Cautionary statement concerning forward-looking statements

This presentation includes forward-looking statements. The Private Securities Litigation Reform Act of 1995 provides a safe harbor for forward-looking statements made by or on behalf of CVS Health Corporation (“CVS Health”). Certain statements made in the presentations today and information included in the presentation slides and other documents related to Investor Day 2023 are forward-looking, including information related to full year 2023 and 2024 financial guidance. By their nature, all forward-looking statements are not guarantees of future performance or results and are subject to risks and uncertainties that are difficult to predict and/or quantify. Actual results may also differ materially from those contemplated by the forward-looking statements due to the risks and uncertainties described in our Securities and Exchange Commission filings, including those set forth in the Risk Factors section and under the heading “Cautionary Statement Concerning Forward-Looking Statements” in our most recent Annual Report on Form 10-K, our most recent Quarterly Report on Form 10-Q and our recent Current Reports on Form 8-K.

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This presentation includes non-GAAP financial measures that we use to describe CVS Health’s performance. In accordance with SEC regulations, you can find the definitions of these non-GAAP measures, as well as reconciliations to the most directly comparable GAAP measures, on the Investor Relations portion of our website.

https://investors.cvshealth.com/2023investordaynongaap
## Today’s agenda

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<td>Welcome and introductions</td>
<td>Larry McGrath</td>
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<td>Karen S. Lynch</td>
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<td>Thomas F. Cowhey</td>
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<td>Executive Q &amp; A</td>
<td>CVS Health management team</td>
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Building a world of health
OUR VISION

Building a world of health around every consumer
Powered by a committed team
with deep industry expertise and a passion for improving health care

Karen S. Lynch
President and CEO

Kyle Armbrester
EVP and Chief Executive Officer, Signify Health

Sreekanth K. Chaguturu
EVP and Chief Medical Officer

Thomas F. Cowhey
Interim Chief Financial Officer

Katerina Guerra
EVP and Chief Strategy and Enterprise Affairs Officer

Laurie P. Havanec
EVP and Chief People Officer

J. David Joyner
EVP and President, Caremark

Samrat S. Khichi
EVP and Chief Policy Officer and General Counsel

Tilak Mandadi
EVP and Chief Digital, Data, Analytics and Technology Officer

Sreekanth K. Chaguturu
EVP and Chief Digital, Data, Analytics and Technology Officer

Katerina Guerra
EVP and Chief Strategy and Enterprise Affairs Officer

Michelle A. Peluso
EVP and Chief Customer and Experience Officer

Mike Pykosz
EVP and Interim President, Health Care Delivery

Prem S. Shah
EVP and Chief Pharmacy Officer

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Delivering on our commitments

What we stated we would do

- Advance all-payor primary care delivery capabilities
- Optimize retail portfolio
- Diversify growth portfolio with new health services
- Enhance omni-channel health experiences
- Return capital to shareholders

What we delivered

- Acquired Oak Street Health
- Launched new formats and enhancing MinuteClinic® experience
- On track to close 900 stores between 2022 and 2024
- Exceeded script and colleague retention goals
- Acquired Signify Health
- Launched CVS Healthspire™ and Cordavis™
- Launched MSO with $10 billion in managed spend in 2023
- Grew digital customers to over 55 million, up 20 million since 2021
- Returned more than $11 billion dollars to shareholders through dividends and share repurchases in the last 24 months
CVS Health, a trusted brand in health care

- **$355B**
  Annual revenue

- **$17.4B**
  Adjusted operating income

- **$13B+**
  Operating cash flow

- **300K+**
  Purpose driven colleagues

- **120M+**
  Consumers we serve

- **2.3B+**
  Pharmacy claims processed

- **300K+**
  Annual health services visits

- **85%**
  Of U.S. population lives within 10 miles of a CVS location

---

1. Reflects midpoint of full year 2023 guidance
2. Includes an adjustment to convert 90-day prescriptions to the equivalent of three 30-day prescriptions.
3. Expect to be at upper-end of full year 2023 guidance range

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Aetna member enrolls in CVS Health App for convenient access to benefits, primary care, pharmacy and retail health channels.

Medicare beneficiary enrolls in Aetna Medicare Advantage Plan.

Fills Specialty meds via Caremark; delivered in mail.

Picks up diabetes maintenance meds; learns about in-home evaluation from pharmacist.

Receives in-home evaluation that identifies complications from arthritis; hears about high value primary care options.

Receives primary care at local Oak Street Health clinic; Provider develops comprehensive care plan.

Accesses low-cost biosimilar of Humira for arthritis, saving money.

Fully engaged member unlocks sizeable value for payors and CVS Health.

1. Available beginning January 1, 2024
Our businesses deliver strong value

<table>
<thead>
<tr>
<th></th>
<th>aetna®</th>
<th>CVS Healthspire®</th>
<th>CVS pharmacy</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Health Care Benefits</strong></td>
<td><strong>$104.2B</strong> Annual revenue&lt;sup&gt;1&lt;/sup&gt;</td>
<td><strong>$182.7B</strong> Annual revenue&lt;sup&gt;1&lt;/sup&gt;</td>
<td><strong>$115.9B</strong> Annual revenue&lt;sup&gt;1&lt;/sup&gt;</td>
</tr>
<tr>
<td><strong>Adjusted operating income</strong>&lt;sup&gt;1&lt;/sup&gt;</td>
<td><strong>$5.70B</strong></td>
<td><strong>$7.25B</strong></td>
<td><strong>$5.81B</strong></td>
</tr>
<tr>
<td><strong>Unique members</strong>&lt;sup&gt;2&lt;/sup&gt;</td>
<td><strong>35M+</strong></td>
<td><strong>90M+</strong></td>
<td><strong>120M</strong></td>
</tr>
<tr>
<td><strong>Medicare revenue as a percentage of HCB revenue</strong>&lt;sup&gt;1&lt;/sup&gt;</td>
<td><strong>50%+</strong></td>
<td><strong>10M+</strong></td>
<td><strong>9K+</strong></td>
</tr>
<tr>
<td><strong>Members &amp; patients</strong>&lt;sup&gt;3&lt;/sup&gt;</td>
<td><strong>Projected as of January 1, 2024</strong></td>
<td><strong>Annual Health Services visits</strong></td>
<td><strong>CVS pharmacies</strong></td>
</tr>
<tr>
<td><strong>Unique customers</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1. Reflects midpoint of full year 2023 guidance
2. Reflect 2023E total membership, including PDP
3. Projected as of January 1, 2024

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Advancing the future of health care

- Driving deeper engagement and harnessing innovative technologies
- Bringing excellence in hyper-local convenience
- Innovating and evolving our PBM model
- Increasing transparency in retail pharmacy
Setting the standard for digital engagement and utility

Engaging consumers in unique and connected experiences

55+ million digital customers

New CVS Health app will provide an integrated and personalized experience
Realizing significant value with responsible AI

- Increase efficiency of operations
- Automate workflows and improve safety
- Personalize member experience and engagement
- Improve patient and provider experience

While preserving the human connection in health care
A history of innovating our PBM model to meet customer needs

- Of rebates passed through to clients: $98%+$
- Of Pharmacy Services profit driven by retained rebates and network spread: $\sim19\%$
- Of claims had fully transparent pass-through pricing\textsuperscript{1}: $75%+$

\textsuperscript{1} As of June 2023
Increasing transparency in retail pharmacy

Evolving our reimbursement model

- Transparently pass through cost improvements
- Remove cross-subsidization
- Reasonably compensate us for value created
- Align to underlying costs of the business
Bringing CVS Health’s powerful assets together to create more value
Enterprise Key Measures of Success

Number of consumers we serve
Number of unique digital customers
Number of consumers accessing 2 or more CVS Health offerings
% increase in CVS Health consumer lifetime value

Enrollment growth
Margin improvement
Accelerating earnings from Health Care Delivery
More members in value-based arrangements
Performance in Stars

Resulting in

Enabling us to deliver on our financial commitments
Long-term financial guidance

- Adjusted EPS **growth floor** of 6%
- Growth **increasing over time**
- Opportunities to **outperform**, including Medicare Advantage margin improvement, are projected to add **3% to 4% to Adjusted EPS** in 2025
Why CVS Health

- Strong, sustainable growth, including accelerating growth from Health Care Delivery
- Powerful cash flow generation
- Balanced capital deployment with growing dividend
- Commitment to sustainable business practices and employee development
- Accelerating our Adjusted EPS growth over time
Driving Accelerated Performance
Closing out 2023
On track to deliver another strong year while navigating a challenging environment

a testament to the power of our enterprise

$8.70 - $8.90
2023 ADJUSTED EPS GUIDANCE as of Q4 2022

▼ ($0.35)
Net impact of Signify and Oak Street acquisitions, including financing

▲ +$0.15
TAILWINDS
▲ Pharmacy services outperformance
▲ Net investment income, fees and expenses
▲ Prior year development
▲ Share repurchases

HEADWINDS
▼ Medicare utilization
▼ 340B program
▼ COVID volumes and softening consumer spend

$8.50 - $8.70
2023 ADJUSTED EPS GUIDANCE as of December 5, 2023
## 2023 Guidance
as of December 5, 2023

<table>
<thead>
<tr>
<th>In billions, except per share amounts</th>
<th>Full year 2023 guidance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total revenues</td>
<td>$351.5 to $357.3</td>
</tr>
<tr>
<td>Adjusted operating income</td>
<td>$17.21 to $17.57</td>
</tr>
<tr>
<td>Adjusted earnings per share</td>
<td>$8.50 to $8.70</td>
</tr>
<tr>
<td>Cash flow from operations</td>
<td>Upper-end of</td>
</tr>
<tr>
<td></td>
<td>$12.5 to $13.5</td>
</tr>
</tbody>
</table>

Note: For segment specific detail, please reference the CVS Health Investor Relations website

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2024 outlook and trends
Health Care Benefits

2024 Tailwinds & Headwinds

▲ Cost savings
▲ Medicare Advantage membership growth
▲ Individual Exchange margin expansion
▲ Stable Commercial enrollment with disciplined pricing
▲ Net investment income

2024 Outlook

<table>
<thead>
<tr>
<th>At least $119.8B Revenue</th>
<th>+15% YOY Revenue Growth¹</th>
<th>~87.2% MBR</th>
</tr>
</thead>
<tbody>
<tr>
<td>At least $5.77B Adj. Operating Income (AOI)</td>
<td>+1% YOY AOI Growth¹</td>
<td>~26.2M Medical members</td>
</tr>
</tbody>
</table>

1. Growth rates calculated versus midpoint of 2023 full year guidance
2. As of September 30, 2023

▼ Medicare Stars rating
▼ Medicare utilization
▼ Prior years reserve development ($0.08)²
▼ Medicaid redeterminations impact to membership / acuity
Pharmacy & Consumer Wellness

2024 OUTLOOK

At least $123.4B
Revenue +6% YOY Revenue Growth¹

At least $5.51B
Adj. Operating Income (AOI) (5%) YOY AOI Decline¹

~1.69B
Prescriptions Filled²

2024 TAILWINDS & HEADWINDS

▲ Pharmacy cost of goods improvements
▲ Script growth
▲ Front store margin growth
▲ Store footprint optimization

▼ Pharmacy reimbursement pressure
▼ COVID volumes
▼ Labor investments
▼ Softening consumer spending

1. Growth rates calculated versus midpoint of 2023 full year guidance
2. Includes an adjustment to convert 90-day prescriptions to the equivalent of three 30-day prescriptions

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Health Services

2024 OUTLOOK

<table>
<thead>
<tr>
<th>Revenue</th>
<th>YOY Revenue Growth¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>$169.7B</td>
<td>(7%)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>AOI</th>
<th>YOY AOI Growth¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>$7.49B</td>
<td>+3%</td>
</tr>
</tbody>
</table>

2024 TAILWINDS & HEADWINDS

▲ Script volume growth & inflation
▲ Purchasing economics
▲ Specialty growth
▲ Growth from Signify and Oak Street
▲ Cordavis™ value
▲ Cost savings

▼ Client price improvements
▼ Centene contract loss
▼ Annualization of 340B headwind
▼ Oak Street incremental clinic expansion

1. Growth rates calculated versus midpoint of 2023 full year guidance
2. Includes an adjustment to convert 90-day prescriptions to the equivalent of three 30-day prescriptions

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<table>
<thead>
<tr>
<th></th>
<th>Full year 2024 guidance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total revenues</strong></td>
<td>At least $366B</td>
</tr>
<tr>
<td><strong>Adjusted operating income</strong></td>
<td>At least $17.24B</td>
</tr>
<tr>
<td><strong>Adjusted earnings per share</strong></td>
<td>At least $8.50</td>
</tr>
<tr>
<td><strong>Cash flow from operations</strong></td>
<td>At least $12.5B</td>
</tr>
</tbody>
</table>

Note: For segment specific detail, please reference the CVS Health Investor Relations website.
Long-term guidance framework
Long-term guidance framework
will ensure we deliver on our commitments with opportunities to outperform

Long-term growth guidance

- Market-based segment growth expectations
- Flexibility for disciplined growth investments

Opportunities for potential outperformance

- Driving growth above market-based rates
- Upside from investments
- Accelerated synergy capture
Establishing our Adjusted EPS growth baseline

Adjusted operating income growth from our segments will contribute at least 4% to our Adjusted EPS growth.

Capital deployment at least 2% growth drives a floor expectation of at least = 6% growth increasing over time with opportunities for near-term outperformance.
Establishing our Adjusted EPS growth baseline

Adjusted operating income growth from our segments will contribute at least 4% to our Adjusted EPS growth.

- **7% growth**
  Health Care Benefits

- **(5%) decline**
  Pharmacy & Consumer Wellness

- **7%+ growth**
  Health Services
Establishing our Adjusted EPS growth baseline

(5%) Pharmacy & Consumer Wellness

7%+ Health Services

Adjusted operating income growth from our segments will contribute at least 4% to our Adjusted EPS growth

7% growth Health Care Benefits
- Medicare Advantage growth
- Individual Exchange growth
- Targeted Medicaid growth
- Commercial revenue growth
Establishing our Adjusted EPS growth baseline

Adjusted operating income growth from our segments will contribute at least 4% to our Adjusted EPS growth

(5%) decline
Pharmacy & Consumer Wellness

- Reimbursement pressure
- Script and front store growth
- Improved drug purchasing
- Value-add services

7%+ Health Services
7% Health Care Benefits
Establishing our Adjusted EPS growth baseline

Adjusted operating income growth from our segments will contribute at least **4%** to our Adjusted EPS growth

**7%+ growth**

**Health Services**

- **Pharmacy Services**
  - Claims growth
  - Value from services
  - Specialty growth
  - Purchasing economics

- **Health Care Delivery**
  - Clinic expansion
  - Patient growth

- **Innovative Services**
  - Cordavis™ growth

---

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Accelerating baseline growth through shifting contributions from each of our segments over time

- Contribution from growth businesses: HCB | HSS
- Contribution from declining businesses: PCW | Corporate
- Contributions from share repurchases

2025:
- 6.0%+ from growth businesses
- 6.5%+ from growth businesses
- (2.5%) from declining businesses
- (2.0%) contribution to Adjusted EPS

2028:
- 7.5%+ from growth businesses
- (2.0%) from declining businesses

Higher contribution from growth businesses
Lower contribution from declining businesses
+1.5% contribution to Adjusted EPS
Opportunities for outperformance

drive towards or above the upper-end of market growth rates

+ **Medicare Advantage** margin improvement starting in 2025

+ **New retail pharmacy pricing model**

+ Increased **patient enrollment, product offerings** and **growth of Health Care Delivery**

+ **Benefits from future investments**

Opportunities for outperformance, including Medicare Advantage margin improvement, are projected to add 3% to 4% to 2025 Adjusted EPS
Powerful cash flow generation
Powerful cash flow generation drives value creation and enables our strategy.

- **$35 to $40 billion**
  - Cash flows from operations

- **$5 to $10 billion**
  - Incremental debt capacity

- **$40 to $50 billion**
  - Cumulative deployable cash

---

**~35% | Invest in our business**
- Capital expenditures
- Risk-based capital

**~25% | Compelling dividend**
- Targeted payout ratio of ~30%

**~40% | Available for flexible deployment**
- Execute share repurchases to drive at least 2% Adjusted EPS growth
- Capacity for value-added and capability-focused M&A

---

Committed to our current investment grade ratings while maintaining flexibility.

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Robust, diverse sources of free cash flow from all business segments

**EXPECTED ANNUAL AVERAGE (2024 to 2026)**

- **$12.5+ billion**
  - Cash flows from operations

- **$5.5 billion**
  - Capital expenditures and risk-based capital

- **$7+ billion**
  - Free cash flow

---

<table>
<thead>
<tr>
<th>Health Services</th>
<th>Corporate¹</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>$7B+</strong> Total Free Cash Flow</td>
<td></td>
</tr>
</tbody>
</table>

1. Includes other corporate expenses including opioid litigation settlements

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Value creation across the enterprise
Serving more than a quarter of the U.S. population provides a unique opportunity to expand engagement.

Our national footprint and local community presence engage millions of consumers in high-quality care and help accelerate growth.

- **CVS pharmacy**: 120M customers
- **CVS caremark**: 90M members
- **Aetna**: 35M members

1. Reflects retail pharmacy and front store customers
2. Projected as of January 1, 2024
3. Reflects 2023E total membership, including PDP

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What is the lifetime value of a customer?

ELTV
ENTERPRISE LIFETIME VALUE

= Net Present Value

Incremental Member Value

× Average Duration
In Years
Looking at the unit economics of our portfolio opportunity to materially expand lifetime value through our CVS Health Care Delivery assets is clear.

CVS ACO
Health Care Delivery

Health Care Delivery generates significantly higher lifetime value
Unlocking the power of CVS Health

Creating integrated value that is up to 10% greater than the sum of our parts
Opportunity of increasing penetration

New Opportunity
Highest value per incremental consumer engaged

Over 70% of Aetna members are integrated with Caremark

Strong Value Capture
with room to grow

Caremark members use CVS Pharmacy about 1/3 of the time

Small gains in penetration can drive a meaningful increase in enterprise lifetime value
Enterprise Key Measures of Success

Number of consumers we serve

Number of unique digital customers

Number of consumers accessing 2 or more CVS Health offerings

% increase in CVS Health consumer lifetime value

Enrollment growth

Margin improvement

Accelerating earnings from Health Care Delivery

More members in value-based arrangements

Performance in Stars

RESULTING IN

Enabling us to deliver on our financial commitments
Why CVS Health, why now?
our powerful strategy and unique combination of assets position us to build a world of health around the consumer

Reliable, diversified and accelerating earnings growth

Powerful cash generation that supports strategic goals and opportunistic capital deployment

Attractive return profile, anchored on a compelling dividend

Transforming health care requires engagement and breadth - no one is better positioned to engage, deliver clinical services and simplify health care than CVS Health
The health care market continues to be dynamic

Aging population

Demographic and funding shifts

Shift towards full-risk value-based care

Well-positioned to deliver a differentiated health care experience and drive growth across all product lines

Leading Medicare Advantage business and CVS Health capabilities

Flexible and diverse product portfolio

Increasing full-risk value-based care penetration is an opportunity
# Aetna has a proven history of delivering growth

supported by a diversified portfolio of products uniquely tailored for varying customer needs

<table>
<thead>
<tr>
<th>Our results</th>
<th>Our customers</th>
<th>Our value</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>10%</strong> Medicare Advantage 4-year membership growth CAGR(^1)</td>
<td><strong>50%+</strong> Fortune 100 companies served (^2)</td>
<td><strong>87%</strong> Medicare Advantage membership in 4+ Star rated plans (^4)</td>
</tr>
<tr>
<td><strong>11%</strong> Aetna 4-year revenue growth CAGR(^1)</td>
<td><strong>35M+</strong> Unique members served (^3)</td>
<td><strong>70%</strong> Commercial members have integrated medical / pharmacy benefits</td>
</tr>
</tbody>
</table>

---

1. Reflects growth 2019 – 2023E
2. As of March 2023
3. Reflects 2023E total membership, including PDP
4. In Plan Year 2025

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THE COMBINATION WITH CVS Health has accelerated our momentum

Since 2019, we have...

- Grown core businesses
- Significantly grown Government businesses
- Re-entered the Individual Exchange market

We are the trusted partner for a lifetime of health

---

1. Excluding divested non-core businesses including Aetna International, bSwift and PayFlex
2. Midpoint of 2023 full year guidance

REVENUE BY PRODUCT

($ billions)

- $34
- $8
- $28
- $53
- $28
- $18
- $6

11% Total CAGR
14% Government CAGR

2019

- 60% Government programs
- $34

2023 E

- 70% Government programs
- $53

Medicare
Medicaid
Individual Exchange
Commercial / Other
Well-positioned for core growth

STRENGTHENED BY CVS HEALTH INTEGRATED ASSETS

- CVS pharmacy®
- CVS caremark®
- CVS specialty
- signifyhealth®
- Oak St. Health

Leading Medicare business

Individual Exchange expansion

Targeted Medicaid growth

Compelling Commercial offering
Medicare

A broad product portfolio representing more than 50% of Aetna's revenue and serving ~11M members¹

1. Reflect 2023E; includes Medicare Advantage, PDP and Supplemental Benefits

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A strong Medicare Advantage business

**KEYS TO SUCCESS**

- Sustain best-in-class **Star Ratings**
- Increasing focus on **special needs populations**
- Strengthen **value-based care capabilities**
- Deliver **product innovation** powered by CVS Health integrated assets, digital tools and technology

**WE WILL**

**Drive profitable growth**

**GROW TOPLINE**

- Grow at least market rate

**MARGIN OPPORTUNITY**

- Path to recapture target margin provides outperformance potential
Path to Medicare Advantage margin recapture

**Pressured Medicare Results**
- ▲ Regained 4+ Star rating for 2025 plan year
- ▼ Elevated industry utilization
- ▼ Lower than expected Individual growth

**Recovery Despite Stars Headwind**
- ▲ Expect enrollment growth above market
- ▼ Stars headwind, net of mitigation efforts
- ▼ Elevated utilization only partially captured in bids

**Continued Growth & Margin Improvement**
- ▲ Expect enrollment growth at or above market
- ▲ Stars revenue recovery
- ▲ Margin improvement beyond Stars

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Individual Exchange

We continue to expand our Individual Exchange footprint and will serve ~1.4M members\(^1\) in current markets.

In 2024, we will have presence in 17 states reaching more than half of the national addressable market...

... and expect revenue of ~$8 billion

\(^1\) Expected as of year-end 2023

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Individual Exchange expansion
powered by CVS Health integrated assets

**KEYS TO SUCCESS**

- **Differentiated and integrated product offerings**
- **Innovative distribution and marketing**
- **Consumer-centric clinical programs**
- **Unique and accessible networks** focused on value-based care

**WE WILL**

**Drive disciplined growth**

**GROW TOPLINE**
- High-single digit growth

**MARGIN OPPORTUNITY**
- Target mid-single digit margins

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Compelling Commercial offering  
driven by product innovation to meet customer needs

KEYS TO SUCCESS

♥ Grow share in priority geographies
♥ Differentiate through innovative, integrated product offerings
♥ Achieve best-in-class network discounts
♥ Drive engagement and simplicity through innovative digital capabilities

WE WILL

Balance margin and membership growth

GROW TOP LINE
Low-single digit growth

MARGIN OPPORTUNITY
Preserve competitive margins

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We will target Medicaid growth in geographies where we can bring the full portfolio of CVS Health assets to bear.

**KEYS TO SUCCESS**

- **WE WILL**
  - Retain key contracts and drive de novo growth
  - Execute coordinated, **Duals-focused market entry** strategy
  - Deliver **data-driven quality and population health excellence**
  - Deepen provider relationships through value-based care
  - Maintain strong state relationships and leading RFP capabilities

<table>
<thead>
<tr>
<th>GROW TOPLINE</th>
<th>MARGIN OPPORTUNITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mid-single digit growth</td>
<td>Stabilize margins post-redeterminations</td>
</tr>
</tbody>
</table>
HEALTH CARE BENEFITS
We remain committed to Enterprise growth

The value of our integrated model

- 87% of Medicare Advantage membership in 4+ Star rated plans¹
- 17M+ integrated medical / pharmacy benefit members²
- 2M+ members with access to OTCHS benefits²
- ~41% penetration of Aetna members at CVS Pharmacy²
- ~800K members accessing Signify in-home services³
- Will double Aetna members accessing Oak Street Health services⁴

1. In Plan Year 2025
2. As of September 30, 2023
3. Expected as of year-end 2023
4. Expected Q1 2024; since Oak Street transaction close

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Health Care Benefits
Key Measures of Success

- At or above market enrollment growth
- Deliver on target margins by line of business
- % of MA members in 4+ Star rated plans
- % penetration in CVS Caremark, Retail and Health Care Delivery
HEALTH CARE BENEFITS
We are committed to delivering strong results

Key takeaways

• Leading business with diverse product offering
• Attractive growth opportunities in all products
• Clear and deliberate path to improve margins in Medicare Advantage and Individual Exchange
• Compelling value capture through cross-enterprise assets, including Health Care Delivery

The path forward

Leading Medicare Advantage Star ratings
Increasing value-based arrangements
Product innovation and integrated offerings
Pharmacy & Consumer Wellness
Retail Pharmacy - critical to the health care system

Health care is local
Pharmacy is trusted
Role of pharmacy is expanding
CVS is the leading national pharmacy chain

Our results

26.6%
Pharmacy share¹

1.6B+
Scripts filled in 2023²

Our customers

~14M
Weekly pharmacy interactions³

73M+
Members enrolled in ExtraCare³

Value delivered

#1
National retail chain in adherence performance⁴

~90%
Trust their local pharmacist⁵

---

1. IQVIA data as of Q3 2023, excluding COVID vaccines
2. Reflects midpoint of full year 2023 guidance
3. As of October 2023
4. #1 in Cholesterol, Diabetes and Hypertension Stars Adherence measures amongst top 10 largest competitors for major health plans, Pharmacy Quality Solutions
5. Harris Poll survey conducted from March 9-20, 2023
Technology-enabled operating model

AI-powered quality and safety capabilities

Tech-driven workflow initiatives

Digital & omnichannel innovation

Unlocking labor capacity to deliver more clinical services
Our differentiator is consumer engagement

Delivering health care that is:
- Seamless and omnichannel
- Connected and convenient
- Easier to navigate
- Local and accessible

A sustainable retail business

Our engagement will drive better health outcomes and lower costs
Pressures outpace efficiencies and growth

- Reimbursement
- Wage and expense growth
- Cross-subsidization
- Consumer caution
- Declining COVID contribution

Macro pressures

 Remaining pressure on PCW earnings

- Cost efficiencies
- Script and front store growth

COGS
Leading change in pharmacy reimbursement

**CURRENT STATE**
- Antiquated model
- Complicated pricing
- Cross-subsidization

**FUTURE STATE**
- Sustainable model
- Transparent pricing
- Payment based on services provided and cost of drug

Moving to a new, transparent model beginning in 2025
CVS CostVantage™

We will continue to lower the cost of drugs and will pass through cost improvements to our clients.

Drug cost \times \text{Markup \%} + \text{Patient management fee}
New model benefits the drug supply ecosystem

Retail Pharmacy
- Transparent pricing
- Sustainable retail economics
- Enables us to reinvest in our stores and colleagues
- Clear growth drivers

PBMs and Payors
- Crucial building block for a more transparent PBM model
- Ensures access to care

Consumers
- Provides foundational step towards more consumer clarity
- Ensures access to care
- Ability to improve service and quality for consumers

Value delivered to all stakeholders
Pharmacy & Consumer Wellness
Key Measures of Success

- % Retail pharmacy share
- Industry-leading drug purchasing economics
- Providing patients and payors with value-add services
- Consumers connected to Health Care Delivery
- % of pharmacy scripts reimbursed under new model
Key takeaways

- Create a more sustainable and transparent pharmacy economic model
- Differentiate as the pharmacy and employer of choice
- Deliver excellent service and health outcomes for consumers
- Drive consumer engagement and enable enterprise value

The path forward

- **Market-leading retail pharmacy**
- **Roll-out of CVS CostVantage™**
- **Consumer engagement and enterprise value**

We are committed to delivering strong results
Pharmacy Services
Our customers

- ~98%
  2024 retention\(^1\)

- 50%+
  Fortune 100\(^2\)

Our value

- $1B+
  2023 Specialty cost savings\(^3\)

- 70%
  GLP-1 savings\(^3\)

Our results

- 13.4%
  2019-2023 CAGR\(^4\)

- 14%
  Specialty Revenue
  2017-2022 CAGR\(^5\)

---

1. As of November 13, 2023, excluding Centene; including Centene, 2024 retention is 78.1%
2. Based on 2024 clients
3. As of Q2 2023
4. As of October 2023
5. CVS Specialty revenue excludes Coram and rebate value, includes Specialty Mail, CarePlus, Wellpartner, Novologix, and Accordant

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Offering flexibility, lower cost, better outcomes

End-to-end pharmacy benefits management

- **PBM services**
- **Purchasing economics**
- **Dispensing assets**

96% of PBM clients utilize our integrated services¹

12% higher member NPS²

47% annual client savings potential³

---

¹ As of September 2023, based on percentage of claims from PBM clients across PBM, mail, and Specialty
² Reflects difference between integrated PBM and Specialty members versus standalone Specialty members; based on Medallia CVS Specialty Care and Fulfillment Survey year-to-date through October 31, 2023
³ Reflects savings potential for clients who adopt our full suite of PBM and Specialty cost management strategies; based on June YTD 2023 results from Commercial clients
We’re setting the record straight on our business model

- **98%+** Of rebates passed through to clients
- **~19%** Of Pharmacy Services profit driven by network spread and retained rebates
- **75%+** Of claims had fully transparent pass-through pricing¹

¹ As of June 2023
Strong Specialty growth opportunity

U.S. Specialty market

<table>
<thead>
<tr>
<th>52%</th>
<th>Specialty as a portion of Commercial pharmacy spend¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>$360B</td>
<td>Specialty market size by 2025²</td>
</tr>
<tr>
<td>$100B</td>
<td>Biosimilar market size by 2029³</td>
</tr>
</tbody>
</table>

CVS Specialty revenue 2017-2022 CAGR (vs. 9% industry growth)⁴

1. Commercial Book of Business Q1-Q2 2023
2. CVS analysis based on Evaluate Pharma and market research as of September 2023; represents sales by pharma manufacturers, not dispensing revenue; includes pharmacy and medical benefit drugs; may not account for full value of generics
3. Fortune Business Insights (May 2022) and company estimates
4. CVS Specialty revenue excludes Coram and rebate value, includes Specialty Mail, CarePlus, Wellpartner, Novologix, and Accordant to align with Drug Channels Institute methodology

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# CVS Specialty positioned to outpace the market

## What we offer

<table>
<thead>
<tr>
<th>Expertise</th>
<th>Technology</th>
<th>Efficiency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unparalleled reach across <strong>38 centers of excellence</strong>¹</td>
<td>80%+ of patient records accessible via EMR connectivity²</td>
<td>AI-enabled end-to-end prescription management process</td>
</tr>
<tr>
<td></td>
<td>95% digital reach for Specialty patients³</td>
<td></td>
</tr>
</tbody>
</table>

## Why it matters

<table>
<thead>
<tr>
<th>Expertise</th>
<th>Technology</th>
<th>Efficiency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Decades of market-leading clinical support</td>
<td>Omnichannel patient and provider relationships</td>
<td>Unlocking new value from technology</td>
</tr>
</tbody>
</table>

---

1. CVS Specialty Therapy Operations team  
2. CVS Health Analytics 2023  
3. Specialty Product team
Proven expertise to navigate drug innovations

OUR MODEL

Formulary & Utilization Management

Care Management

 Generics & Biosimilars

Blockbuster Brands

Specialty & Autoimmune

Next Generation (e.g., GLP-1s)

Formulary exclusions

Choice Formulary

Formulary exclusions/UM

Transform Diabetes Care®

Accordant™

Transform Weight Management

Generics/Red Oak Sourcing

Biosimilars/Cordavis™
New model will shape the future PBM industry

CVS Caremark TrueCost™
- Simplified pricing enabling members to stay on benefit
- Client pricing that reflects actual net drug costs
- Acquisition cost-based pharmacy reimbursement

Differentiation
- Best-in-class cost of goods
- Stability of national pharmacy network access
- Transparency in client markup and admin fees

Our clients will
- Continue to have choices
- Maintain access to lowest net cost options
- Have innovative tools to reduce total cost of pharmacy, including member out-of-pocket costs

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We remain committed to Enterprise growth

The value of our integrated model

Omnichannel Pharmacy
- >8 in 10 Maintenance Choice prescriptions filled at CVS retail

Integrated Pharmacy & Medical
- Nearly 70% growth in Integrated Pharmacy and Medical business following the Aetna integration

Value-Based Care
- Expanding in-home care gap closure for PBM health plan clients
- Establishing value-based primary care collaboration opportunities

1. Based on analysis of mail versus retail preferences on non-Specialty 90-day supply prescriptions filled for Maintenance Choice members in 2023
2. Integrated membership growth from 2018-2023
Pharmacy Services
Key Measures of Success

- Increase in script volume
- Industry leading drug purchasing economics
- % penetration across CVS Health assets
- Growth in Specialty
- Adoption rate of biosimilars
PHARMACY SERVICES
We are committed to delivering strong results

Key takeaways

- Continued sustainable growth
- Specialty and biosimilar capabilities drive value
- Leading with innovation, including:
  - TrueCost™ pricing model
  - Modernized technology
  - Choice formulary design
  - Biosimilar adoption

The path forward

- Specialty growth
- Lowest net cost
- PBM innovation
Health Care Delivery
Transformative Health Care Delivery organization

Core assets with proven results + Flywheel effect within Health Care Delivery businesses → A differentiated platform poised for continued growth and impact
Health Care Delivery platform in 2023

**Our results**

- **$6B** pro-forma 2023 revenue\(^1\)
- **14M+** 2023 patient and member visits\(^{1,2}\)

**Our customers**

- **8.7M** 2023 patients and members\(^1\)
- **220+** unique payors served

**Our value**

- **21%** Oak Street Health gross savings rate\(^{3,4}\)
- **2.5x longer** spent with members in-home\(^5\)

---

1. Estimated as of year end
2. Across Oak Street Health, Signify, CVS Accountable Care and MinuteClinic
3. Achieved in Direct Contracting program (predecessor to ACO Reach) PY2022
4. The statements contained in this document are solely those of the authors and do not necessarily reflect the views or policies of CMS; the authors assume responsibility for the accuracy and completeness of the information contained in this document
5. Signify In-Home Evaluation compared to the average primary care physician visit

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Opportunity for providers of higher quality care

<table>
<thead>
<tr>
<th>Unsustainable Cost $1,2</th>
<th>Poor Outcomes $3</th>
<th>Negative Experience $4,5</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>$4.3 trillion</strong></td>
<td><strong>-2 years</strong></td>
<td><strong>&gt;40%</strong></td>
</tr>
<tr>
<td>U.S. annual health care spend</td>
<td>U.S. life expectancy vs OECD average</td>
<td>U.S. physician burnout rate</td>
</tr>
<tr>
<td><strong>~$1 trillion</strong></td>
<td><strong>+52%</strong></td>
<td><strong>-1.2</strong></td>
</tr>
<tr>
<td>Estimated ‘wasteful’ health care spend</td>
<td>U.S. diabetes hospital admits vs OECD average</td>
<td>Average Net Promoter Score for primary care physicians</td>
</tr>
</tbody>
</table>

1. CMS 2021 data
2. Journal of the American Medical Association
3. Organisation for Economic Co-operation and Development
4. Medscape National Physician Burnout and Suicide Report
5. The Advisory Board, 2019
Our Health Care Delivery Vision

A fully integrated value-based health care ecosystem utilizing virtual, community and home-based mediums of care, along with traditional provider channels, to drive superior health care outcomes.

- **Powered by**
  - A fully interoperable IT infrastructure

- **Monetized through**
  - Risk bearing mechanisms around all products
Driven by national multi-payor care offerings

- >1,200 centers¹
- >4,200 employed providers¹
- ~1M lives under management in 2024
- Growing to 60K+ provider partners in 2024
- 11K+ licensed clinicians
- 2.7M projected home visits in 2023

¹. Across Oak Street Health and MinuteClinic

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Differentiated results on quality and experience

**LEADING CARE MODEL**

- **51% reduction** in hospital admissions for Oak Street patients\(^1\)
- **300+ clinical and social data points** captured during a Signify In-Home Evaluation

**#1 average gross and net savings** across PY2021 and PY2022 Direct Contracting program out of ~50 total participants\(^2\)

**UNMATCHED PATIENT EXPERIENCE**

- Oak Street patient satisfaction: **96%**\(^3\)
- MinuteClinic NPS: **81.2**
- **97%** of members highly satisfied with their Signify In-Home Evaluation indicate they would complete another in the future\(^4\)

---

1. Oak Street Health 2021 Social Impact Report; as compared to Medicare benchmarks
2. The statements contained in this document are solely those of the authors and do not necessarily reflect the views or policies of CMS; the authors assume responsibility for the accuracy and completeness of the information contained in this document
3. Oak Street Health Q3 2023 Patient Experience Insights survey; results indicate 96% of providers received satisfaction rankings of at least 80% across primary visit types
4. Based on May 2023 member survey conducted by external third-party
Signify’s strategic growth fueled by CVS Health

Engage more members

Do more for members

Improve quality and lower cost for members
Leader in comprehensive In-Home Evaluations

HOW IT WORKS

Engage & Schedule

In-Home Evaluation

Post-Visit

11K+ licensed clinicians

2.7M projected home visits in 2023

up to

34K+

members scheduled per day

2.5x

longer spent with members in-home¹

250K+

case management referrals in 2023

1. Signify In-Home Evaluation compared to the average primary care physician visit
Expanding capabilities through innovation

Engage & Schedule
- Optimizing provider drive time through robust logistics and routing

In-Home Evaluation
- Expanding diagnostic tests offered during the home visit

Post-Visit
- Enhancing connection points through advanced technology
Signify is delivering promising early results

Engage + Do More

65%+ of hard to reach Aetna members

Increasing access with online scheduling

Welcome Visit schedule rate for seniors connected to Oak Street by Signify

65%+ of hard to reach Aetna members

55% of Aetna members who were educated about Oak Street Health chose to be connected for additional information

1. ~19% of Aetna members who were educated about Oak Street Health chose to be connected for additional information

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National leader in provider enablement

OUR SERVICES

- Clinical programs
- Practice transformation
- Analytics & technology
- Embedded care management

Supporting 60K+ provider partners across rural, suburban and urban areas from clinics to academic medical centers

~1M lives under management in 2024E

$10B spend under management in 2023E
Combination of CVS Accountable Care and Signify improves quality and lowers costs for members

Enabled by a unified best-in-class Value-Based Care MSO and technology platform

1. Realizing Equity, Access and Community Health
Strong Oak Street unit economics can further improve with patient growth

~1 new at-risk patient per center per day (P/C/D) could pull forward J-curve by ~2 years
CVS Health has ability to meaningfully accelerate Oak Street’s growth

<table>
<thead>
<tr>
<th>Our opportunities</th>
<th>Initial results</th>
</tr>
</thead>
<tbody>
<tr>
<td>&gt;650K Medicare beneficiaries visit CVS stores in Oak Street geographies each week</td>
<td>✔ Approximately 1 in 6 customers engaged in store scheduled a visit</td>
</tr>
<tr>
<td>&gt;850K Aetna MA and PDP Members geographically aligned</td>
<td>✔ &gt;120K Aetna members with need for improved primary care prioritized for outreach in 2023</td>
</tr>
<tr>
<td>&gt;300K Signify Home visits annually in Oak Street geographies</td>
<td>✔ 10% of Aetna seniors educated by Signify about Oak Street as a primary care option scheduled a Welcome Visit</td>
</tr>
</tbody>
</table>

Opportunity will continue to increase as Oak Street adds additional centers
Combining assets improves VBC capabilities across portfolio

Risk bearing MSO: Unified value-based enablement platform

- Risk-based contracts across payor and program types
- Contracting and care model support based on partner need
- Community Care Sites
- Affiliate Provider Enablement
- Population Risk

Best-in-class population health technology

Leading care model and provider engagement programs

Powered by CVS Health digital, data and analytics capabilities
**CHICAGO:**
An example of our local density and presence in the community\(^1\)

<table>
<thead>
<tr>
<th>28 clinics</th>
<th>51K patients</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>signifyhealth.</strong></td>
<td></td>
</tr>
<tr>
<td>215 Signify providers</td>
<td>~32K home visits</td>
</tr>
<tr>
<td><strong>CVS Accountable Care</strong></td>
<td></td>
</tr>
<tr>
<td>1,500 provider partners</td>
<td>40K at-risk lives</td>
</tr>
<tr>
<td><strong>minute clinic</strong></td>
<td></td>
</tr>
<tr>
<td>120 providers</td>
<td>~170K patients</td>
</tr>
</tbody>
</table>

Footprint currently serving ~290K patients with opportunity to increase impact

---

1. As of September 2023

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Projecting mid-double digit revenue CAGR over the next 5+ years

<table>
<thead>
<tr>
<th>Service</th>
<th>Est. steady-state margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>Home-Based Services (Signify)</td>
<td>~High-teens</td>
</tr>
<tr>
<td>Oak Street Clinics</td>
<td>~Mid-teens</td>
</tr>
<tr>
<td>Affiliate Provider Enablement</td>
<td>~Low- to mid-single digits</td>
</tr>
<tr>
<td>Retail</td>
<td>~Low-single digits</td>
</tr>
</tbody>
</table>

1. Reflects pro-forma basis for Signify and Oak Street

- Accelerating Oak Street clinic and patient growth
- Increasing home visits and health services
- Expanding provider enablement offerings
- Augmenting retail health offerings to support VBC strategy

~$6B Revenue¹ (2023E)
~$10B+ Revenue (2024E)

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Health Care Delivery
Key Measures of Success

- # of Oak Street Health centers
- # of profitable Oak Street Health centers
- Combined # of at-risk lives
- # of in-home visits
- # of owned, affiliated and contracted providers
HEALTH CARE DELIVERY
We are committed to delivering strong results

Key takeaways

• Large opportunity to provide higher quality care
• Our businesses create a differentiated, multi-payor value proposition
• Early enterprise initiatives demonstrate the power of our combined assets
• Significant growth potential as we scale our capabilities and services

The path forward

Patient and clinic growth

In-home visit growth and expansion of services

Enabling value-based arrangements
Why CVS Health

- Strong, sustainable growth, including accelerating growth from Health Care Delivery
- Powerful cash flow generation
- Balanced capital deployment with growing dividend
- Commitment to sustainable business practices and employee development
- Accelerating our Adjusted EPS growth over time