

FEBRUARY  
2022

# Healthier

happens now



♥ CVSHealth®

# 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. 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 differ materially from those contemplated by the forward-looking statements due to the risks and uncertainties related to the COVID-19 pandemic, including the potential emergence of additional variants, vaccine and testing protocols, government testing initiatives, the geographies impacted by and the severity and duration of the pandemic, the pandemic's impact on the U.S. and global economies and consumer behavior and health care utilization patterns, and the timing, scope and impact of stimulus legislation and other federal, state and local governmental responses to the pandemic, as well as 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 and our recent Current Reports on Form 8-K.

This presentation includes non-GAAP financial measures that we use to describe our company'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. [Link to our non-GAAP Reconciliations](#)



# our **vision**

- ♥ Becoming **the leading health solutions company** for consumers  
.....
- ♥ Delivering a **superior health care experience** for consumers  
.....
- ♥ **Driving improved** health outcomes, lower costs, higher levels of engagement and broader access to high quality care

## Unifying our business around the consumer health experience and scaling new sources of value

- 1 **Advance** all-payer primary care delivery capabilities
- 2 **Optimize** retail portfolio to serve as community health destinations
- 3 **Diversify** our growth portfolio with new health services
- 4 **Drive** digital-first, technology-forward approach
- 5 **Enhance** omnichannel health experiences





CVS Health continues to  
**lead the nation's  
COVID-19 response**

**>32M**

tests administered  
in 2021

**>59M**

vaccines administered  
in 2021

**~37M**

new customers through  
COVID-19 testing and  
vaccine services since  
inception

**~14%**

of customers new to CVS  
Health through COVID-19  
testing services chose to  
fill new prescriptions or  
receive their vaccinations  
at CVS Health\*

\*New COVID-19 testing patients defined as those who have had 12 months elapse since their COVID-19 test.

# Financial Review

# Financial highlights

**FY 2021 Adjusted EPS of \$8.40 exceeded expectations; Maintaining FY 2022 guidance for Adjusted Operating Income and Adjusted EPS**

**\$1.98**

**Q4 adjusted EPS**

Reflects adjusted operating income growth across all businesses

**10.6%**

**Q4 adjusted revenue growth**

Reflects growth across all businesses

**\$4.0 billion**

**Q4 cash flow from operations**

Committed to disciplined capital allocation priorities



## **Evidence**

**our strategy and execution is delivering value across the health care system** for

our customers,  
our communities,  
our colleagues and  
our shareholders

## **FY 2022 guidance**

Total company adjusted operating income

**\$16.7B – \$17.1B**

Total company adjusted EPS

**\$8.10 – \$8.30**

Cash flow from operations

**\$12.0 – \$13.0B**

**strong balance sheet**

Paid down \$2.3B in debt in Q4 and net \$8.8B in 2021

FULL-YEAR 2022 GUIDANCE

# Total company outlook

<i>in billions, except per share amounts</i>	<b>Q4:21 Earnings Call</b> Feb 9, 2022	<b>2021 Investor Day<sup>1</sup></b> Dec 9, 2021
Total Revenues	\$304 to \$309 4 – 6%	\$304 to \$309 5 – 6%
Adjusted Operating Income	\$16.7 to \$17.1 (4) – (1)%	\$16.7 to \$17.1 1 – 3%
GAAP EPS	\$7.04 to \$7.24 18 – 22%	\$7.04 to \$7.24 27 – 30%
Adjusted EPS	\$8.10 to \$8.30 (4) – (1)%	\$8.10 to \$8.30 1 – 4%
Cash Flow from Operations	\$12.0 to \$13.0	\$12.5 to \$13.0

**Maintaining guidance** for revenues, adjusted operating income, and adjusted EPS

.....  
**Updating guidance range** for cash flow from operations

Percentages represent year-over-year growth from reported 2021 results.

1. Percentages represent year-over-year growth from FY21 Guidance shared at Investor Day on December 9, 2021. GAAP EPS percentages represent year-over-year growth from mid-point of FY21 GAAP EPS Guidance shared at Investor Day on December 9, 2021.

2. Calculated versus 2021 baseline of \$7.92 excluding prior years development (net of profits returned to customers), net redized capital gains and includes the annualized impact from increase to minimum wage.



# Capital Allocation

# Cash flow and strategic capital deployment

Strong cash flow generation and commitment to investment grade ratings



## Powerful cash generation

- In Q4 2021, generated **\$4.0 billion** of cash flow from operations
- In 2021, generated **\$18.3 billion** of cash flow from operations; **~15%** growth over prior year
- Since 2016, generated **~\$64 billion** in cash flow from operations<sup>1</sup>



## Significant debt paydown

- **Paid down \$2.3 billion** of long-term debt during Q4 2021 and net **\$8.8 billion** in 2021
- **Repaid net \$21 billion** of long-term debt since the close of the Aetna transaction



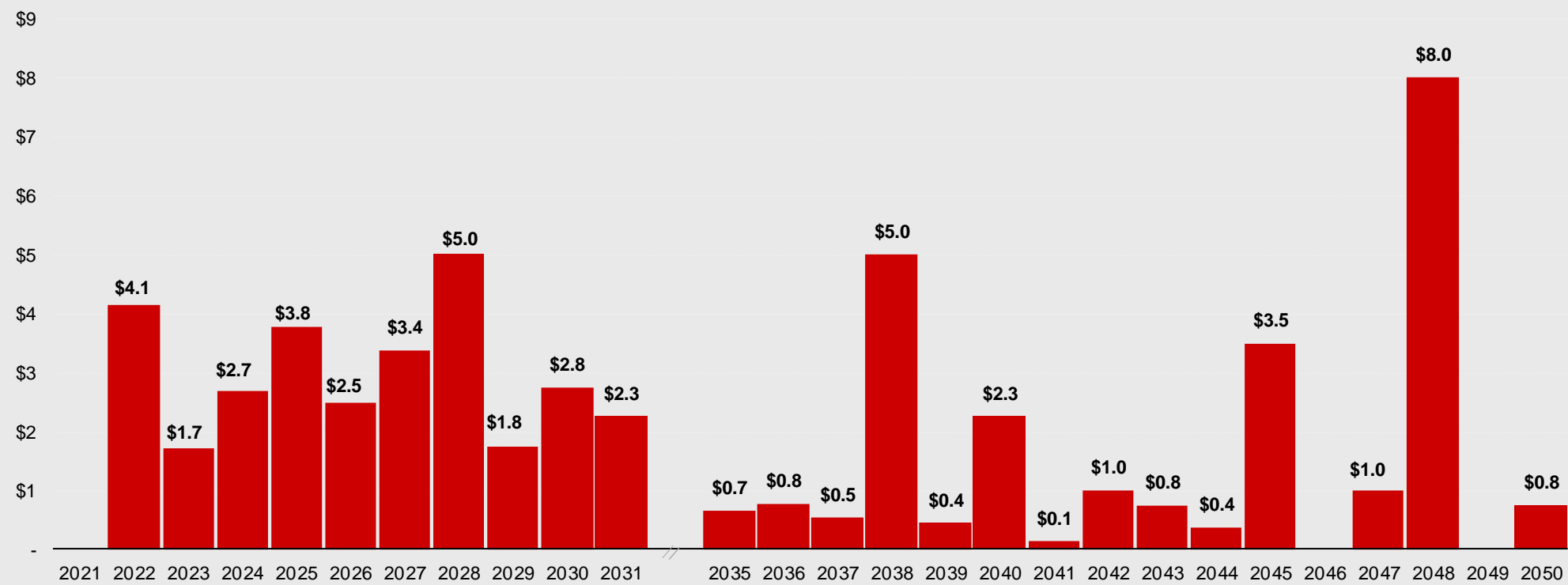
## Returning value to shareholders

- Raised annual dividend 10% to **\$2.20** per share effective February 1, 2022
- In Q4 2021, paid **\$660 million** in shareholder dividends
- Paid **\$2.6 billion** in shareholder dividends in 2021
- Introduced a **\$10 billion** share repurchase program; to offset dilution in 2022

<sup>1</sup> Calculation through year-end 2021.

# Long-term debt maturity profile

(\$ billions)



Long-term debt maturity profile as of Q4 2021  
Debt maturity chart excludes leases



# **Sustainability**

# Healthy 2030

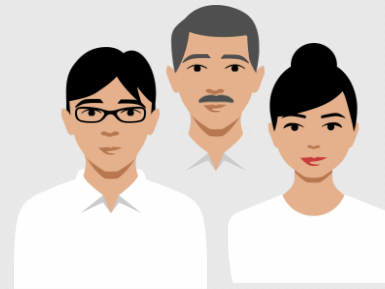
Grounded in four pillars, our ESG strategy reinforces our commitment to impacting the health of the people and communities we serve, our businesses and the planet



**Healthy People**



**Healthy Business**



**Healthy Community**



**Healthy Planet**

# Sustainability Awards & Recognition



2021 Points of Light Institute— **50 most community-minded companies** in the U.S. for the **5<sup>th</sup> year in a row**



**#11** overall of 2021 3BL Best Corporate Citizens



**#26** on top 50 companies for diversity, up from **#50** in 2017



**9<sup>th</sup> straight year** on North American list and **3<sup>rd</sup> straight year** on World List



**#32** 2021 World's Most Admired Companies, **#1** within our industry



DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

SCIENCE  
BASED  
TARGETS

**1 of only 7 companies** to have had their net-zero targets certified through the SBTi's pilot target validation process



BILLION DOLLAR  
ROUNDTABLE  
— Corporate Supply Chain Diversity —

Member of group that is spending more than **\$1 billion** annually with **diverse suppliers**





## Our commitment to shareholders

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Focused on creating value through our consumer-centric vision

Continued strong execution across the company

Disciplined investment decisions and thoughtful portfolio evaluation

Delivering integrated experiences across our company assets

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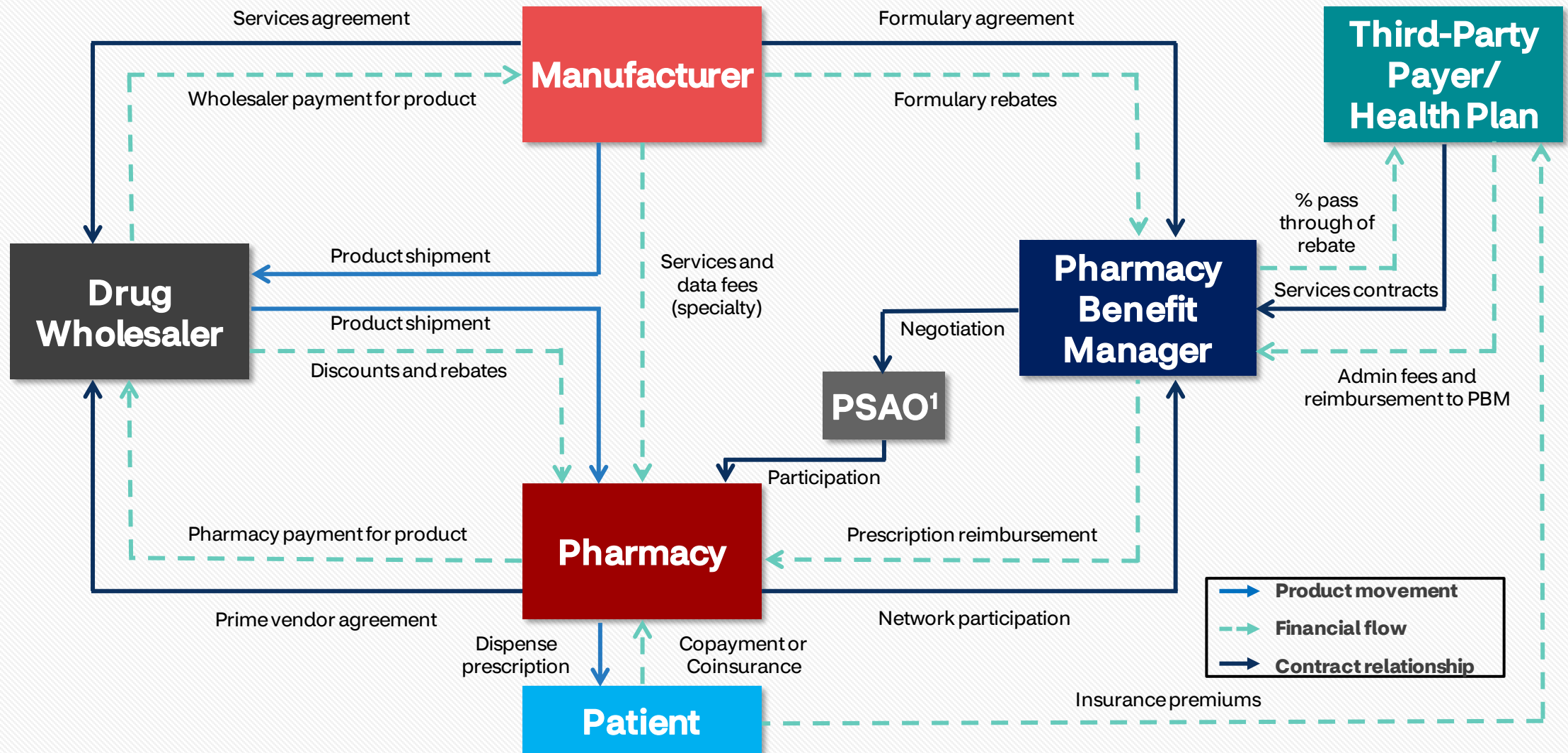
**Focused on long-term value creation**

# Appendix

# Industry backgrounder

The following flow chart is intended to be illustrative of the industry dynamics involving our Pharmacy, PBM, and Health Insurance businesses with respect to the distribution and reimbursement of pharmaceutical products for our customers and members.

# U.S. pharmacy distribution & reimbursement system



<sup>1</sup>Only if applicable. Not all pharmacies participate in a pharmacy services administrator organization (PSAO).

Note: Chart reflects patient-administered, outpatient prescriptions drugs. This chart is illustrative. It is not intended to be a complete representation of every type of financial, product flow, or contractual relationship in the marketplace.