

# Investor Day

# 2024

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# Forward-looking statements

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

This presentation, the Investor Day webcast of The Cigna Group (the “Company”) 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 The Cigna Group'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 from operations outlook for 2024 on a consolidated, per share, and segment basis; projected adjusted revenue outlook for 2024; projected total medical customer growth over year end 2023; projected long-term average adjusted income growth; projected adjusted earnings per share outlook and adjusted earnings per share growth rate for 2024 on a consolidated, per share, and segment basis; projected income growth for the Company, Evernorth (including Pharmacy Benefit Services, Specialty and Care Services) and Cigna Healthcare (including U.S. employer and individual, family plans and international health); target margins for Evernorth and Cigna Healthcare; projected cash flow from operations; projected capital deployment, including deployment to capital expenditures and surplus to fund growth, mergers and acquisitions, debt repayment, share repurchases and future dividends; future financial or operating performance, including our ability to improve the health and vitality of those we serve; our positioning for the future; our market opportunities; future growth (including growth of Evernorth, including each of Specialty, care services and pharmacy benefit services, and Cigna Healthcare, including U.S. employer, individual and family plans, and international health), business strategy and strategic or operational initiatives; capital deployment plans and amounts available for future deployment; our prospects for growth in the coming years; and other statements regarding The Cigna Group's future beliefs, expectations, plans, intentions, liquidity, cash flows, financial condition or performance.

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 strategic and operational initiatives; our ability to adapt to changes in an evolving and rapidly changing industry; our ability to compete effectively, differentiate our products and services from those of our competitors and maintain or increase market share; price competition, inflation and other pressures that could compress our margins or result in premiums that are insufficient to cover the cost of services delivered to our customers; the potential for actual claims to exceed our estimates related to expected medical claims; our ability to develop and maintain satisfactory relationships with physicians, hospitals, other health service providers and with producers and consultants; our ability to maintain relationships with one or more key pharmaceutical manufacturers or if payments made or discounts provided decline; changes in the pharmacy provider marketplace or pharmacy networks; changes in drug pricing or industry pricing benchmarks; our ability to invest in and properly maintain our information technology and other business systems; our ability to prevent or contain effects of potential cyberattack or other privacy or data security incidents; risks related to our use of artificial intelligence and machine learning; political, legal, operational, regulatory, economic and other risks that could affect our multinational operations, including currency exchange rates; risks related to strategic transactions and realization of the expected benefits of such transactions, as well as integration or separation difficulties or underperformance relative to expectations; dependence on success of relationships with third parties; risk of significant disruption within our operations or among key suppliers or third parties; potential liability in connection with managing medical practices and operating pharmacies, onsite clinics and other types of medical facilities; 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; uncertainties surrounding participation in government-sponsored programs such as Medicare; the outcome of litigation, regulatory audits and investigations; compliance with applicable privacy, security and data laws, regulations and standards; potential failure of our prevention, detection and control systems; unfavorable economic and market conditions, the risk of a recession or other economic downturn and resulting impact on employment metrics, stock market or changes in interest rates and risks related to a downgrade in financial strength ratings of our insurance subsidiaries; the impact of our significant indebtedness and the potential for further indebtedness in the future; credit risk related to our reinsurers; as well as more specific risks and uncertainties discussed in our most recent report on Form 10-K and subsequent reports on Forms 10-Q and 8-K available through the Investor Relations section of [www.thecignagroup.com](http://www.thecignagroup.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. The Cigna Group 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

Throughout this presentation, the term "adjusted earnings" means adjusted income (loss) from operations, and "adjusted earnings per share" or "adjusted EPS" means adjusted income (loss) from operations on a diluted per share basis.

Adjusted income (loss) from operations is a principal financial measure of profitability used by The Cigna Group's management because it presents the underlying results of operations of the Company's businesses and permits analysis of trends in underlying revenue, expenses and shareholders' net income. Adjusted income from operations is defined as shareholders' net income (or income before income taxes less pre-tax income (loss) attributable to noncontrolling interests for the segment metric) excluding net realized investment results, amortization of acquired intangible assets and special items. The Cigna Group's share of certain realized investment results of its joint ventures reported in the Cigna Healthcare segment using the equity method of accounting are also excluded. Special items are matters that management believes are not representative of the underlying results of operations due to their nature or size. Adjusted income (loss) from operations is measured on an after-tax basis for consolidated results and on a pre-tax basis for segment results. Consolidated adjusted income (loss) from operations is not determined in accordance with GAAP and should not be viewed as a substitute for the most directly comparable GAAP measure, shareholders' net income.

Adjusted revenues is used by The Cigna Group's management because it permits analysis of trends in underlying revenue. The Company defines adjusted revenues as total revenues excluding the following adjustments: special items and The Cigna Group's share of certain realized investment results of its joint ventures reported in the Cigna Healthcare segment using the equity method of accounting. Special items are matters that management believes are not representative of the underlying results of operations due to their nature or size. We exclude these items from this measure because management believes they are not indicative of past or future underlying performance of the business. Adjusted revenues is not determined in accordance with GAAP and should not be viewed as a substitute for the most directly comparable GAAP measure, total revenues. Additional definitions and relevant reconciliations of The Cigna Group's non-GAAP measures to their most directly comparable GAAP measure are set forth in the appendix to these materials.

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 it is unable to predict, without unreasonable effort, 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 The Cigna Group's control. As such, any associated estimate and its impact on shareholders' net income and total revenues could vary materially.

## Note Regarding Outlook

The Company's long-term outlooks include future share repurchases and anticipated dividends, but does not include the potential effects from other business combinations or divestitures that may occur after the date of this presentation.

Management is not able to provide a reconciliation of adjusted income from operations to shareholders' net income (loss) (including on a per share basis) or adjusted revenues to total revenues on a forward-looking basis because we are unable to predict, without unreasonable effort, 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.

## Note Regarding Share Repurchases and Dividends

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

The Cigna Group currently intends to pay regular quarterly dividends, with future declarations subject to approval by its Board of Directors and the Board's determination that the declaration of dividends remains in the best interests of The Cigna Group and its shareholders. The decision of whether to pay future dividends and the amount of any such dividends will be based on the Company's financial position, results of operations, cash flows, capital requirements, the requirements of applicable law and any other factors the Board of Directors may deem relevant.

# Two high-performing growth platforms

**EVERNORTH®**  
HEALTH SERVICES

**~60%** OF EARNINGS

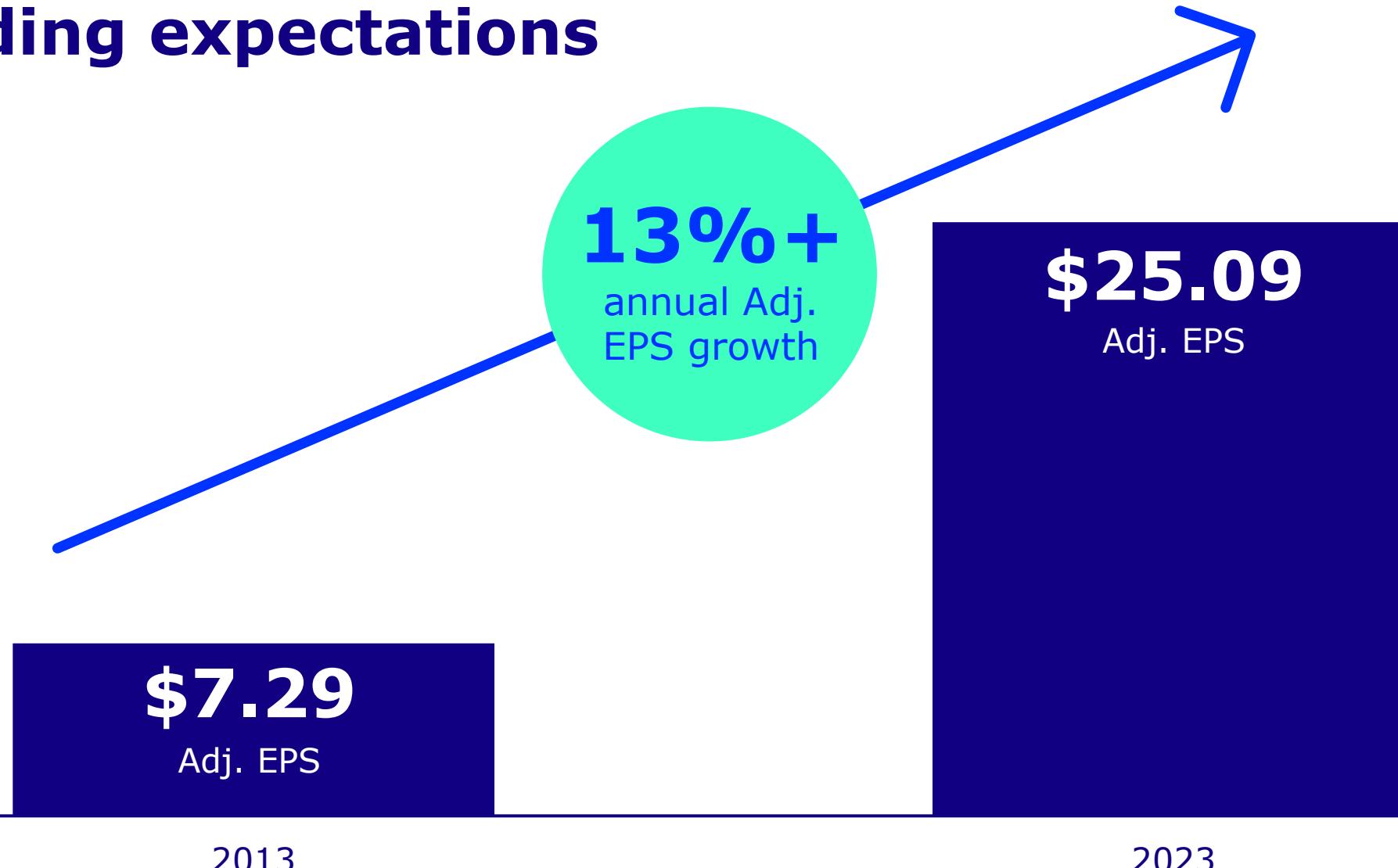


**cigna**  
healthcare

**~40%** OF EARNINGS

**Cross-enterprise leverage is mutually beneficial**

# A decade of growth exceeding expectations

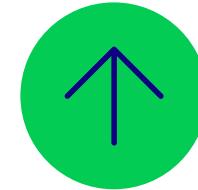
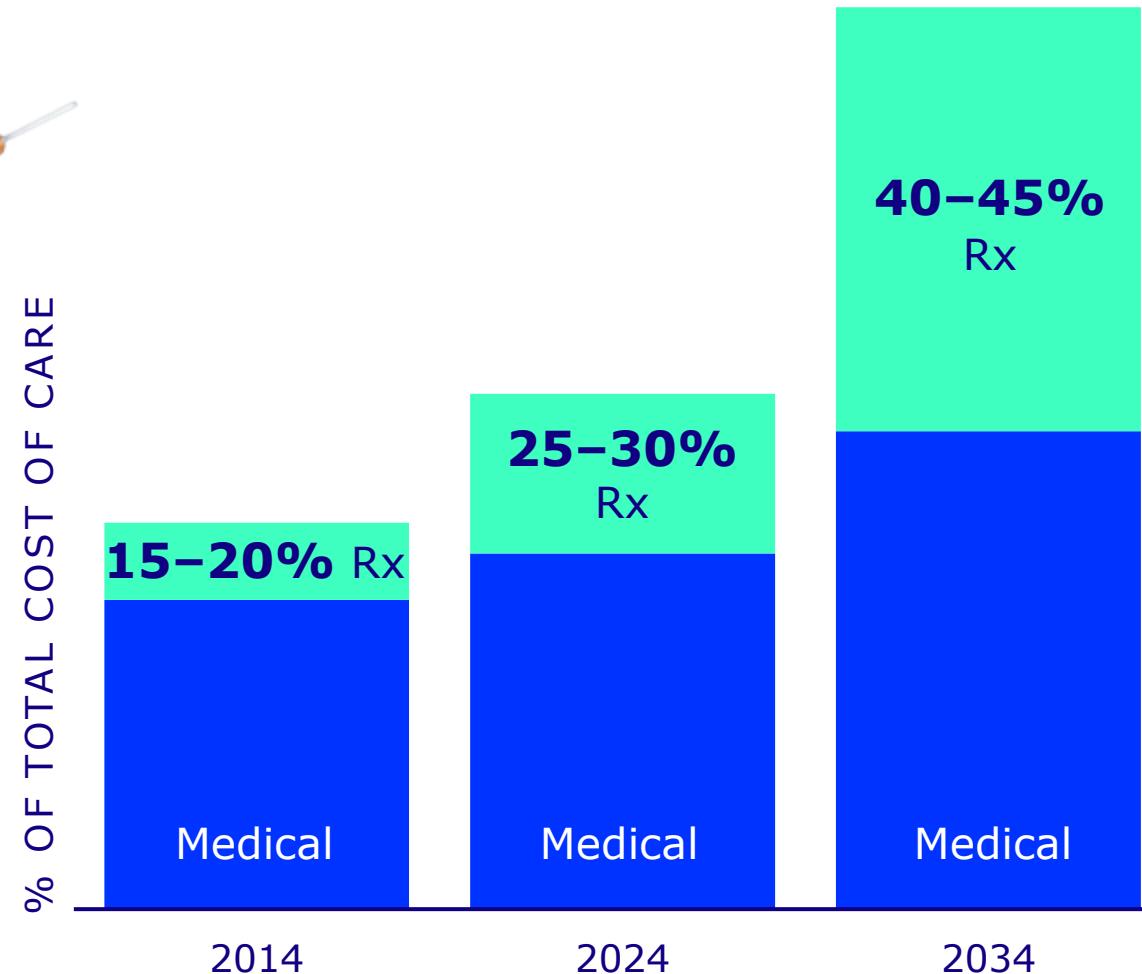


**Raising long-term  
average annual  
adjusted EPS  
growth target**

**10-14%**



# We see a surge in pharmacological innovation



Surging demand for **GLP-1s**

**~1,000**  
gene and cell therapies in the pipeline ... vs.  
21 available today

**EVERNORTH®**  
HEALTH SERVICES

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**~60%**  
OF EARNINGS



# Raising the growth outlook for Evernorth

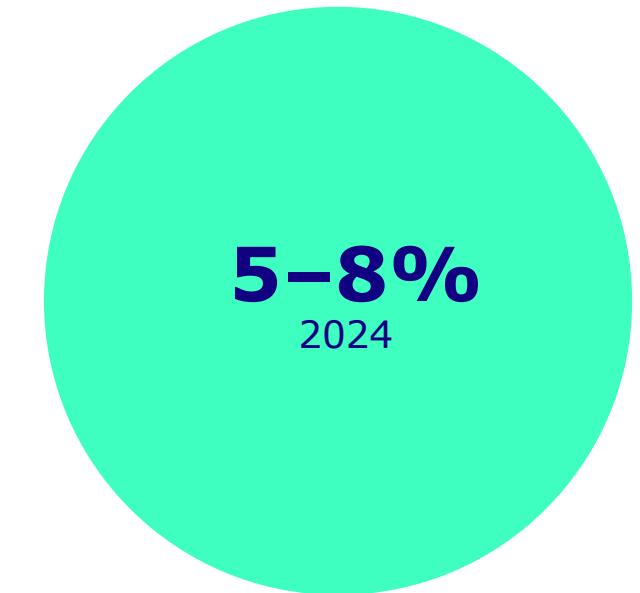
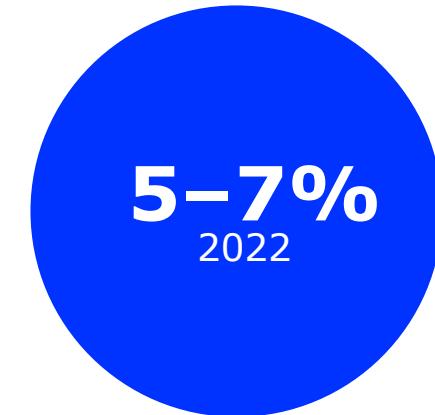
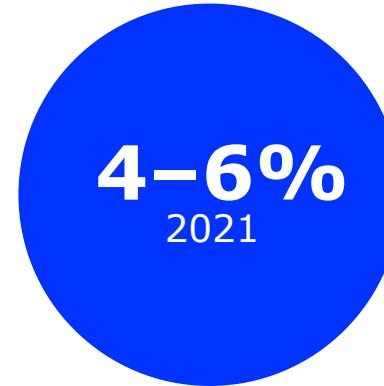
	CURRENT ADDRESSABLE MARKET	SECULAR GROWTH	MARKET SHARE AND BUYER GROUP EXPANSION	OUR LONG-TERM AVERAGE ANNUAL ADJUSTED INCOME GROWTH OUTLOOK
<b>Pharmacy Benefit Services</b>	~\$450B	2-3%	up to 1%	<b>2-4%</b>
<b>Specialty</b>	~\$400B	7-9%	up to 2%	<b>8-11%</b>
<b>Care Services</b>	~\$400B	10-15%		<b>10-15%</b>



**5-8%**

# Evernorth growth outlook continues to increase

on a revenue base that has grown **\$90B over 5 years**



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EVERNORTH LONG-TERM AVERAGE ANNUAL ADJUSTED INCOME GROWTH OUTLOOK

# New quarterly disclosures starting 1Q 2024

Revenue and adjusted operating earnings breakout for  
Pharmacy Benefit Services and Specialty and Care Services

**~50%**  
of earnings

PHARMACY BENEFIT  
SERVICES



**~50%**  
of earnings

SPECIALTY AND  
CARE SERVICES

# Specialty is larger than the Individual MA market and growing faster



**Because of our unique strengths and capabilities,  
we will grow faster than the overall specialty market.**

# We are the leader in the specialty pharmacy benefit space

**~\$240B**

PHARMACY  
BENEFIT  
direct to patient

Today, we serve  
the pharmacy benefit  
through Accredo®

OUR MARKET SHARE = **~25%**



**~\$400B**  
**Specialty  
market**

**~\$160B**

MEDICAL  
BENEFIT  
direct to provider

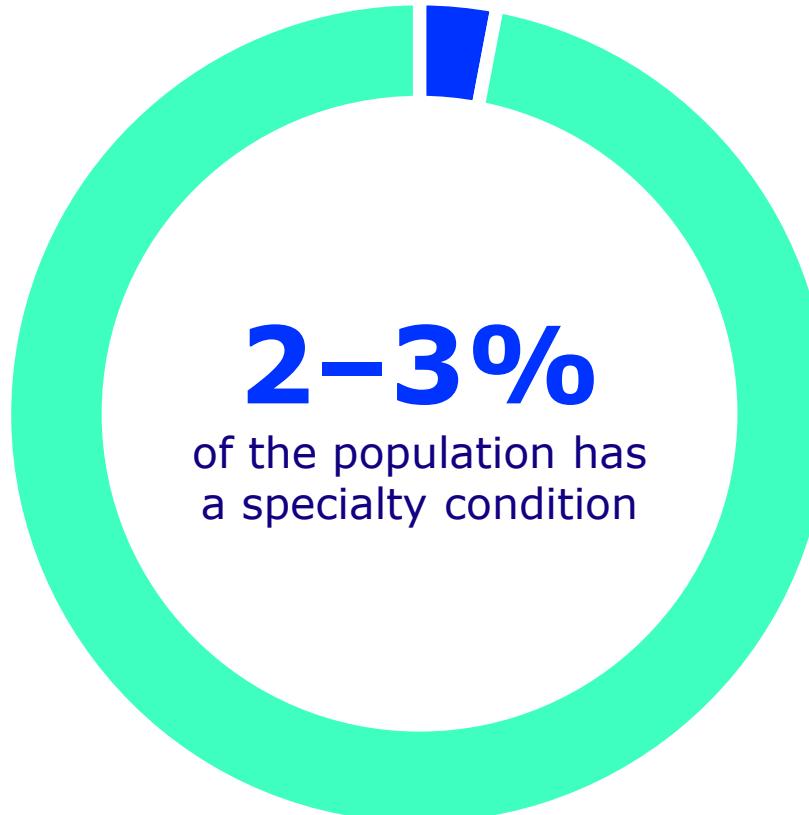
Today, we serve  
the medical benefit  
through Accredo,  
CuraScript SD®  
and CarepathRx

OUR MARKET SHARE = **~6%**

# Specialty's impact on total cost of care



Reduce overall  
cost of care



**A specialty patient's total cost of care is  
20x higher than a non-specialty patient's**

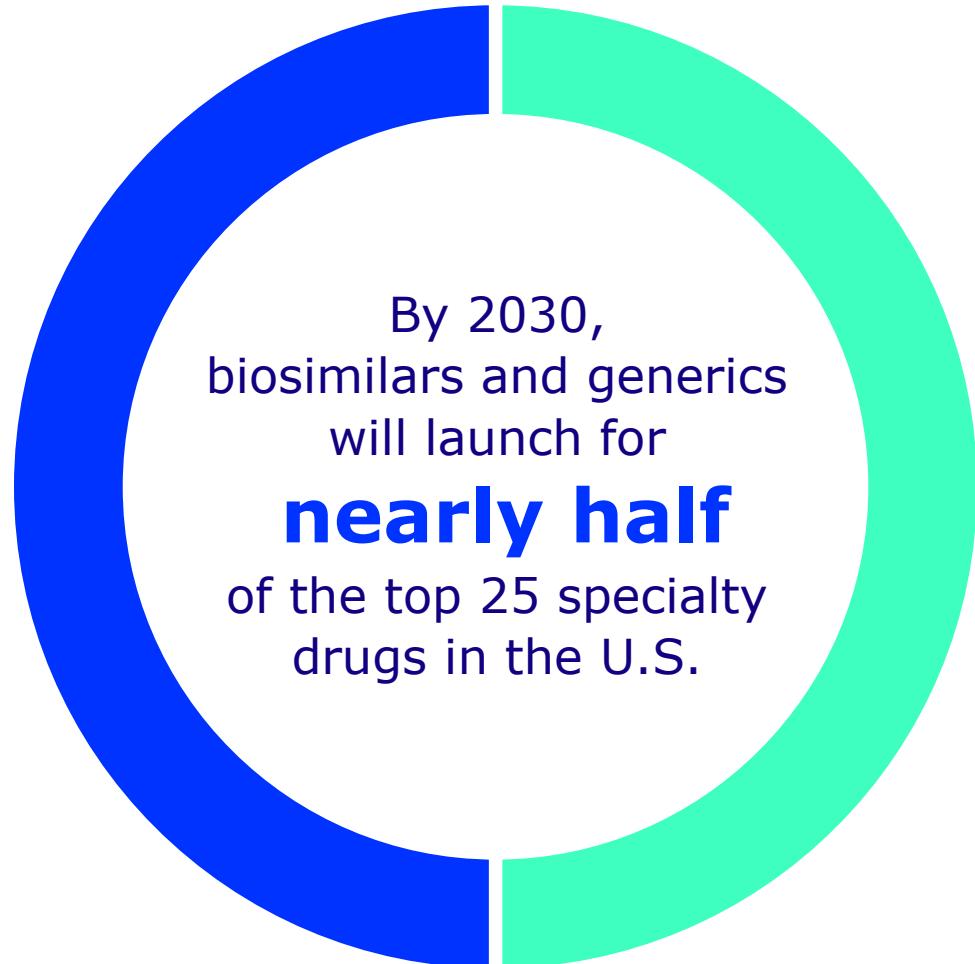
## Biosimilar for Humira at Accredo



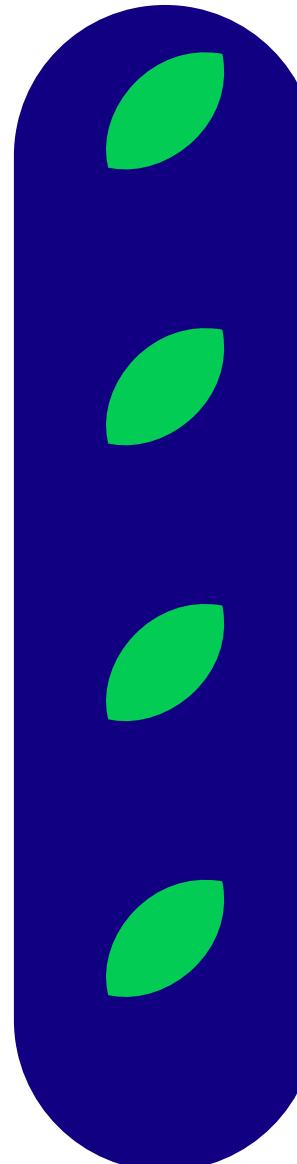
**\$60M** of patient  
savings annually,  
or **\$3,500** per  
patient annually

\*Evernorth plans to have available for eligible patients.  
Terms and conditions may apply. Estimated potential  
savings and average per patient.

# Substantial biosimilar opportunity beyond Humira



**We are the leader  
in this space**



**Clinical expertise**

- 15 Therapeutic Resource Centers
- Deep level of specialization
- Unique to Accredo

**Comprehensive access**

- Manufacturers choose us
- Leader in access to drugs
- Access to more than any of our competitors

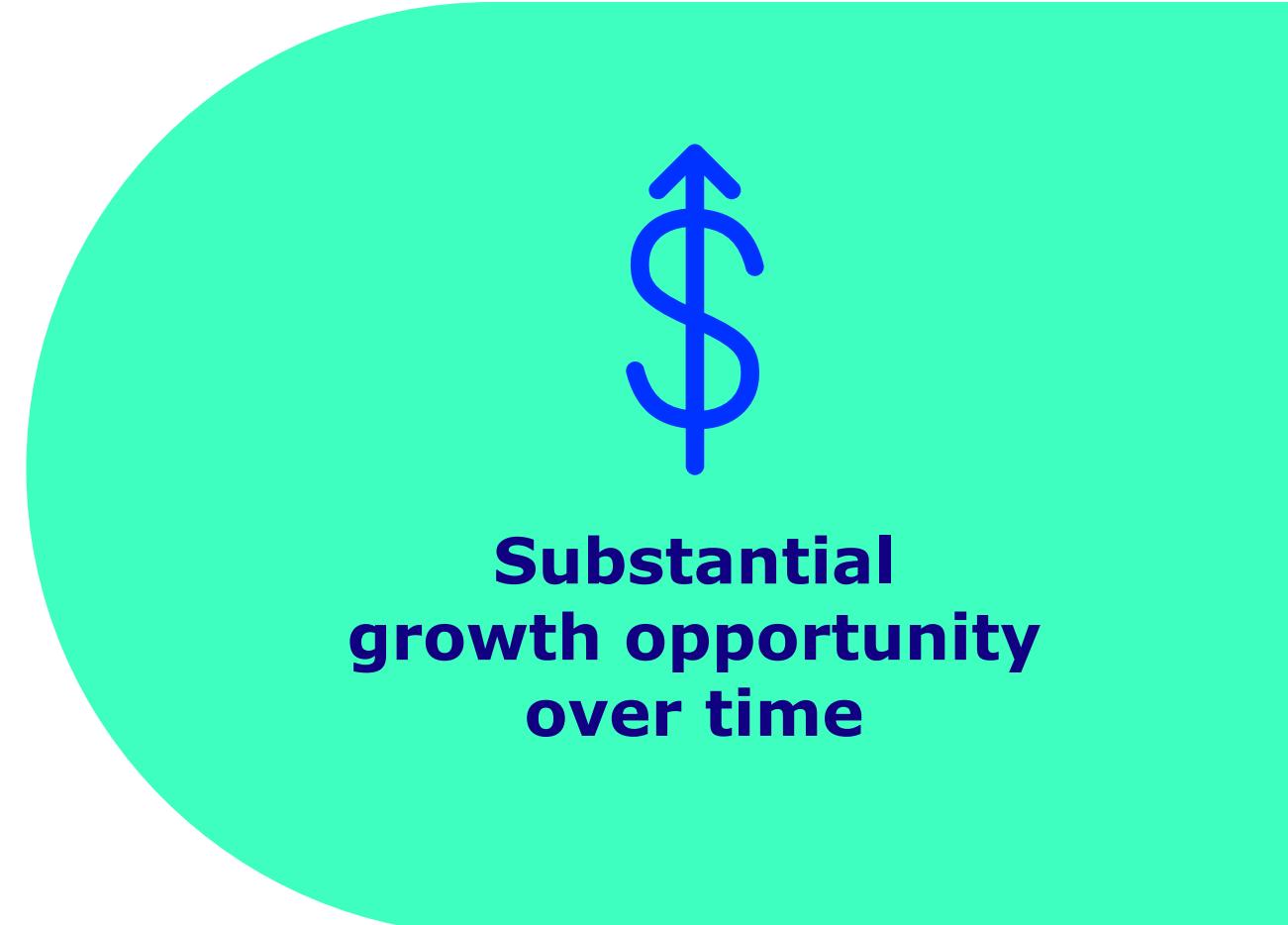
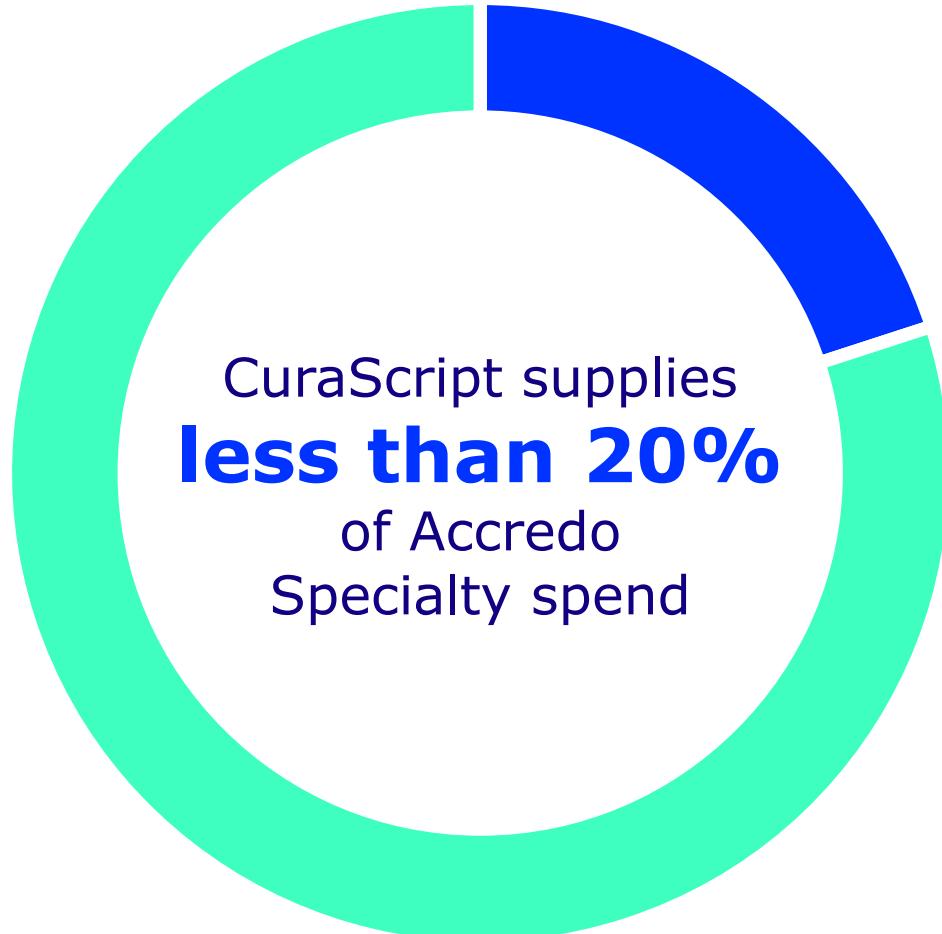
**Owned operational assets & capabilities**

- 28 national care delivery sites
- 4 state-of-the-art clean rooms
- Directly employed specialized nurses, pharmacists, support

**Culture of innovation and partnership**

- The most complete offering in the market
- Accredo and CuraScript: Leaders in drug access
- Ability to treat patients wherever they access their care

# CuraScript well positioned for future growth



# We serve a diverse mix of buyer group needs

**30%** GOVERNMENT  
HEALTH PLANS  
AND PROGRAMS

**22%** COMMERCIAL  
HEALTH PLANS  
AND PARTNERS

**17%** COMMERCIAL  
EMPLOYERS

**6%** CIGNA  
HEALTHCARE

**9%** FEDERAL  
EMPLOYERS

**16%** OTHER



**~120M**  
Pharmacy Benefit  
Services customers

## EncircleRx Cardiодiabetes value-based care

**Deep insights** to ensure people  
who will benefit the most get it

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Combines **clinically proven**  
lifestyle modifications and support



**Introducing the  
first-ever  
GLP-1  
financial  
guarantee**



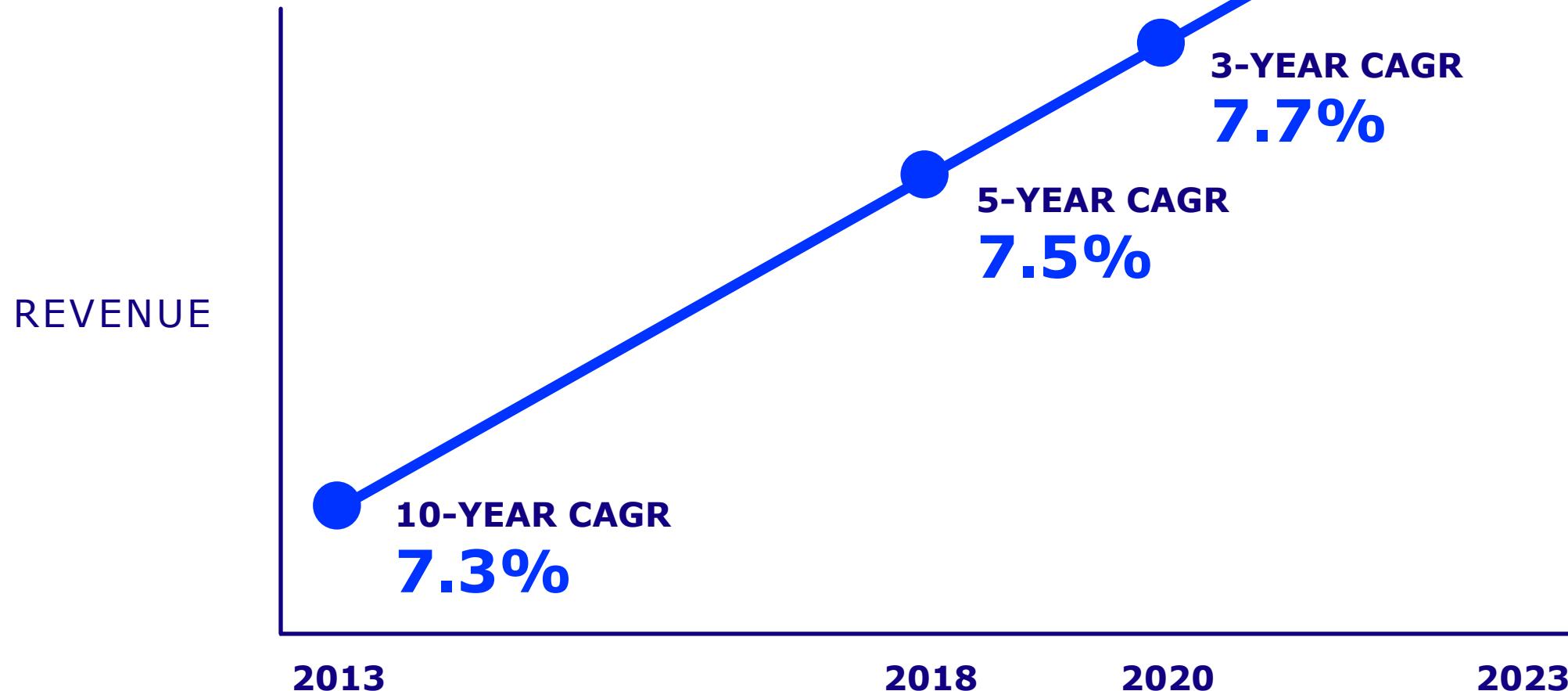
# Cigna Healthcare growth outlook

	CURRENT ADDRESSABLE MARKET	SECULAR GROWTH	MARKET SHARE AND BUYER GROUP EXPANSION	OUR LONG-TERM AVERAGE ANNUAL ADJUSTED INCOME GROWTH OUTLOOK
<b>U.S. Employer</b>	~\$1,000B	4–6%	up to 2%	<b>6–8%</b>
<b>Individual and Family Plans</b>	~\$150B		10–15%	<b>10–15%</b>
<b>International Health</b>	~\$200B		8–10%	<b>8–10%</b>



**7–10%**

# Consistent and compelling track record of growth



# Our multi-faceted approach to affordability



**Doubled our  
cost-competitive  
geographic footprint  
since 2019**



**~30%**  
Cost  
competitive  
in 2019



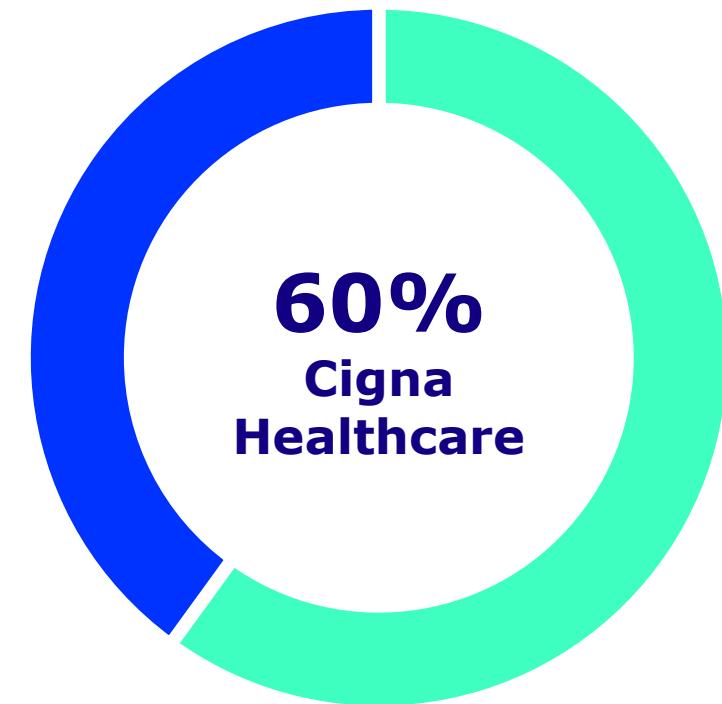
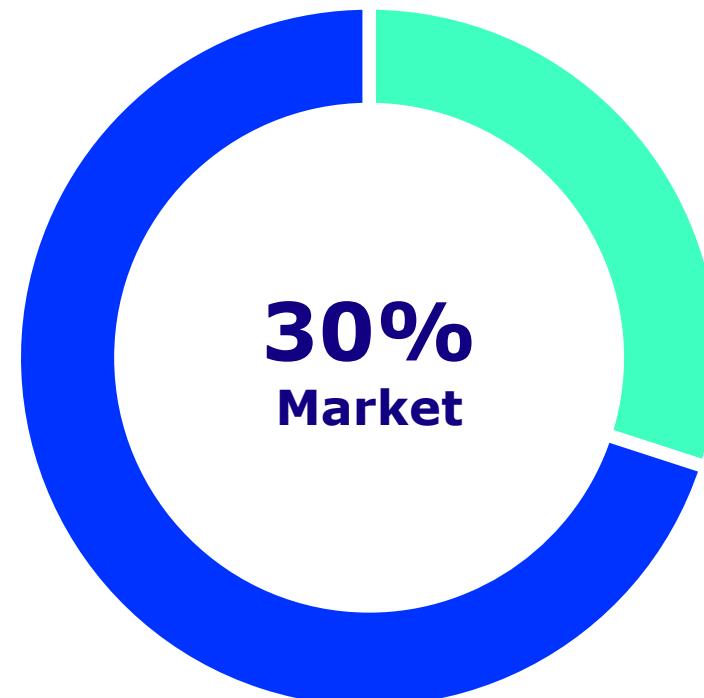
**~60%**  
Cost  
competitive  
in 2024

# We are the leader in Select market self-funded solutions

Self-funded

Fully insured

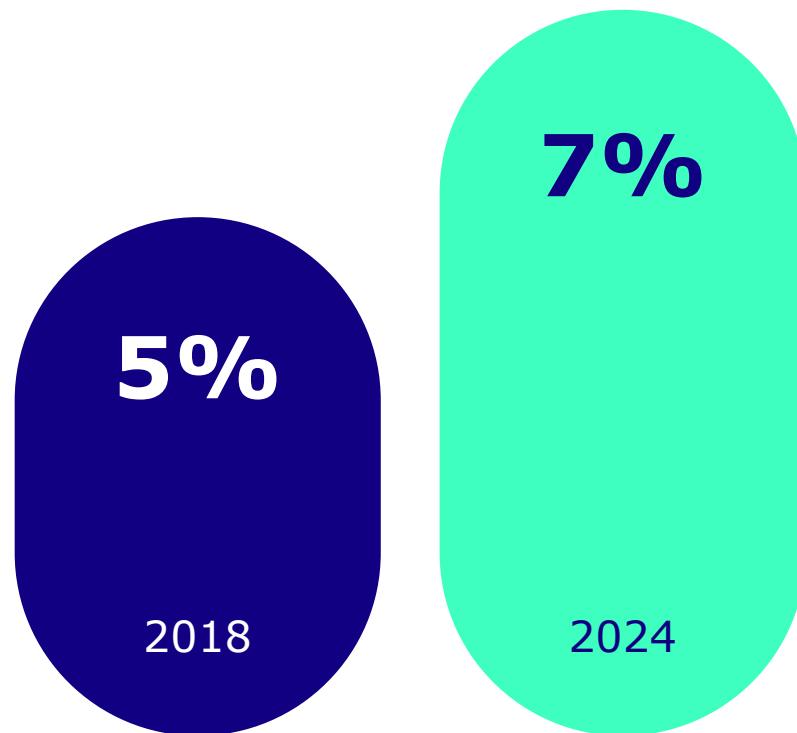
SELF-FUNDED MIX  
IN SELECT MARKET



Our self-funded mix is 2x larger than the Select market mix

Select Market = Employer clients with 50-499 lives

# Continued market share gains in Select segment give us a clear path for growth



## SELECT SEGMENT MARKET SHARE



Select Market = Employer clients with 50-499 lives

# Enterprise adjusted income growth algorithm

Pharmacy Benefit Services

**2-4%**

Specialty and Care Services

**8-12%**

**EVERNORTH®**  
HEALTH SERVICES

**5-8%**

U.S. Employer

**6-8%**

Individual and Family Plans

**10-15%**

International Health

**8-10%**



**7-10%**



**6-9%**

# Sum of the Parts adjusted earnings growth algorithm

SPECIALTY AND CARE SERVICES

**~30% OF EARNINGS  
8–12% GROWTH**

PHARMACY BENEFIT SERVICES

**~30% OF EARNINGS  
2–4% GROWTH**



CIGNA HEALTHCARE

**~40% OF EARNINGS  
7–10% GROWTH**

**Capital deployment:**  
**4-5%**  
EPS Growth



**~\$60B**  
cash flow over the  
next five years

**~20-25%**  
CAPITAL EXPENDITURES  
AND SURPLUS TO  
FUND GROWTH

**~15%**  
DIVIDEND

**~60-65%**  
STRATEGIC M&A,  
SHARE REPURCHASE,  
REPAY DEBT

## Strong long-term shareholder value

LONG-TERM AVERAGE ANNUAL  
ADJUSTED INCOME GROWTH

**6–9%**



LONG-TERM AVERAGE  
ANNUAL CONTRIBUTION  
FROM CAPITAL DEPLOYMENT

**4–5%**

ENTERPRISE

**10–14%**

long-term average annual adjusted EPS growth outlook

PLUS AN ATTRACTIVE DIVIDEND

**1–2%**

# Definitions of key financial and business terms

**Medical care ratio** represents medical costs as a percentage of premiums for all Cigna Healthcare risk products provided through guaranteed cost or experience-rated funding arrangements.

**Adjusted SG&A expense ratio** represents enterprise selling, general and administrative expenses of excluding special items as a percentage of adjusted revenue at a consolidated level.

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

**Long-term average target margins** refer to the long-term average target for adjusted pre-tax margin for each segment (as defined above).

**Adjusted effective tax rate** is not determined in accordance with GAAP and should not be viewed as a substitute for the most directly comparable GAAP measure, "consolidated effective tax rate." We define adjusted effective tax rate as the consolidated income tax rate applicable to the Company's pre-tax income excluding pre-tax income (loss) attributable to noncontrolling interests, net realized investment results, amortization of acquired intangible assets, and special items. The Cigna Group share of certain realized investment results of its joint ventures reported in the Cigna Healthcare segment using the equity method of accounting are also excluded. Management is not able to provide a reconciliation to the consolidated effective tax rate on a forward-looking basis because we are unable to predict, without unreasonable effort, certain components thereof including (i) future net realized investment results and (ii) future special items.

**Total medical customers** includes individuals in the Cigna Healthcare segment who meet any one of the following criteria: are covered under a medical insurance policy, managed care arrangement or service agreement issued by Cigna Healthcare; have access to the Cigna Healthcare provider network for covered services under their medical plan; or have medical claims that are administered by Cigna Healthcare. International Health medical customers excludes medical customers served by less than 100% owned subsidiaries, as well as certain customers served by our third-party administrator. International Health customers as of December 31, 2023, reflect the transition of certain runoff business to Other Operations beginning January 1, 2023.

**Secular growth** refers to long-term sustained growth of an industry driven by structural factors such as regulatory environment, demographic trends, and technological advancements.

**National Accounts** market segment includes employers with 3,000 or more eligible employees.

**Middle Market** segment includes employers with 500 to 2,999 eligible employees, solutions for third-party payers, Taft-Hartley plans, and other groups.

**Select** market segment includes employers with 51 to 499 eligible employees.

# Reconciliation of GAAP to non-GAAP financial measures

## Shareholders' net income and diluted earnings per share

Year Ended December 31	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Shareholders' net income (loss)</b>	<b>\$17.39</b>	<b>\$21.41</b>	<b>\$15.75</b>	<b>\$22.96</b>	<b>\$13.44</b>	<b>\$10.54</b>	<b>\$8.77</b>	<b>\$7.19</b>	<b>\$8.04</b>	<b>\$7.83</b>	<b>\$5.18</b>
Adjustments to reconcile to adjusted income from operations:											
Net realized investment losses (gains)*	\$0.38	\$1.59	(\$0.47)	(\$0.66)	(\$0.50)	(\$0.42)	(\$0.61)	(\$0.42)	(\$0.15)	(\$0.40)	(\$0.49)
Amortization of acquired intangible assets, net	\$4.77	\$4.30	\$4.38	\$3.88	\$5.92	\$0.71	\$0.26	\$0.36	\$0.30	\$0.44	\$0.50
Results of guaranteed minimum income benefits business	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	(\$0.09)
Adjustment for transitioning clients	\$ -	\$ -	\$ -	\$ -	(\$3.46)	(\$0.19)	\$ -	\$ -	\$ -	\$ -	\$ -
Special items	\$2.55	(\$3.94)	\$0.82	(\$7.73)	\$1.65	\$2.74	\$2.04	\$0.97	\$0.47	\$ -	\$2.19
<b>Adjusted income from operations</b>	<b>\$25.09</b>	<b>\$23.36</b>	<b>\$20.48</b>	<b>\$18.45</b>	<b>\$17.05</b>	<b>\$14.22</b>	<b>\$10.46</b>	<b>\$8.10</b>	<b>\$8.66</b>	<b>\$7.87</b>	<b>\$7.29</b>

\*Includes the Company's share of certain investment results of joint ventures reported in the Cigna Healthcare segment using the equity method of accounting.

# Reconciliation of GAAP to non-GAAP financial measures

## Adjusted Revenues

Year Ended December 31	2023
<b>Total Revenues</b>	<b>\$195,265</b>
Net realized investment results from certain equity method investments	\$57
<b>Adjusted Revenues</b>	<b>\$195,322</b>