INDUSTRY/COMPANY

Overview

JAY WARING

Senior Vice President
Chief Operating Officer

North America Deathcare Industry (U.S. & Canada)

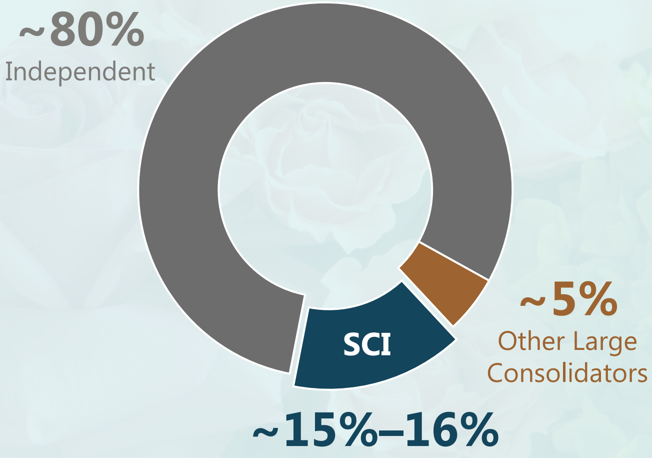
THE INDUSTRY IS HIGHLY FRAGMENTED

~22,000 Funeral Homes — **~$17B**

~5,500 Cemeteries — **~$5B**

~$22B Deathcare Industry Revenues

Industry Revenue Contribution



North America is defined throughout this presentation as U.S. and Canada. Industry revenue estimated from 2020 U.S. Census Bureau and Statistics Canada data. Large consolidator revenue based on public information and company estimates. | Number of funeral homes and cemeteries estimated by SCI from various sources and include only those of size. We estimate that there are several thousand smaller funeral homes and smaller municipal, church and not-for-profit cemeteries.

Service Corporation International

WE ARE THE LARGEST COMPANY IN THE INDUSTRY

1,471 Funeral Homes — **$2.3B**

488 Cemeteries — **$1.8B**

$4.1B
2021 SCI Revenue

2021 Snapshot

~24K
Employees

~750K
Customers Served (Funeral & Cemetery)

$2.4B
Preneed Sales

~$14B
Backlog of Future Revenue

Unless otherwise noted, data on this slide represents consolidated results from fiscal year ended December 31, 2021.

Our scale and footprint provides competitive advantages

CANADA

165 FUNERAL

12 CEMETERY

UNITED STATES

1,306 FUNERAL

476 CEMETERY

1,959

LOCATIONS

As of December 31, 2021

- National brand
- Leading technologies
- Supply chain cost advantages
- Premier preneed sales program
- Network optimization/ back office efficiencies
- Leading cemeteries in markets where we operate
- Differential economics in preneed trust/ insurance structures
- Training and development – Dignity University®

Of the 488 cemeteries we own, 299 (or 61%) have a funeral home on-site, offering customers the convenience of one-stop shopping while producing higher margins than stand-alone businesses due to economies of scale

Funeral and cemetery have different business characteristics

	BUSINESS FOCUS	BARRIERS TO ENTRY	REVENUE RECOGNITION	FUTURE OUTLOOK
FUNERAL	High-touch personalized service/retail	Moderate, except low in the price-sensitive market	Generally recognized at time of death	Revenue growth and high incremental margin growth expected from demographic tailwinds
CEMETERY	Real estate/sales/service	High (Capital/regulatory/permitting)	Preneed property sales can be recognized before death	Continued growth in revenues and high incremental margins driven by demographics and robust preneed sales program

Our base case earnings framework remains sound

8%–12%

ORGANIC

5%–7%

FUNERAL
Modest revenue growth driven by increases in volume and sales average supporting stable margins

CEMETERY
Mid-single digit % preneed sales growth supporting increasing margins

CAPITAL DEPLOYMENT

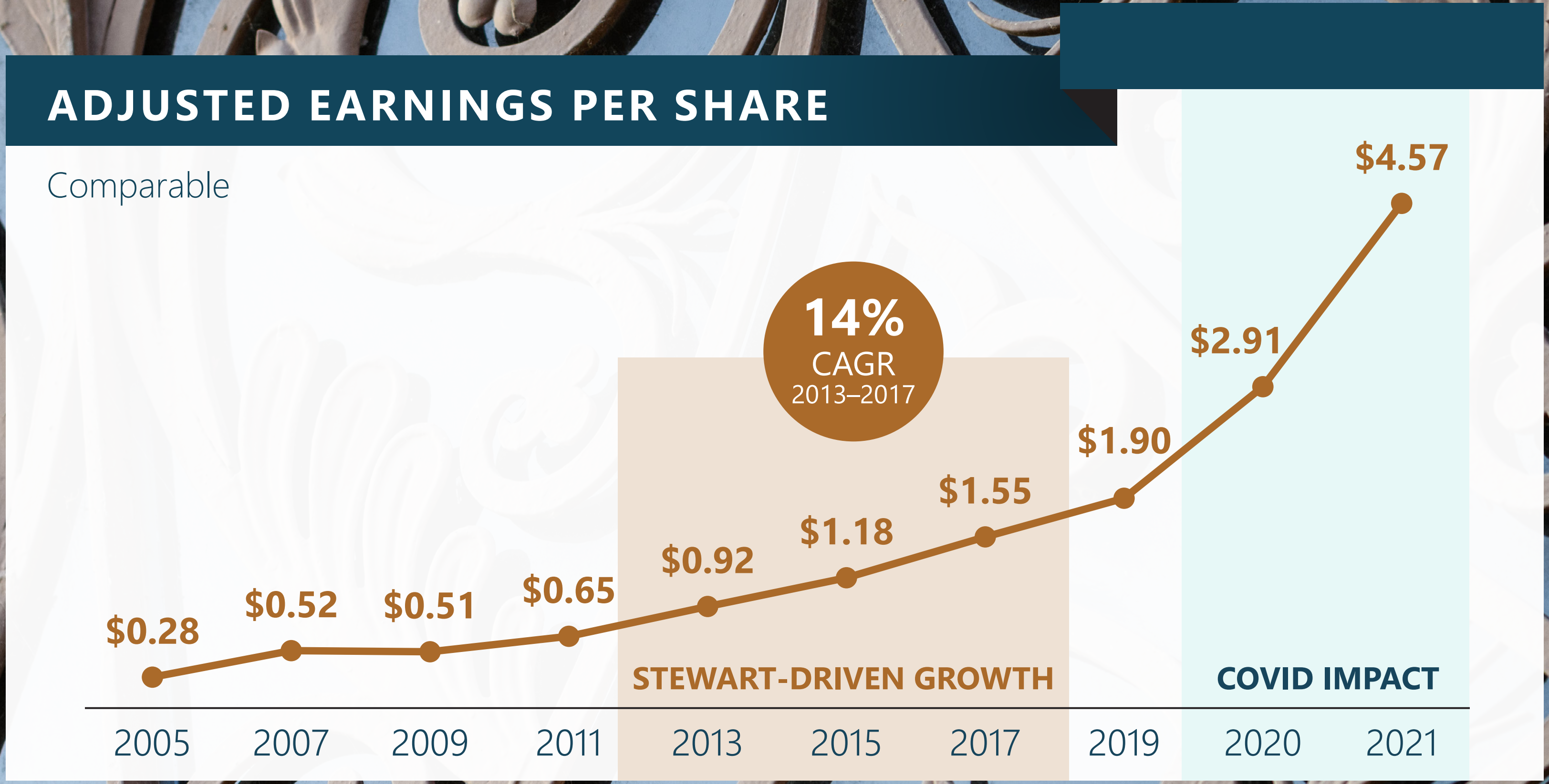
3%–5%

Continue Reinvesting in Business, Growth Capital, Share Repurchases and Debt Management

Long-Term Consistent EPS Growth

Modest incremental revenue growth drives EPS above the range

Our business model has proven that incremental revenue yields significant profitability; similar to post-Stewart, post-COVID, we expect to return to 8%-12% earnings growth framework on a new, higher earnings base



Adjusted earnings per share is a non-GAAP financial measure. Please see appendix for a reconciliation to the appropriate GAAP measure and for other disclosures.