

CIGNA INVESTOR PRESENTATION

November 5, 2020



Forward-looking statements

CAUTIONARY STATEMENT FOR PURPOSES OF THE “SAFE HARBOR” PROVISIONS OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

This presentation and oral statements made with respect to information contained in this presentation, may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on Cigna's current expectations and projections about future trends, events and uncertainties. These statements are not historical facts. Forward-looking statements may include, among others, statements concerning our projected adjusted income (loss) from operations outlook for 2020 and 2021 on a per share basis; projected adjusted revenue outlook for 2020; projected Medicare Advantage customer growth over the long term; projected client retention; projected growth beyond 2020; statements concerning our long-term projected adjusted income (loss) from operations on a consolidated and per share basis, adjusted revenue and adjusted margin growth outlook; projected debt to capitalization ratio; projected cash flow from operations; future financial or operating performance, including our ability to deliver affordable, personalized and innovative solutions for our customers and clients, in light of the challenges presented by the COVID-19 pandemic; future growth, business strategy, strategic or operational initiatives, including our organizational efficiency plan; economic, regulatory or competitive environments, particularly with respect to the pace and extent of change in these areas; financing or capital deployment plans and amounts available for future deployment; our prospects for growth in the coming years; strategic transactions, including the merger (the “Merger”) with Express Scripts Holding Company and the sale of our U.S. Group Disability and Life business; our ongoing operational response to the COVID-19 pandemic; and other statements regarding Cigna's future beliefs, expectations, plans, intentions, financial condition or performance. You may identify forward-looking statements by the use of words such as “believe,” “expect,” “plan,” “intend,” “anticipate,” “estimate,” “predict,” “potential,” “may,” “should,” “will” or other words or expressions of similar meaning, although not all forward-looking statements contain such terms.

Forward-looking statements are subject to risks and uncertainties, both known and unknown, that could cause actual results to differ materially from those expressed or implied in forward-looking statements. Such risks and uncertainties include, but are not limited to: our ability to achieve our financial, strategic and operational plans or initiatives; our ability to predict and manage medical and pharmacy costs and price effectively; our ability to adapt to changes or trends in an evolving and rapidly changing industry; our ability to effectively differentiate our products and services from those of our competitors and maintain or increase market share; our ability to develop and maintain good relationships with physicians, hospitals, other health care providers, producers, consultants, and pharmaceutical manufacturers; changes in the pharmacy provider marketplace or pharmacy networks; changes in drug pricing; the impact of modifications to our operations and processes; our ability to identify potential strategic transactions and realize the expected benefits (including anticipated synergies) of such transactions in full or within the anticipated time frame, including with respect to the Merger and the sale of our Group Disability and Life business, as well as our ability to integrate or separate operations, resources and systems; the substantial level of government regulation over our business and the potential effects of new laws or regulations or changes in existing laws or regulations; the outcome of litigation, regulatory audits, investigations, actions or guaranty fund assessments; uncertainties surrounding participation in government- sponsored programs such as Medicare; the effectiveness and security of our information technology and other business systems and those of our key suppliers or other third parties; the impact of our debt service obligations on the availability of funds for other business purposes; unfavorable industry, economic or political conditions, including foreign currency movements; acts of civil unrest, war, terrorism, natural disasters or pandemics; reinsurance credit risk; the scale and scope of the COVID-19 pandemic and its potential impact on our business, operating results, cash flows and financial condition, as well as on our employees, clients, customers, suppliers and partners and on the U.S. and global economies; as well as more specific risks and uncertainties discussed in our most recent report on Form 10-K, as supplemented by our Form 10-Q for the quarter ended March 31, 2020, and subsequent reports on Forms 10-Q and 8-K available through the Investor Relations section of www.cigna.com. You should not place undue reliance on forward- looking statements, which speak only as of the date they are made, are not guarantees of future performance or results, and are subject to risks, uncertainties and assumptions that are difficult to predict or quantify. Cigna undertakes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except as may be required by law.



Non-GAAP measures and other key financial information

NON-GAAP MEASURES AND OTHER KEY FINANCIAL INFORMATION

Throughout this presentation, the term “adjusted earnings” means adjusted income from operations and “adjusted earnings per share” or “adjusted EPS” means adjusted income from operations on a diluted per share basis. At the consolidated level, “adjusted income from operations” and “adjusted revenues” are not determined in accordance with accounting principles generally accepted in the United States (“GAAP”) and should not be viewed as a substitute for the most directly comparable GAAP measures, shareholders’ net income and total revenues, respectively.

Adjusted income (loss) from operations is defined as shareholders’ net income (loss) excluding the following adjustments: net realized investment results, amortization of acquired intangible assets, and special items. Special items are items that management believes are not representative of the underlying results of operations due to the nature or size of these matters, such as integration and transaction related costs and litigation matters. Adjusted income (loss) from operations is measured on an after-tax basis for consolidated results and on a pre-tax basis for segment results. Adjusted income (loss) from operations is a measure of profitability used by Cigna’s management because it presents the underlying results of operations of Cigna’s businesses and permits analysis of trends in underlying revenue, expenses and shareholders’ net income.

Adjusted revenues is defined as total revenues excluding net realized investment results from equity method investments and special items. We exclude these items from this measure because they are not indicative of past or future underlying performance of the business. Reconciliations of Cigna’s historic non-GAAP measures to their most directly comparable GAAP measure are also set forth in the appendix.

As previously disclosed, beginning in 2020, the Company no longer excludes earnings contributions from transitioning pharmacy benefit management clients Anthem Inc. and Coventry Health Care, Inc. (the “transitioning clients”) from its adjusted metrics, as the transition for those clients was substantially completed as of December 31, 2019.

The appendix slide titled “Definitions of Key Financial and Business Terms” includes definitions of other financial or business metrics referenced in this presentation, including medical cost trend, customer relationships, and adjusted margin, pre-tax.

Note Regarding Outlook

Management is not able to provide a reconciliation of adjusted income from operations to shareholders’ net income (loss) or adjusted revenues to total revenues on a forward-looking basis because we are unable to predict certain components thereof including (i) future net realized investment results (from equity method investments with respect to adjusted revenues) and (ii) future special items. These items are inherently uncertain and depend on various factors, many of which are beyond our control. As such, any associated estimate and its impact on shareholders’ net income and total revenues could vary materially.

As previously disclosed, beginning in 2020, the Company will no longer exclude contributions from transitioning clients from its adjusted metrics, as the transition for those clients was substantially complete as of December 31, 2019.

The Company’s 2020 outlook excludes the potential effects of any future share repurchases or business combinations that may occur after the date of this presentation. Additionally, the Company’s 2020 outlook assumes a full year of contributions from Cigna’s Group Disability and Life business. The Company’s 2021 and long-term outlook includes the potential effects of capital deployment and contributions from Cigna’s Group Disability and Life business.

Note Regarding Share Repurchases

The timing and actual number of shares repurchased will depend on a variety of factors, including share price, general business and market conditions, and alternate uses of capital. Our share repurchase program may be effected through open market purchases or privately negotiated transactions in compliance with Rule 10b-18 under the Securities Exchange Act of 1934, as amended, including through Rule 10b5-1 trading plans. The program may be suspended or discontinued at any time.



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Mission and strategy

Four growth platforms

2020 guidance update

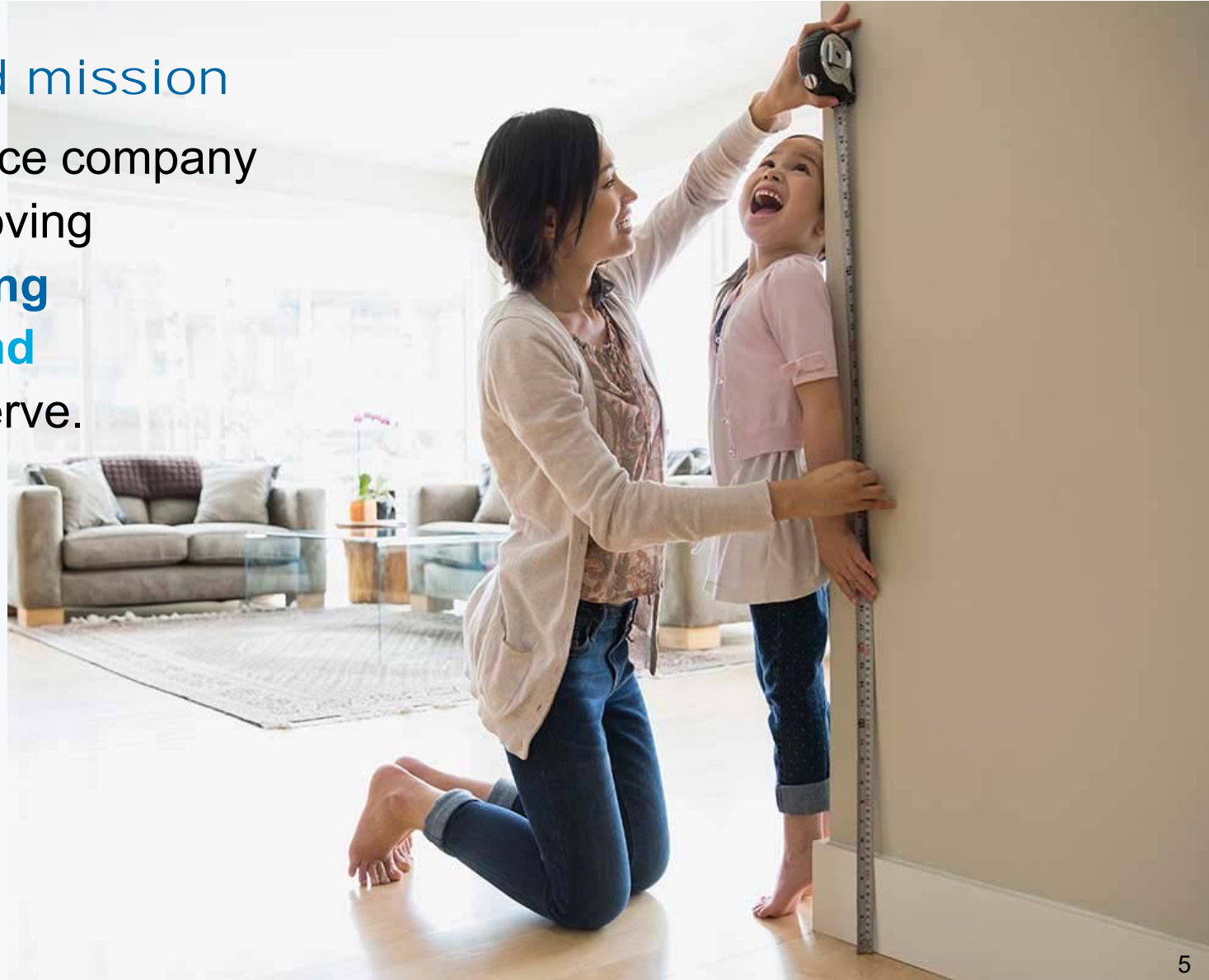
Capital deployment priorities and capacity

Longer term outlook



Our purpose and mission

A global health service company
dedicated to improving
the **health, well-being**
and **peace of mind**
of **those** we serve.



Our evolved enterprise strategy

Champions for affordable, predictable, and simple health care



MAKING IT

affordable

We build on our leading, differentiated position to lower the total cost of care.

MAKING IT

predictable

We take surprise out of the system and help people make informed health care choices.

MAKING IT

simple

We make it easier for the people we serve to get the care they need.



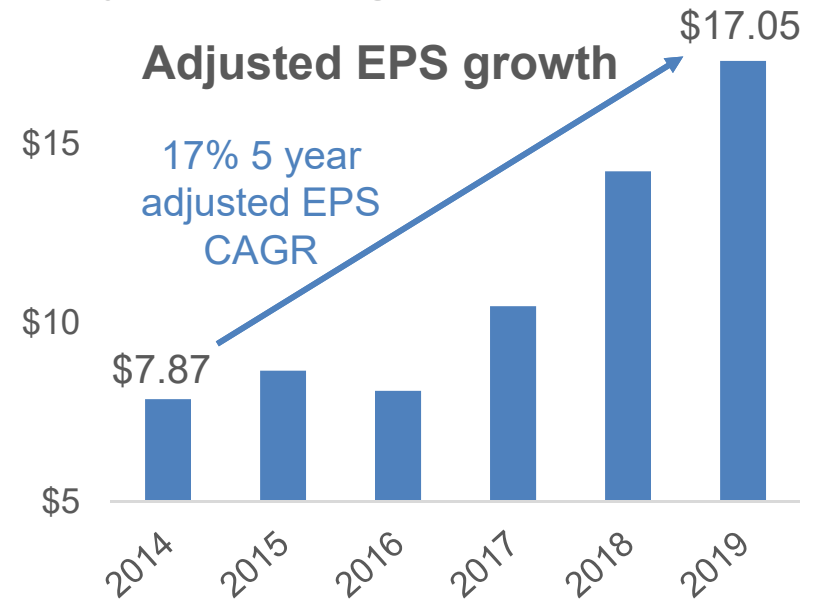
We grow from a strong track record of delivering value

Our focus on delivering affordability, predictability, and simplicity delivers meaningful customer value, and drives significant adjusted EPS growth

Industry leading
medical and pharmacy cost trend

10 consecutive years
of organic Commercial enrollment growth

700+ physician collaboratives



17% 5 year EPS CAGR



Our four growth platforms



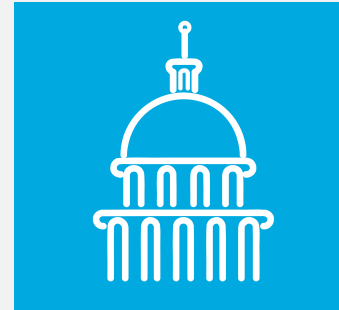
Evernorth

- Deliver custom and flexible solutions
- Partner without constraint
- Connect data and pivotal insights



U.S. Commercial

- Expand in Select and Middle Markets
- Go deeper in key geographies
- Add additional focused markets



U.S. Government

- Expand geographically
- Expand Medicare Advantage PPO product
- Accelerate via Evernorth



International

- Expand in existing geographies
- Innovate new solutions
- Enter new markets

As of the third quarter 2020, the segment previously reported as “Health Services” is reported as “Evernorth”, and the segment previously reported as “Integrated Medical” is reported as “U.S. Medical”. Additionally, U.S. Medical’s two operating segments previously reported as “Commercial” and “Government” are now reported as “U.S. Commercial” and “U.S. Government”. There are no changes to the underlying businesses reported in any of these segments.



Evernorth differentiated value

By coordinating best-in-class services, programs, and partnerships, Evernorth transforms them into comprehensive solutions that drive the most value for clients, customers, and patients



PHARMACY+

Proven pharmacy solutions across the spectrum, from general to complex conditions, delivering the expertise and care people deserve with personalized experiences and seamless coordination.



BENEFITS MANAGEMENT+

Pharmacy and medical benefits management solutions that tackle rising costs by leveraging supply chain excellence and by optimizing medical services and medication usage.



CARE+

Innovative, data-driven clinical, mental health, and care delivery solutions that address emerging issues and make whole-person health more accessible, affordable, and simple.



INTELLIGENCE+

Advanced analytics, predictive models, custom research, and critical insights focused on helping to solve the industry's most complex challenges throughout the care journey.



Evernorth positioned as the partner of choice

A distinct and dedicated platform for the distribution of services and innovative health care solutions for health plans, employers, government organizations, and health care providers.

Bringing innovative solutions to market

Driving best cost and quality outcomes

Best in class specialty and home delivery operations

Leveraging scale to deliver value to customers and clients

Innovation:
Embarc Benefit ProtectionSM
FamilyPathSM
Healthy Ways to Work
inMyndSM

Retention:
2019 delivered 98.5%
2020 delivered 97.0%
2021 projecting ~98.0%

Driving innovative solutions and industry leading outcomes fueling growth



U.S. Commercial differentiated value

Focused on
whole person health

Highly **consultative** sales
and account teams

Partnership with **providers**
aligned on value-based care



**Organic customer growth
for ten years in a row**

**Strong
client retention**

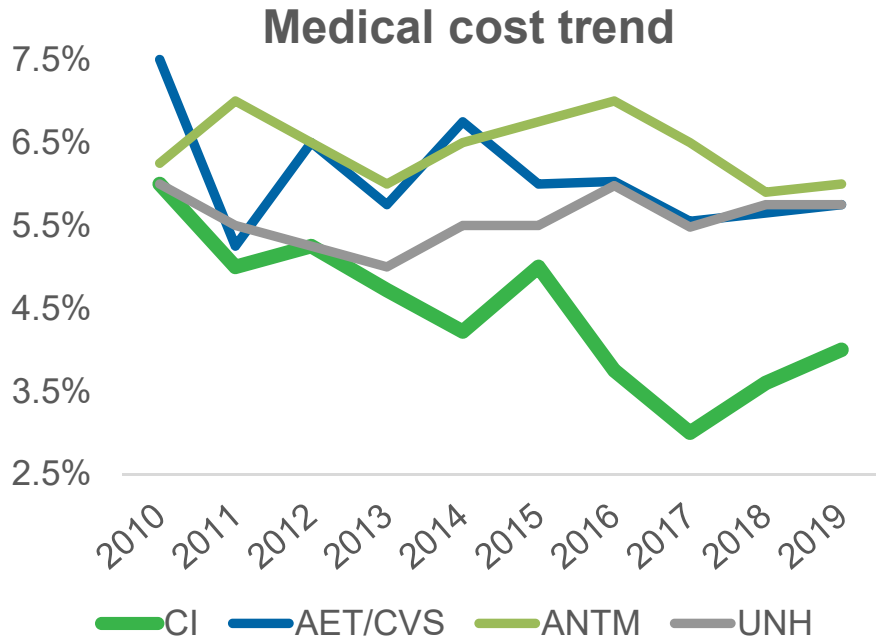
**Solution depth
and coordination**

**Best-in-class
medical trend**

Powered by technology, broad solution portfolio, and talent

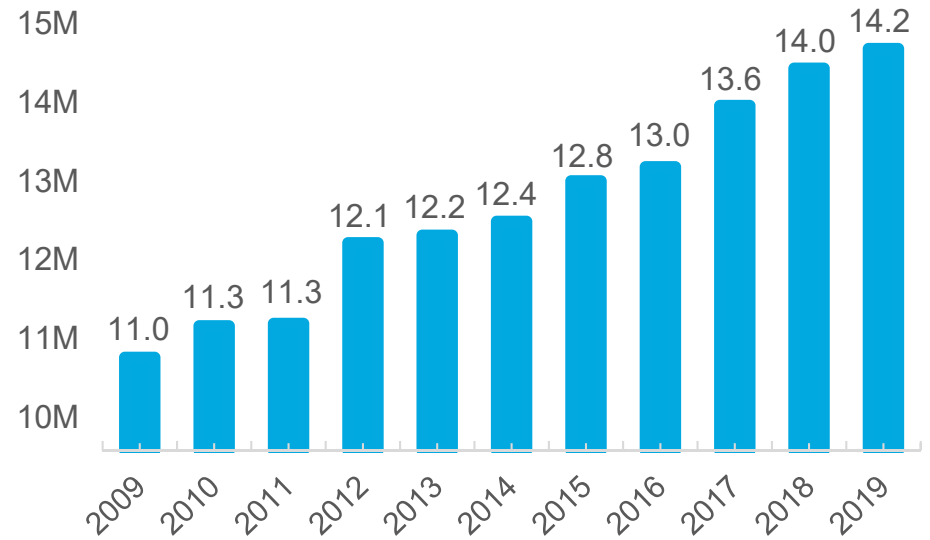


U.S. Commercial industry-leading medical cost trend



Cigna Commercial customer growth

(customers in millions)



Industry-leading trend drives strong retention and customer growth

*AET/CVS did not report 2018 medical cost trend; UNH 2019 medical cost trend assumed at the midpoint of its guidance as of its December 2019 Investor Day.



U.S. Government differentiated value

Deep provider engagement and mature value-based models

Over **85%** of MA customers in value-based arrangements

Strong customer satisfaction

Industry leading **Net Promoter Scores averaging > 70** across our MA markets

Outstanding clinical quality and health outcomes

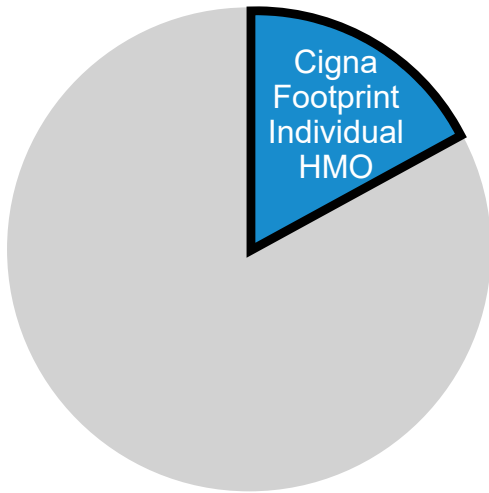
88% of MA customers will be in a **4-Star** or higher rated plan in 2022



U.S. Government Medicare Advantage growth path

2019

22 million MA enrollees



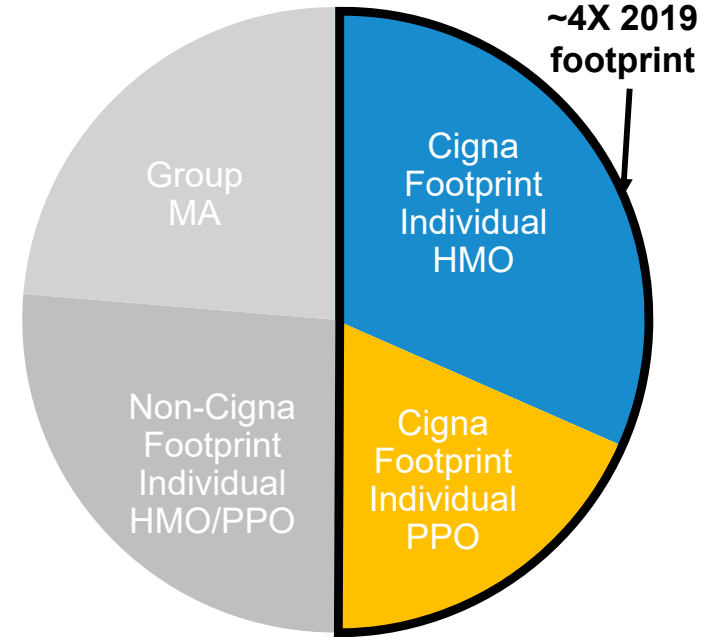
In 2019, Cigna competed for ~4 million MA purchasers

10% to 15% average annual customer growth through 2025

18% MA customer growth through September 2020

2025

30 million MA enrollees



Cigna will compete for ~15 million MA purchasers



Cigna footprint figures are indicative of addressable market within geographies Cigna is/plans to operate in.

International Markets

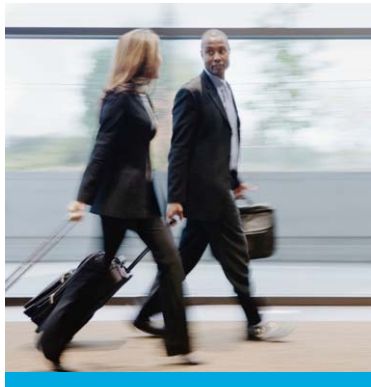
We serve individuals, corporations, governments, intergovernmental organizations (IGOs) and non-governmental organizations (NGOs) with:



Deep customer insights



Local talent and operating model



Global provider network



Continuous innovation



Local license base

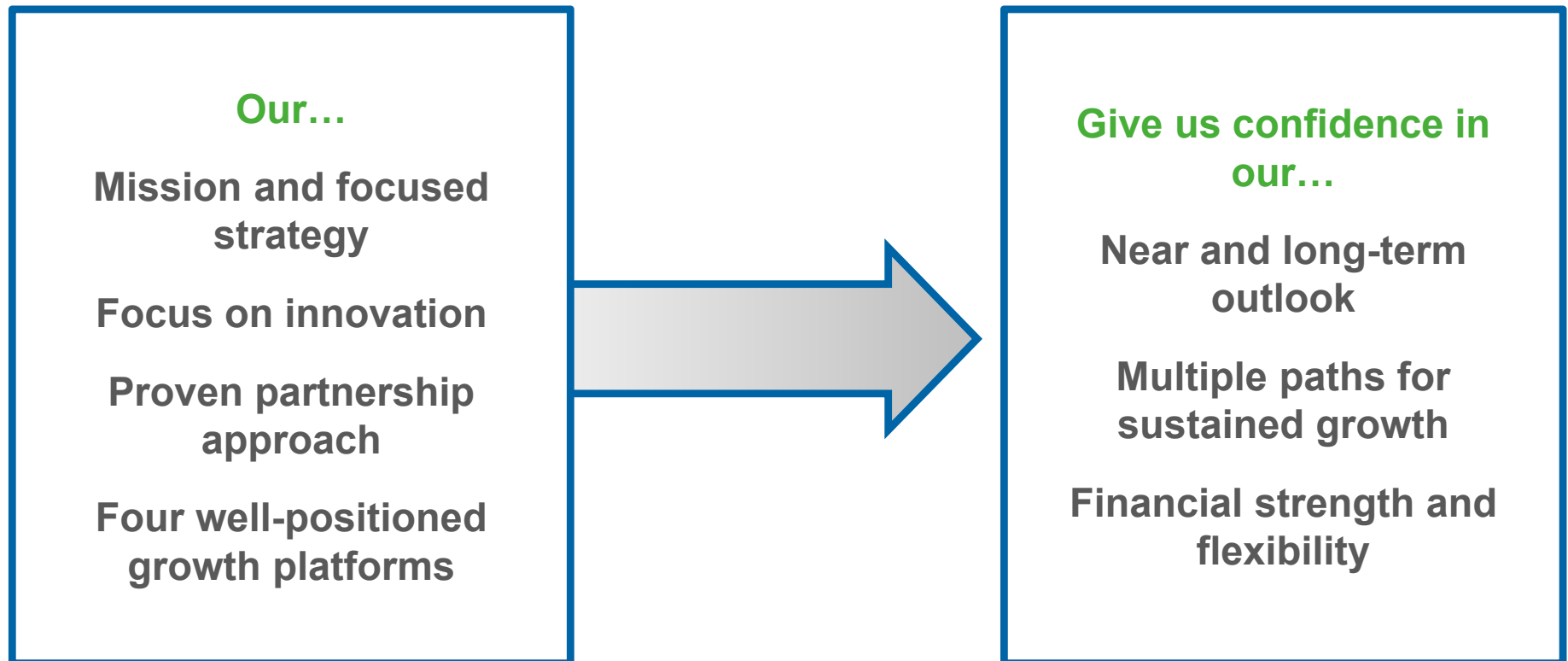
30+ COUNTRIES/
JURISDICTIONS

13+ MILLION
CUSTOMER RELATIONSHIPS

6,500+ EMPLOYER
CLIENTS



Strong foundation, strong momentum, strong outlook



2020 guidance – at a glance

Consolidated

Adjusted Revenues (\$M):
~\$158,000

Adjusted Income from Operations, per share:
\$18.30 to \$18.60



Capital deployment priorities

Near term:

**Deleveraging to
debt-to-capitalization
ratio < 40%**

Ongoing:

Reinvestment in businesses

Strategic M&A

Return capital to shareholders¹

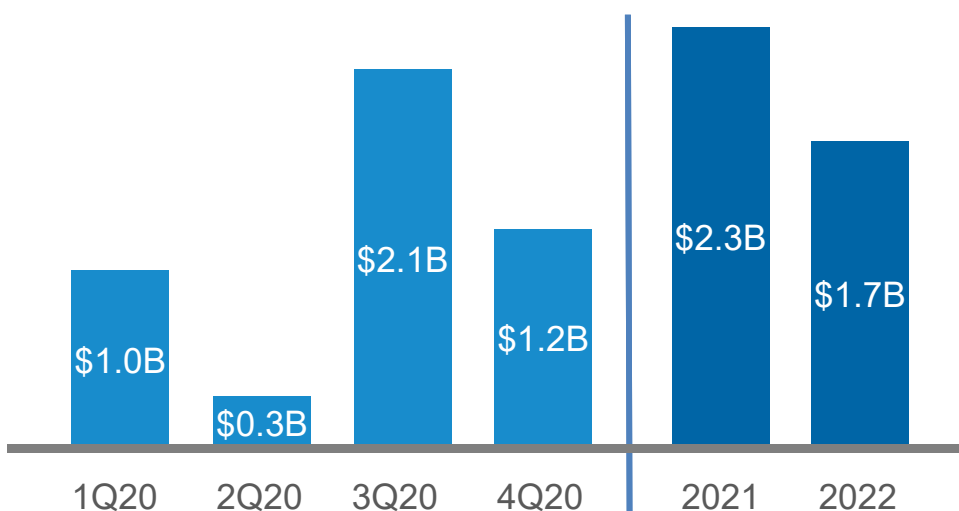
Significant financial flexibility – priorities and framework unchanged

¹ Approximately \$3.1B of remaining share repurchase authority as of November 5, 2020



Capital positioning

Bond maturities



Liquidity profile

Expect to complete the **sale of the Group Disability and Life** business in 4Q20 with net after-tax proceeds of **\$5.3B**

2020 Actions Proceeds will be deployed for share repurchase and debt repayment

Completed **\$1.4B one year term loan on 4/1/20 to enhance liquidity** due to disruption in commercial paper market*

3Q20 ending **available cash to parent: \$1.2B**

Existing Revolving credit agreements with **ability to borrow up to combined \$4.25B** for general corporate purposes; fully undrawn as of 9/30/20

Guidance **2020 Cash Flow from Operations: > \$8.0B**

Significant financial flexibility / Substantial liquidity position

*Due March 31, 2021. Agreement provides for mandatory prepayment in an amount equal to 20% of any net cash proceeds from the sale of the Group Disability and Life business.



Strategic M&A priorities



Global footprint



Seniors capabilities



Care coordination and facilitation



Data analytics and digital capabilities



State-based high-risk program capabilities



Long-term target margins, adjusted earnings growth and adjusted revenue growth

Business	Long-term adjusted before-tax margins	Long-term adjusted earnings growth	Long-term adjusted revenue growth
Enterprise	5.5% to 6.5%	6% to 8%	6% to 8%
Evernorth	4.5% to 5.5%	3% to 5%	3% to 5%
U.S. Commercial	12% to 14%	8% to 10%	8% to 10%
U.S. Government	4% to 5%	11% to 14%	12% to 15%
International	11% to 13%	9% to 11%	8% to 10%

Adjusted earnings growth target is after-tax for the Enterprise and before-tax for segments.
Corporate revenue eliminations are a partial offset to revenue growth for the Enterprise.



Adjusted EPS growth targets

\$20 to \$21
of adjusted
EPS in 2021

Earnings contribution

6% to 8%

Accretive capital
deployment

4% to 5%

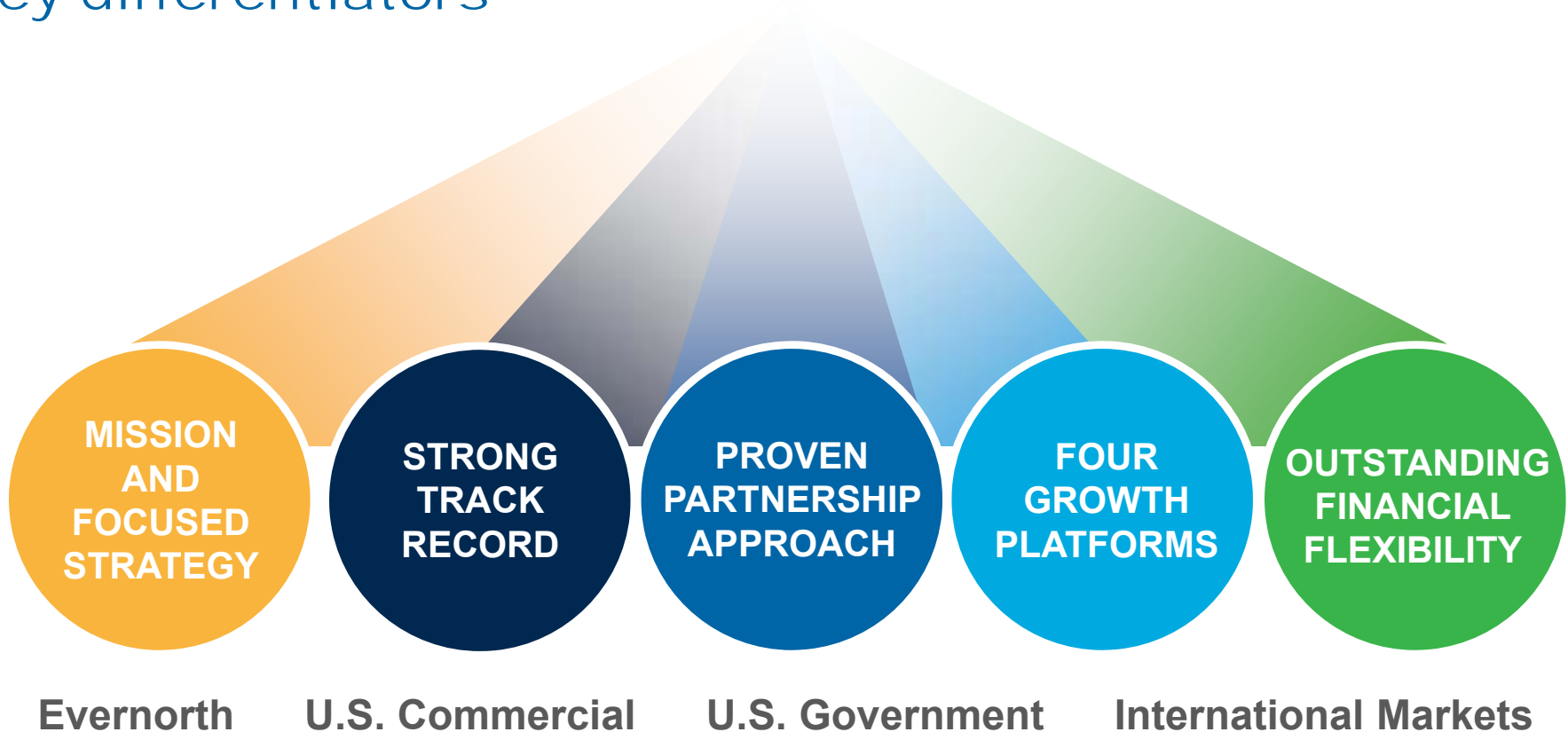
Adjusted earnings per
share

10% to 13%

Long-term
adjusted EPS outlook



Key differentiators



Evernorth

U.S. Commercial

U.S. Government

International Markets

Competitively attractive long-term growth



APPENDIX



Appendix

Definitions of Key Financial and Business Terms

As previously disclosed, beginning in 2020, the Company no longer excludes contributions from transitioning clients from its adjusted metrics, as the transition for those clients was substantially complete as of December 31, 2019.

Cigna's **medical cost trend** includes all U.S. commercial employer funding arrangements.

Adjusted before-tax margin is calculated by dividing adjusted income (loss) from operations, pre-tax by adjusted revenues for each segment.

International Markets Customer Relationships include International Markets medical customers and International Markets policies. International Markets medical customers excludes medical customers served by less than 100% owned subsidiaries.



Appendix

Reconciliation of GAAP to non-GAAP Financial Measures (dollars in millions except per share data)

Adjusted EPS (Diluted)	Year Ended					
	<u>12/31/2014</u>	<u>12/31/2015</u>	<u>12/31/2016</u>	<u>12/31/2017</u>	<u>12/31/2018</u>	<u>12/31/2019</u>
Shareholders' net income	\$7.83	\$8.04	\$7.19	\$8.77	\$10.54	\$13.44
Adjustment for transitioning clients	-	-	-	-	(\$0.19)	(\$3.46)
Net realized investment (gains) losses	(\$0.40)	(\$0.15)	(\$0.42)	(\$0.61)	\$0.42	(\$0.50)
Amortization of acquired intangible assets	\$0.44	\$0.30	\$0.36	\$0.26	\$0.71	\$5.92
Special items	-	\$0.47	\$0.97	\$2.04	\$2.74	\$1.65
Adjusted income from operations	<u>\$7.87</u>	<u>\$8.66</u>	<u>\$8.10</u>	<u>\$10.46</u>	<u>\$14.22</u>	<u>\$17.05</u>

