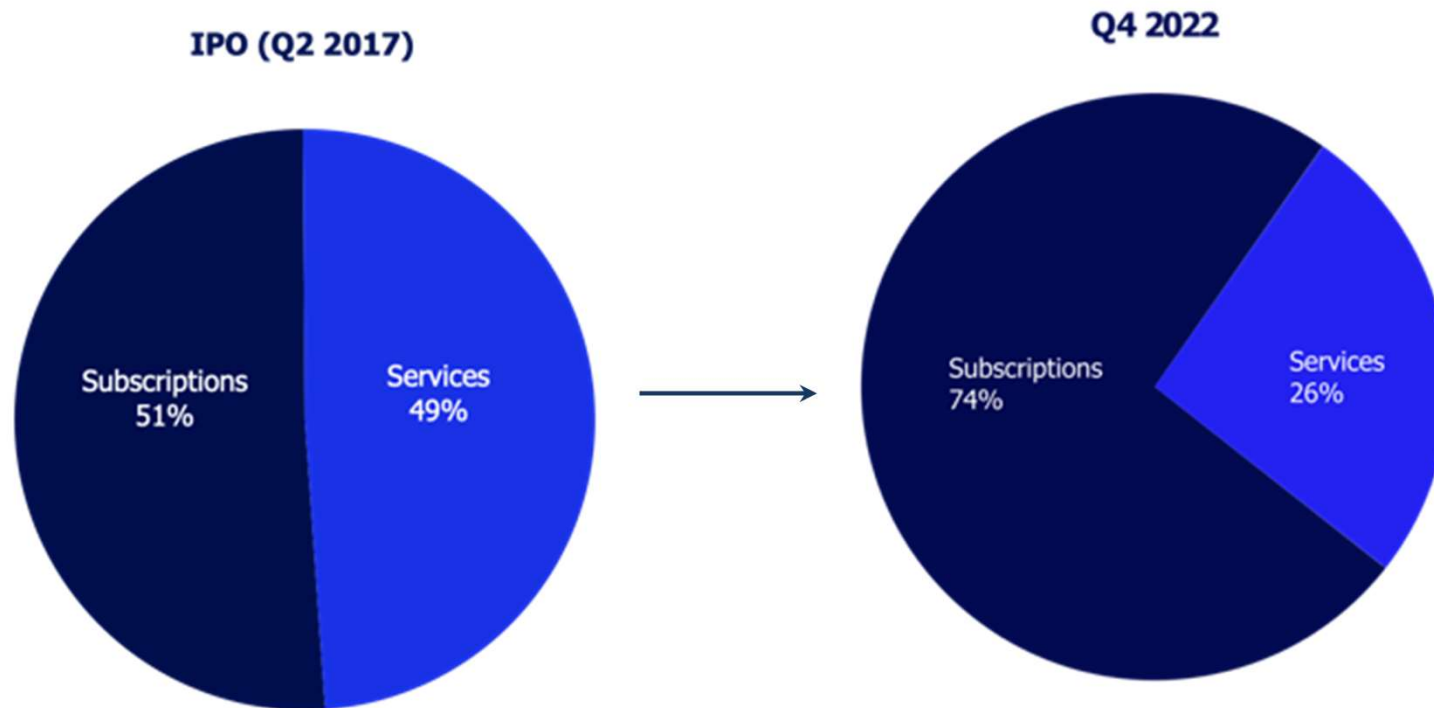


# Platform strategy drives solid gross margins.<sup>1</sup>

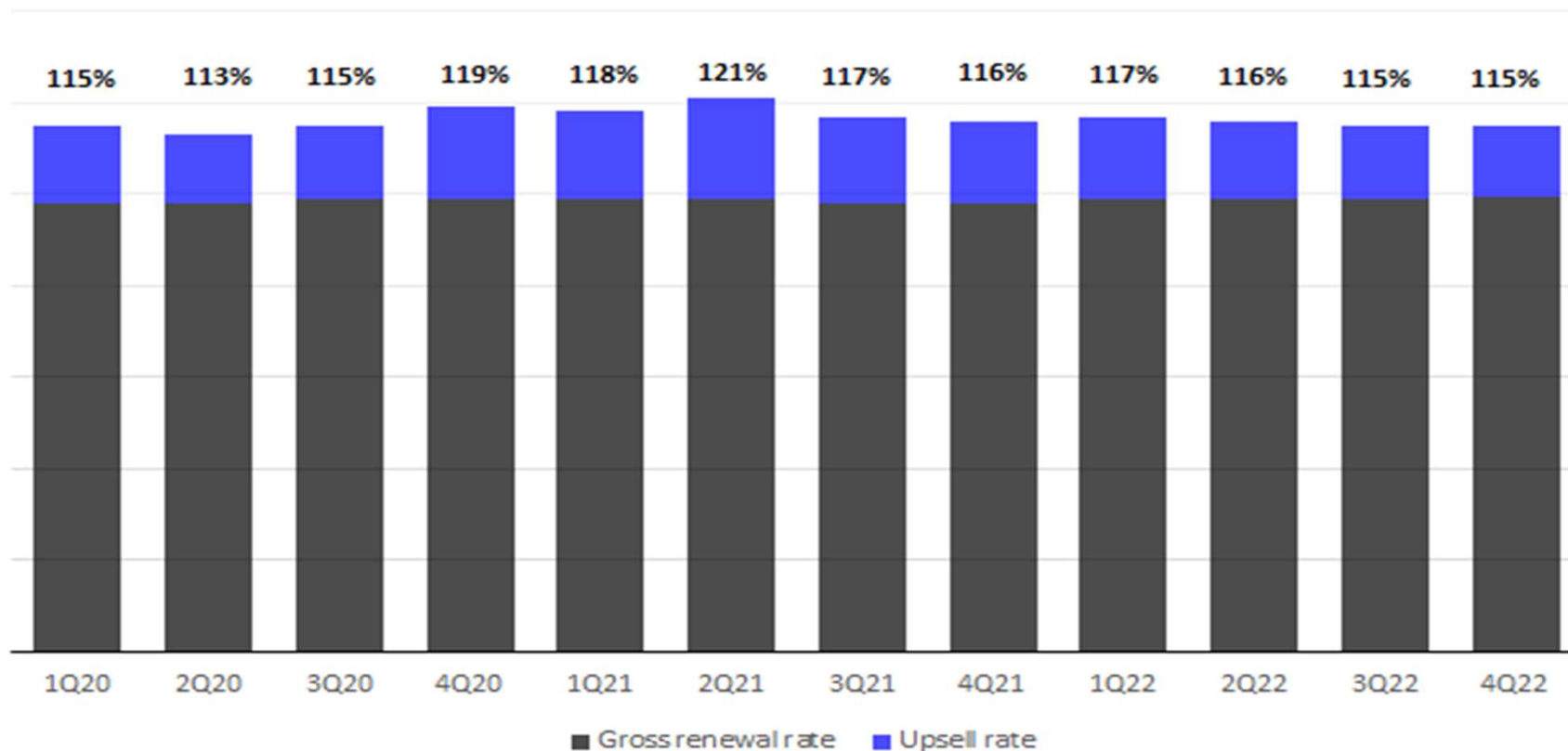


1 - Refer to footnote 1 in the Appendix slide for further details on this calculation.

# Increasing mix of subscriptions revenue.



## Consistent cloud subscription net revenue retention rate.<sup>2</sup>



2 - Refer to footnote 2 in the Appendix slide for further details on this calculation.



# Healthy expansion across cohorts.

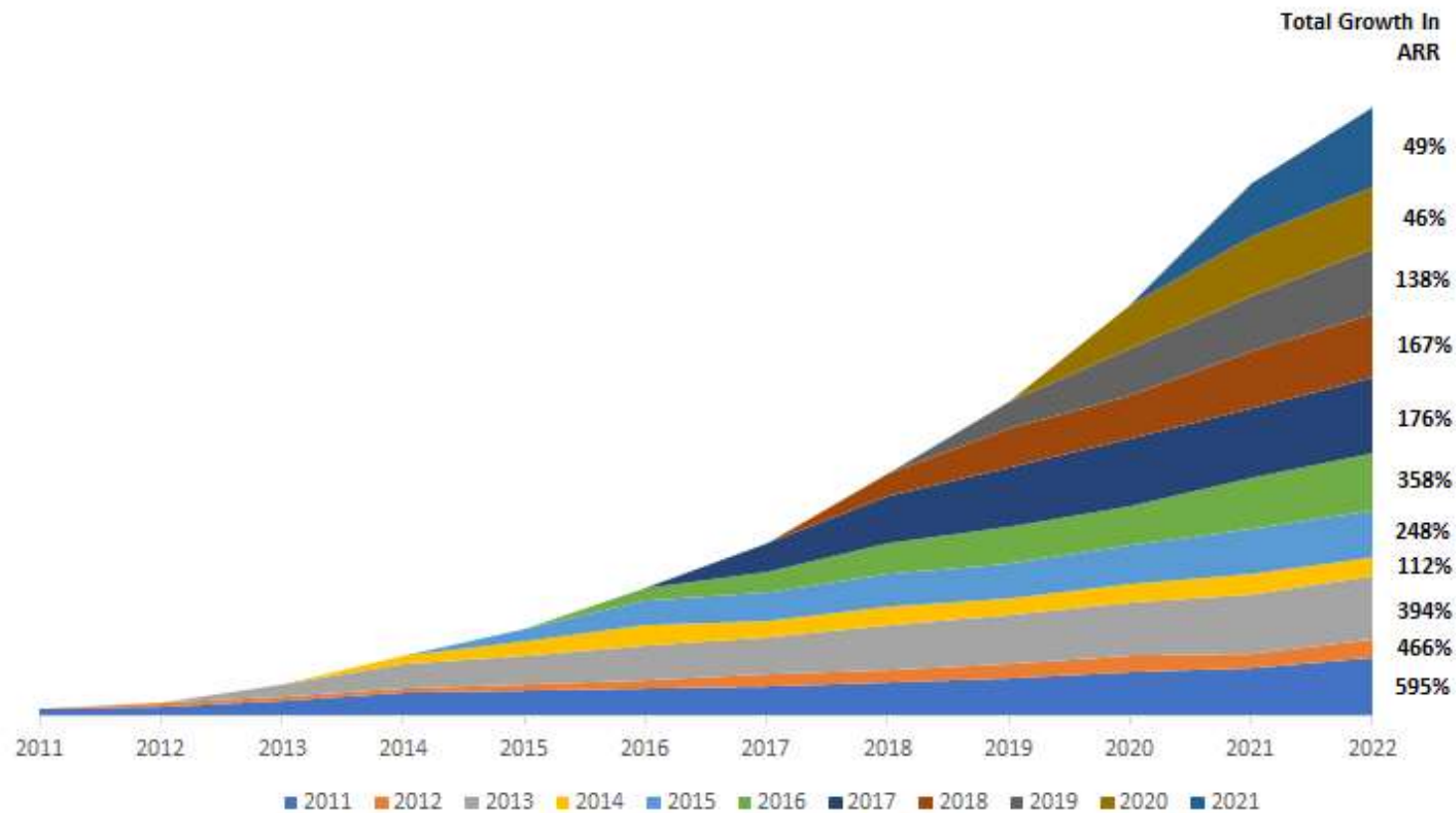
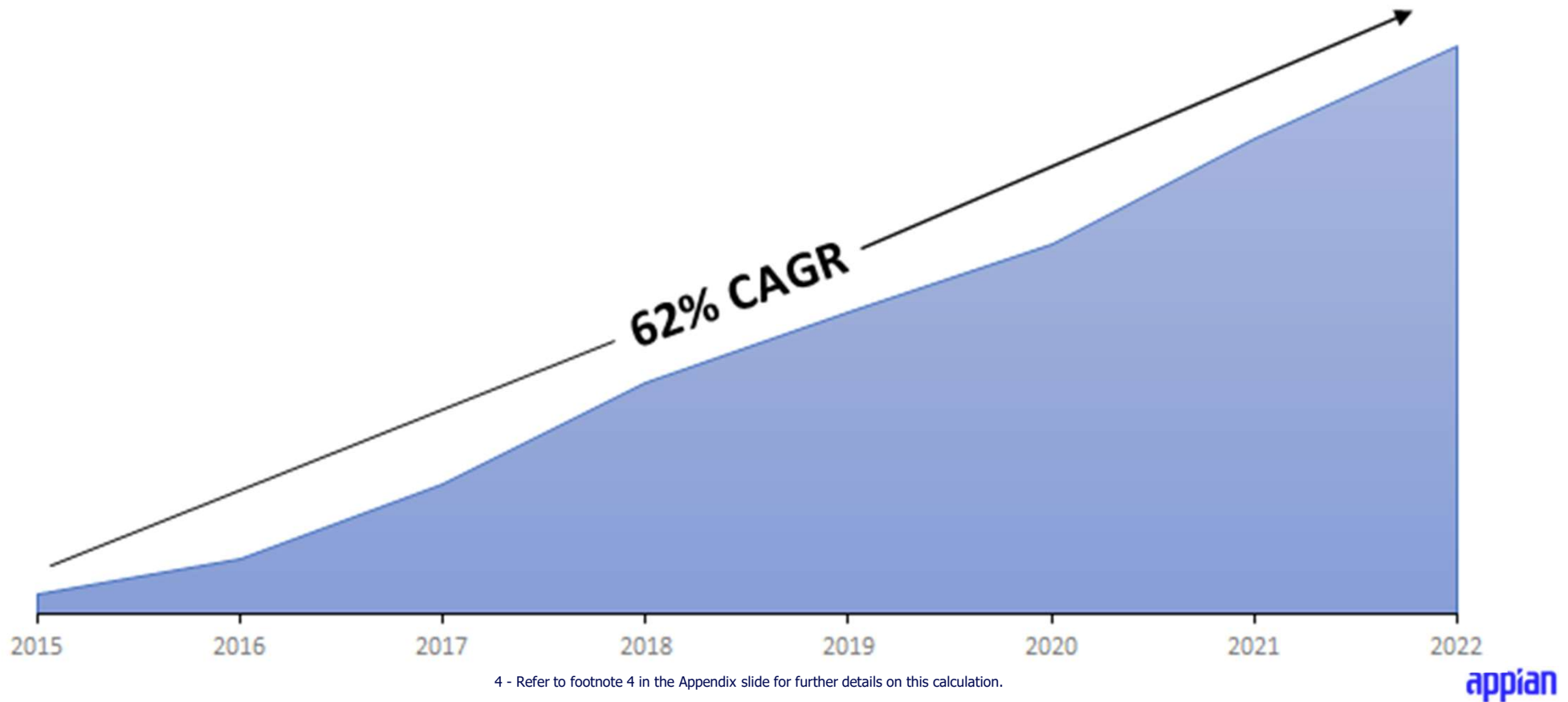


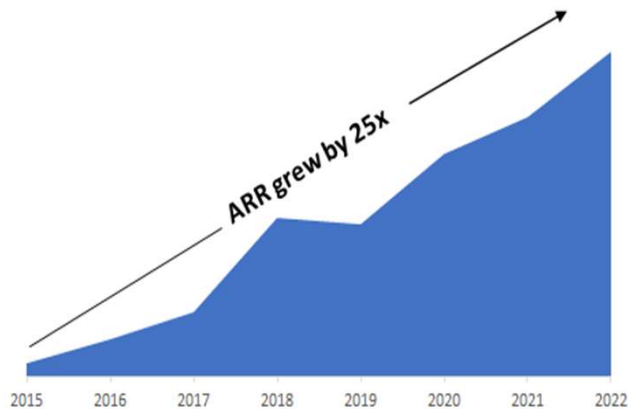
Chart reflects annualized subscription revenue for the group of customers that became our customers in each respective cohort year. For instance, the 2011 cohort includes all customers whose contract start date was between January 1, 2011 and December 31, 2011. Annualized subscription revenue is the total amount of daily subscription revenue for that applicable customer cohort in January of the following year multiplied by 365.

## ARR growth – top 50 customers.<sup>4</sup>



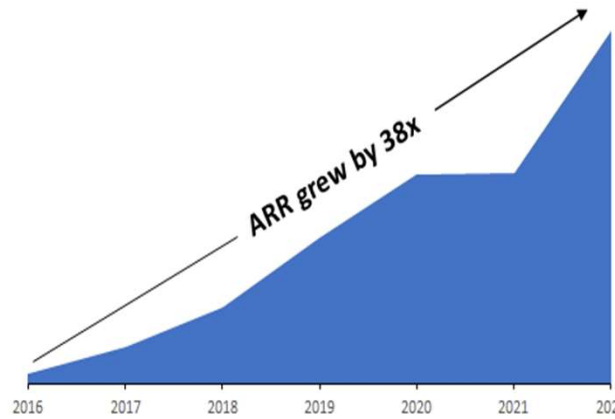
# Spending growth journey – customer case studies.

## Top 25 Pharmaceutical



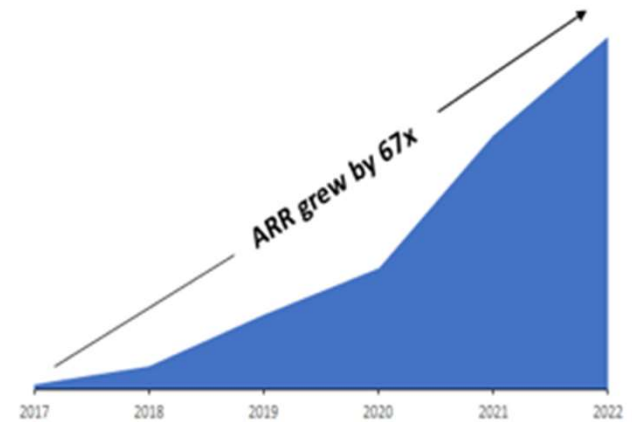
Appian platform automates corporate function, pharmaceutical, and supply chain processes. Usage has substantially grown over time and now manages tens-of-thousands of cases annually in 100 countries.

## Multinational Bank



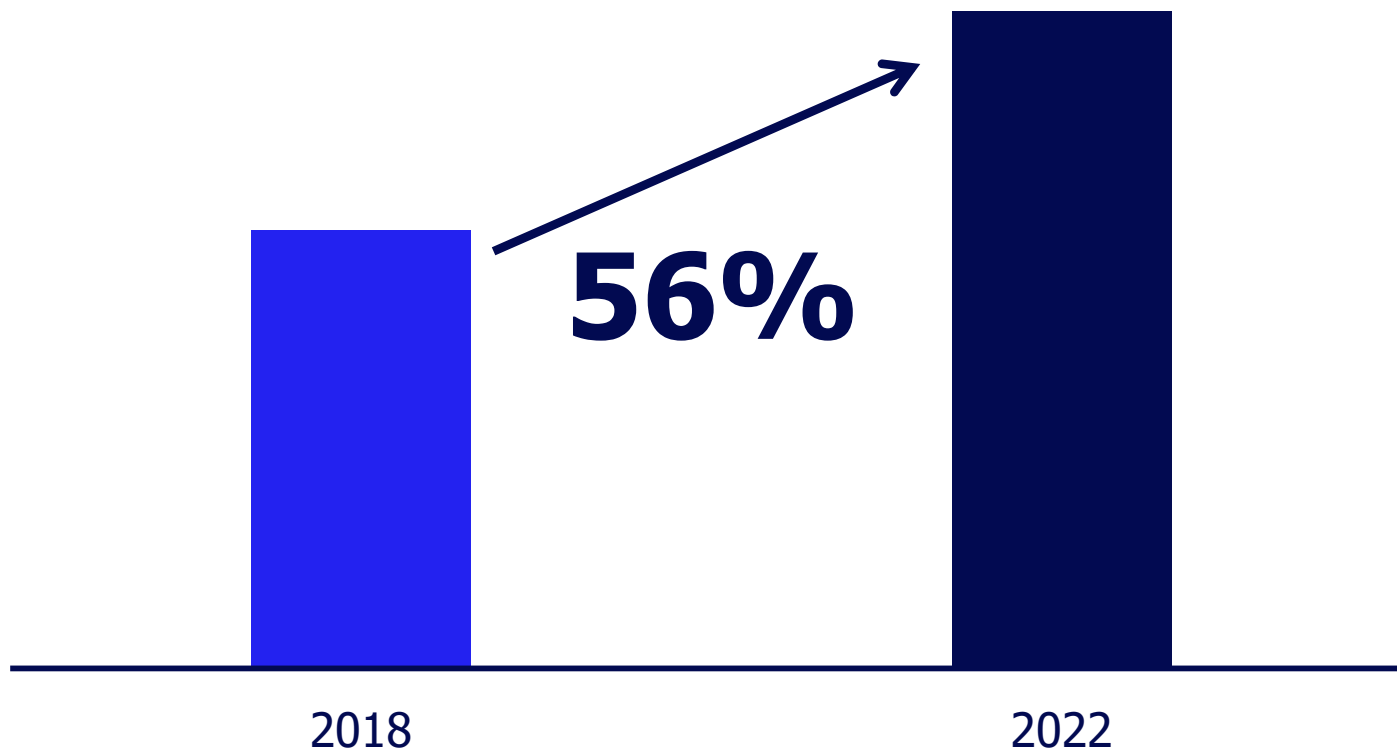
Appian platform was used to build more than 40 applications across several business units. Appian supports new go-to-market initiatives, digitization of onboarding process, and automation of hundreds of processes/cases.

## Federal Agency



Appian platform standardizes acquisition contract writing process, drives efficiency and lowers costs for the acquisition and contracting communities, and enables functionality enhancements and statutory changes fast.

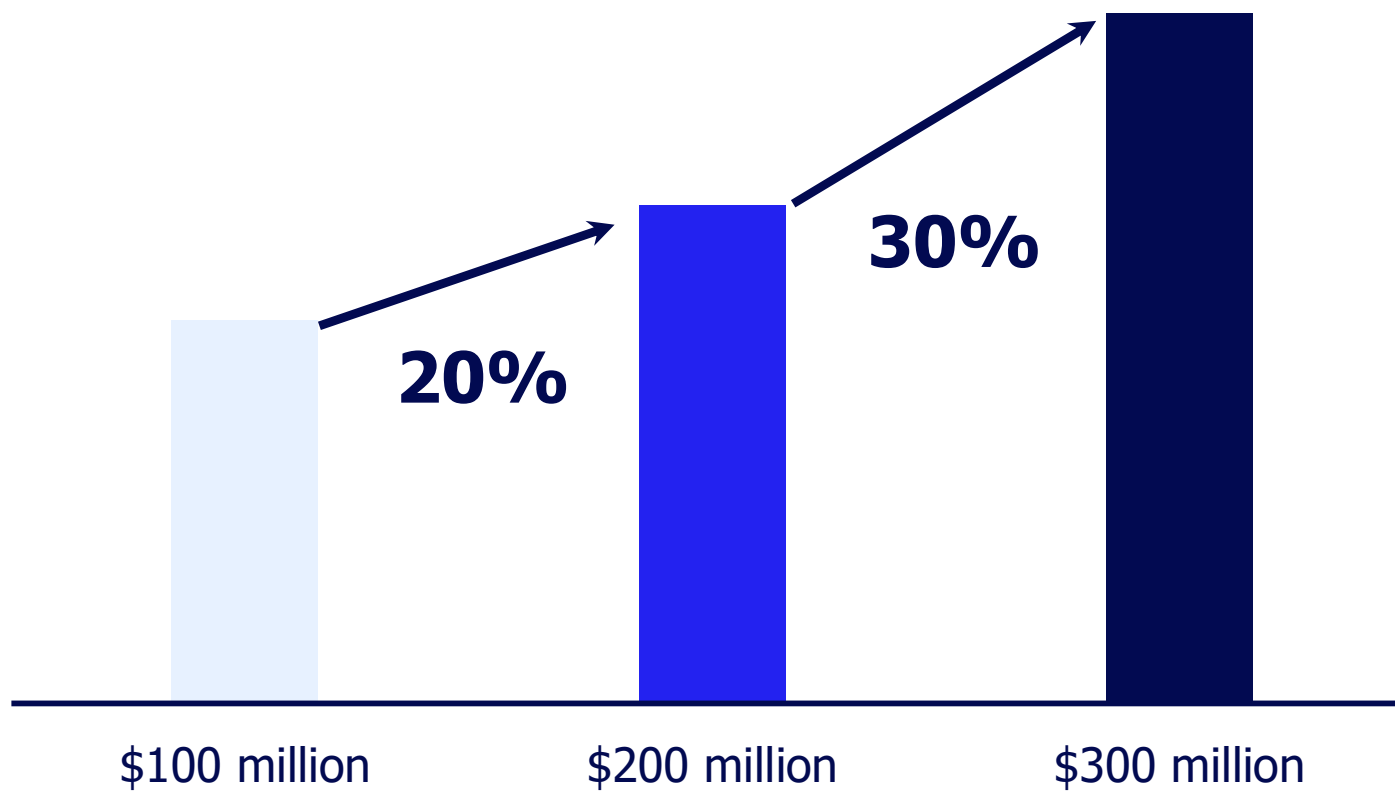
# Continued Improvement in Sales Rep Productivity



Sales rep productivity defined as net new software ACV in the current year divided by total sales representatives at the end of prior year.

Note: Numbers rounded for presentation purposes.

# Improving S&M Efficiency



S&M efficiency represents change in subscriptions revenue in the respective year divided by non-GAAP S&M expense in prior year.

Note: Numbers rounded for presentation purposes

Healthy LTV:CAC unit economics.<sup>3</sup>

**> 7x**

3 - Refer to footnote 3 in the Appendix slide for further details on this calculation.



# Targeting sustainable 30%+ cloud subscription growth.



**Growing strategic partners**



**Solutions**



**New customer growth**



**Upsell to existing customers**



**Platform expansion**



**International expansion**

## Target long-term model.<sup>5</sup>

|                  | 2018 | 2020 | 2022 | Target Model |     |
|------------------|------|------|------|--------------|-----|
| Gross Margin     | 64%  | 72%  | 73%  | 80%          | 85% |
| S&M              | 45%  | 42%  | 45%  | 38%          | 40% |
| R&D              | 19%  | 22%  | 27%  | 15%          | 17% |
| G&A              | 13%  | 15%  | 19%  | 7%           | 8%  |
| Operating Margin | -14% | -7%  | -18% | 20%          |     |

5 - Refer to the Reconciliation of Long-Term Model slide for complete details on how these metrics were calculated for fiscal years 2018, 2020, and 2022.

# Appendix

The following slide includes definitions of common metrics we utilize to evaluate the performance of our business.

**1 – Non-GAAP Gross Margins:** Non-GAAP gross margins are calculated excluding the impact of stock-based compensation.

**2 – Net Revenue Retention Rate:** We calculate retention over a set of customers who have been with us for at least one full year. To calculate our cloud subscription revenue retention rate for a trailing 12-month period, we first establish the recurring cloud subscription revenue for the previous trailing 12-month period. This effectively represents recurring dollars that we should expect in the current trailing 12-month period from the cohort of customers from the previous trailing 12-month period without any expansion or contraction. We subsequently measure the recurring cloud subscription revenue in the current trailing 12-month period from the cohort of customers from the previous trailing 12-month period. Cloud subscription revenue retention rate is then calculated by dividing the aggregate recurring cloud subscription revenue in the current trailing 12-month period by the previous trailing 12-month period. This calculation includes the impact on our revenue from customer non-renewals, pricing changes and growth in the number of users on our platform. Our cloud subscription revenue retention rate can fluctuate from period to period due to large customer contracts in any given period.

**3 – Lifetime Value of a Customer as Compared to the Cost of Acquiring that Customer ("LTV/CAC"):** Our business model focuses on maximizing the lifetime value of a customer as compared to the cost of acquiring that customer. This metric is a function of the duration of a customer's deployment of Appian as well as the price and number of subscriptions of Appian a customer purchases. We also incur significant customer acquisition costs, including expenses associated with hiring new sales representatives, who generally take up to one year to become productive given the length of our sales cycle, and marketing costs, all of which, except for sales commissions, are expensed as incurred. We calculate LTV/CAC as (1) the average gross margin multiplied by average cloud subscription revenue for a given month divided by (2) the average percentage of monthly recurring revenue that did not renew in each month for the previous 12 months. We then divide this calculated lifetime customer value by our customer acquisition costs, which is the total sales and marketing expense incurred during the corresponding month. Note for fiscal years 2018 and prior, we utilized total subscription revenue to calculate lifetime customer value. Because upon adoption of ASC 606 we began to primarily recognize revenue from our on-premises term license subscriptions upfront, we amended the LTV/CAC calculation by replacing subscriptions revenue with cloud subscriptions revenue.

**4 – Annualized Recurring Revenue ("ARR"):** ARR is calculated by annualizing the contract value of an active software order or contract at a given point in time based on the contract's start and end dates. To annualize the value, a daily rate is calculated by dividing the contract value by the number of days in the contract's subscription term. The daily rate is then multiplied by 365 days. ARR is only calculated for software term licenses (i.e., cloud and on-premises) and only for contract items that are of a recurring nature (i.e., excluding one-time fees).

# Reconciliation of GAAP to non-GAAP measures

| <i>\$ in thousands</i>   | <b>FY 2017</b> | <b>FY 2018</b> | <b>FY 2019</b> | <b>FY 2020</b> | <b>FY 2021</b> | <b>FY 2022</b> |
|--|----------------|----------------|----------------|----------------|----------------|----------------|
| <b>Reconciliation of non-GAAP gross margins:</b>   |                |                |                |                |                |                |
| Revenue  | 176,737        | 226,743        | 260,352        | 304,573        | 369,259        | 467,991        |
| Cost of revenue  | 64,597         | 84,925         | 93,841         | 88,766         | 104,093        | 133,306        |
| Less: Stock compensation expense – Cost of revenue   | (1,870)        | (2,231)        | (3,395)        | (2,420)        | (4,330)        | (6,305)        |
| Non-GAAP cost of revenue   | 62,727         | 82,694         | 90,446         | 86,346         | 99,763         | 127,001        |
| <b>Non-GAAP gross margins</b>  | 65%            | 64%            | 65%            | 72%            | 73%            | 73%            |
| <b>Reconciliation of non-GAAP sales and marketing expense as a percentage of revenue:</b>        |                |                |                |                |                |                |
| Revenue  | 176,737        | 226,743        | 260,352        | 304,573        | 369,259        | 467,991        |
| Sales and marketing expense  | 81,966         | 105,992        | 117,440        | 130,316        | 167,852        | 220,374        |
| Less: Stock compensation expense – Sales and marketing   | (3,233)        | (3,473)        | (4,742)        | (2,821)        | (5,426)        | (9,152)        |
| Non-GAAP sales and marketing expense   | 78,733         | 102,519        | 112,698        | 127,495        | 162,426        | 211,222        |
| <b>Non-GAAP sales and marketing expense as a percentage of revenue</b>                           | 45%            | 45%            | 43%            | 42%            | 44%            | 45%            |
| <b>Reconciliation of non-GAAP research and development expense as a percentage of revenue:</b>   |                |                |                |                |                |                |
| Revenue  | 176,737        | 226,743        | 260,352        | 304,573        | 369,259        | 467,991        |
| Research and development expense   | 34,835         | 44,724         | 58,043         | 70,241         | 97,517         | 139,210        |
| Less: Stock compensation expense – Research and development                                      | (2,822)        | (2,416)        | (3,480)        | (2,718)        | (5,225)        | (12,523)       |
| Non-GAAP research and development expense  | 32,013         | 42,308         | 54,563         | 67,523         | 92,292         | 126,687        |
| <b>Non-GAAP research and development expense as a percentage of revenue</b>                      | 18%            | 19%            | 21%            | 22%            | 25%            | 27%            |
| <b>Reconciliation of non-GAAP general and administrative expense as a percentage of revenue:</b> |                |                |                |                |                |                |
| Revenue  | 176,737        | 226,743        | 260,352        | 304,573        | 369,259        | 467,991        |
| General and administrative expense   | 27,150         | 37,821         | 41,496         | 53,152         | 83,704         | 120,111        |
| Less: Stock compensation expense – General and administrative                                    | (5,051)        | (7,934)        | (4,826)        | (7,320)        | (8,864)        | (10,850)       |
| Non-GAAP general and administrative  | 22,099         | 29,887         | 36,670         | 45,832         | 74,840         | 109,261        |
| <b>Non-GAAP general and administrative expense as a percentage of revenue</b>                    | 13%            | 13%            | 14%            | 15%            | 20%            | 23%            |
| <b>Reconciliation of non-GAAP operating margins:</b>   |                |                |                |                |                |                |
| Revenue  | 176,737        | 226,743        | 260,352        | 304,573        | 369,259        | 467,991        |
| Operating loss   | (31,811)       | (46,719)       | (50,468)       | (37,902)       | (83,907)       | (145,010)      |
| Less: Stock compensation expense – Operating expense   | (11,106)       | (13,823)       | (13,048)       | (12,859)       | (19,515)       | (32,525)       |
| Non-GAAP operating loss  | (20,705)       | (32,896)       | (37,420)       | (25,043)       | (64,392)       | (112,485)      |
| <b>Non-GAAP operating margin</b>   | (12)%          | (15)%          | (14)%          | (8)%           | (17)%          | (24)%          |



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The background of the image is a low-angle shot of a modern glass skyscraper against a clear blue sky. The building's facade is composed of large glass panels reflecting the sky. In the upper right corner, the word "appian" is mounted on the building in large, dark, three-dimensional letters. In the center of the image, the word "appian" is written in a large, white, lowercase sans-serif font.

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