FUNERAL & CEMETERY

Segment Overview

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FUNERAL & CEMETERY SEGMENT OVERVIEW

Funeral

Dedicated to caring for customers and poised for growth

Funeral segment overview

BUSINESS FOCUS	High-touch personalized service/retail
BARRIERS TO ENTRY	Moderate, except low in the price-sensitive market
REVENUE RECOGNITION	Generally recognized at time of death
FUTURE OUTLOOK	Revenue growth and high incremental margin growth expected from demographic tailwinds

2021 SNAPSHOT

Consolidated Operations

$2.3B
Revenues

~500K
Customers Served
(atneed and preneed)

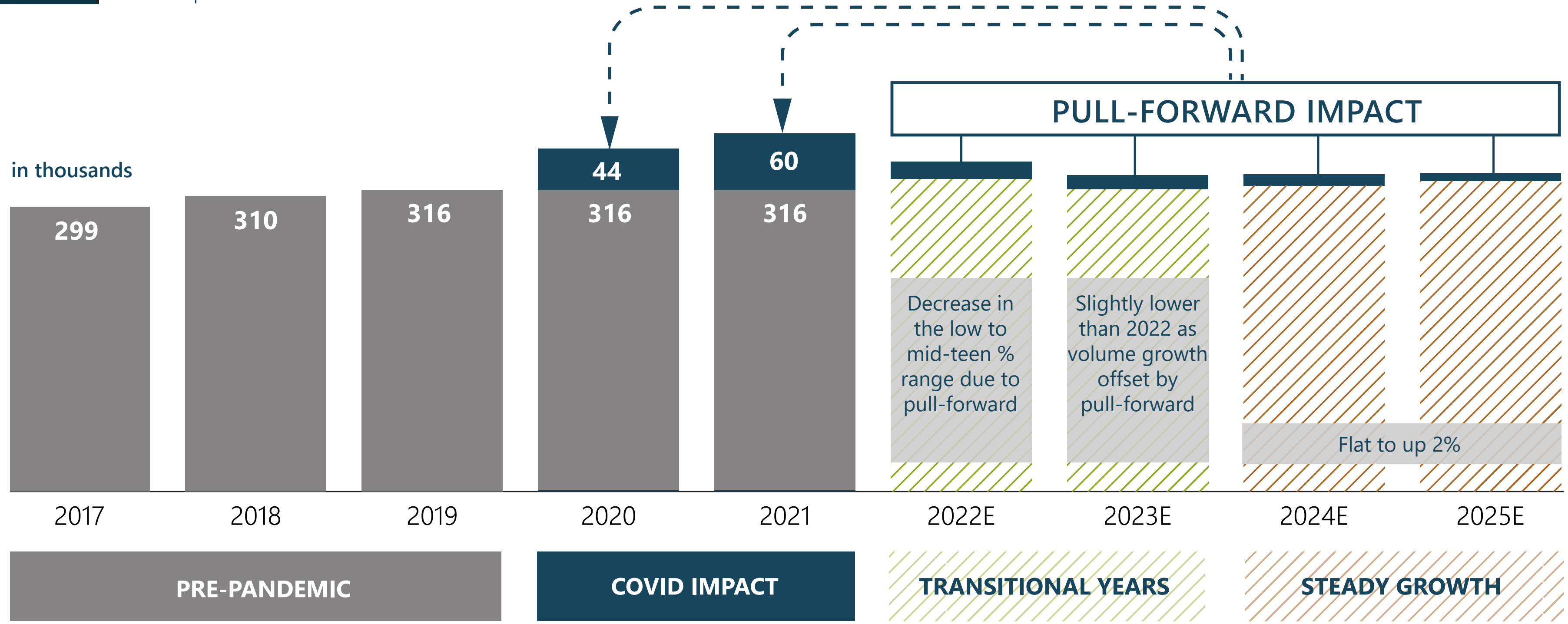
1,471
Funeral Homes

~$10B
Preneed Backlog

Volume expected to be flat to up 2% beyond 2023

FUNERAL SERVICES PERFORMED

Comparable



BASE CASE

Target Growth

(2024-2025)

Flat to up 2%

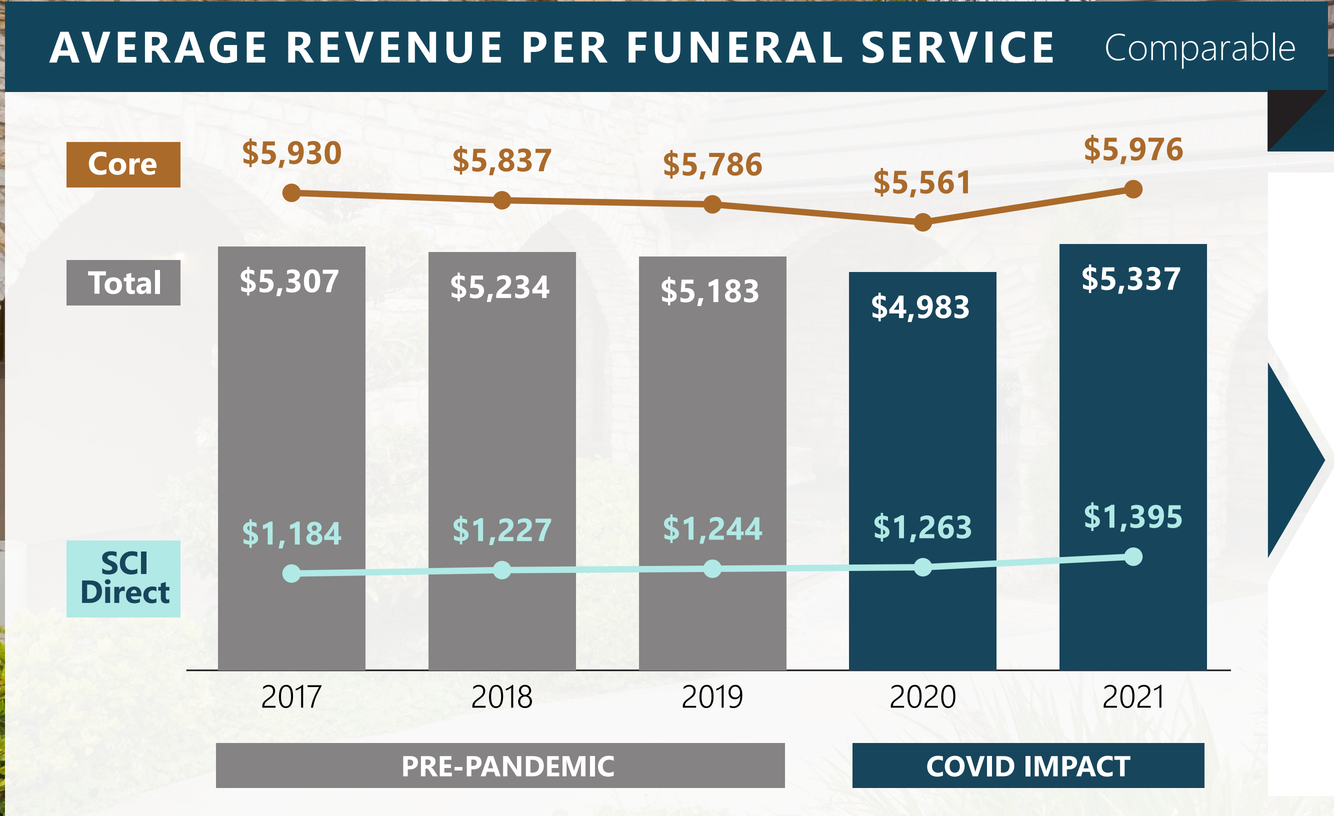
after pull-forward impact

As a result of COVID, some volume has been pulled forward into 2020 and 2021.
We expect the largest portion of this impact to be captured in 2022 and 2023, with a diminishing effect in later years.

We expect continued growth in the sales average

We are confident in our ability to continue to grow the sales average through:

- **Inflationary Price Adjustments**
- **Innovative Products/Services**
- **Dignity Packages**
- **Venue Options/Pricing**
- **Cremation Opportunities**
- **Preneed Strength**



BASE CASE
Target Growth
(2022-2025)

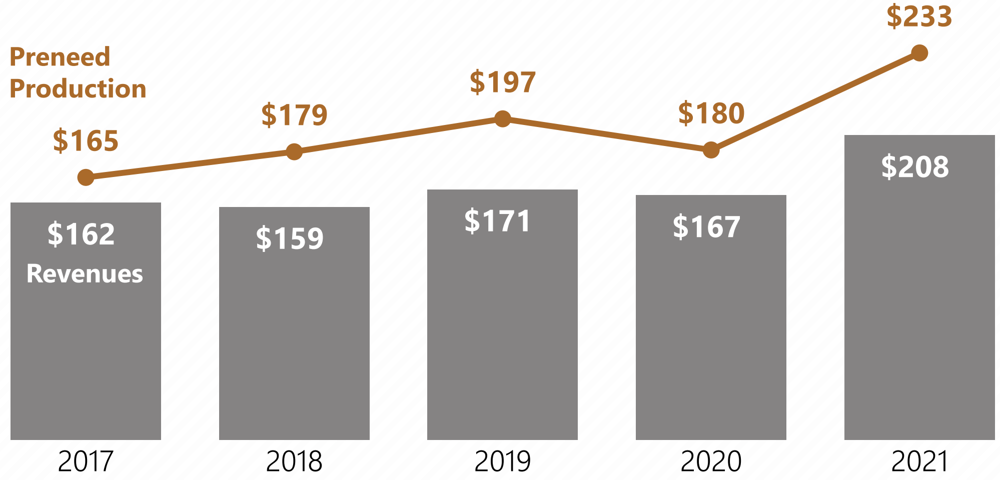
Low single-digit % range after cremation mix shift

Sales averages were somewhat flat in 2017-2019 due to strategic pricing adjustments made to be more competitive for the price-sensitive cremation consumer.
Sales average in 2020 was temporarily impacted by gathering restrictions during the pandemic.

SCI Direct benefits from expanding market generating double-digit profit growth

SCI DIRECT REVENUES AND PRENEED PRODUCTION
Comparable

$ in millions



BASE CASE
TARGET GROWTH
(2022-2025)

Mid to High Single-Digit % Range

2021 SNAPSHOT

$37M Gross Profit

109 Locations

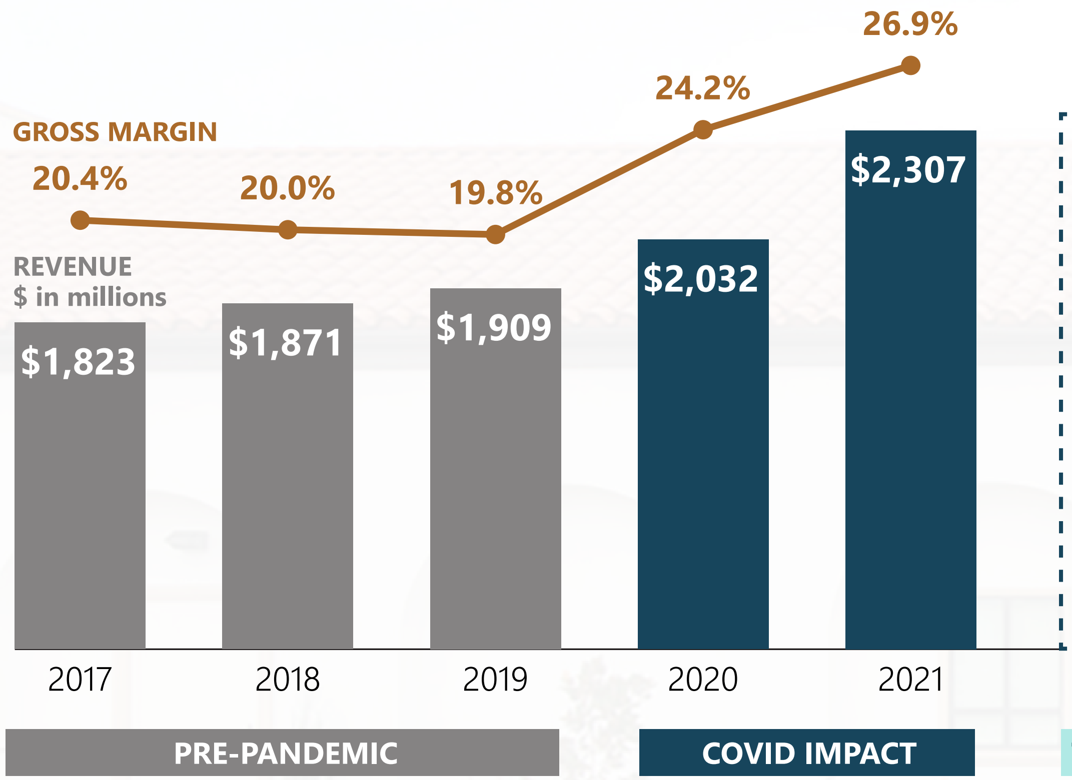
31 States

THE OPPORTUNITY

- Asset light preneed model serving the direct cremation consumer
- Incremental channel to capture the price-sensitive consumer
- Simple product offerings and packaged pricing
- Growing volume and average

Moderate funeral revenue growth with stable margins expected beyond 2023

REVENUE AND GROSS MARGIN Comparable



2022 revenues expected to slightly exceed 2019 levels, but decline low-teen %'s from 2021

2023 revenues expected to be flat to down low single-digit %'s from 2022

Margins in both years expected in high-teen to low-20's range

2022E / 2023E

TRANSITIONAL YEARS

BASE CASE
Target Growth
(2024-2025)

REVENUES
1%-3%

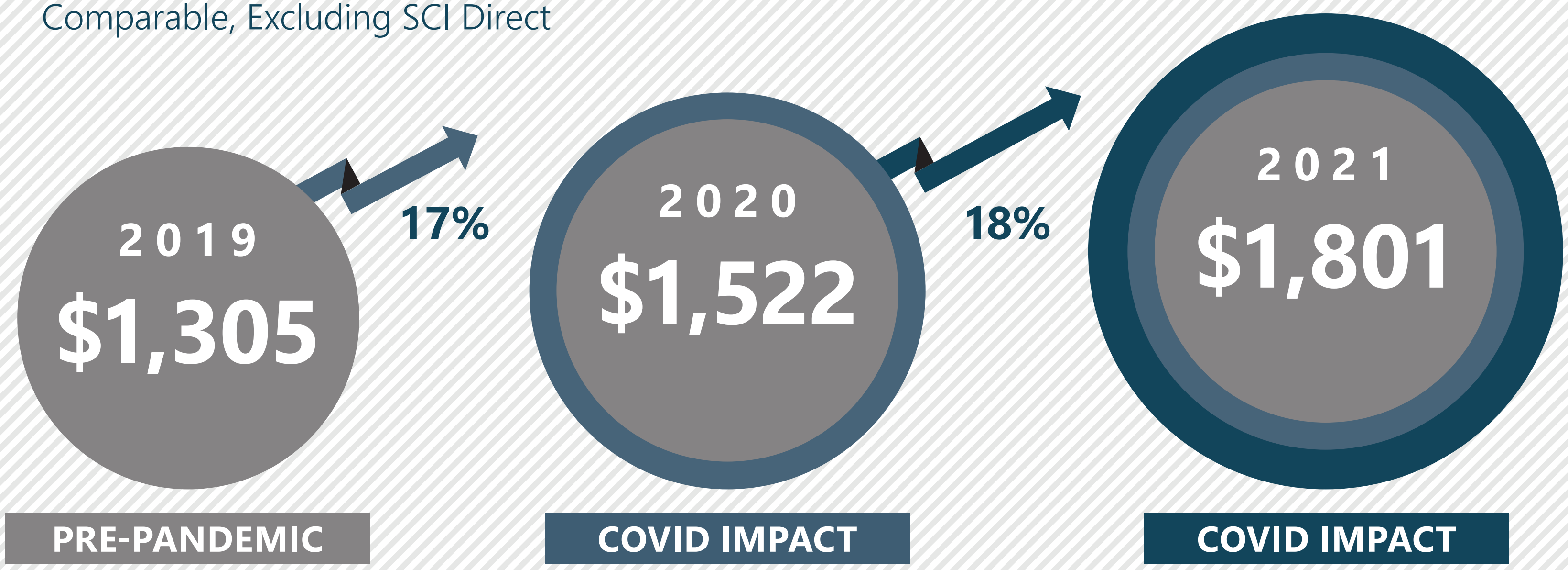
MARGINS
High-teen to low-20's range

Strength of operating leverage proven during the pandemic

SCI has proven we have the capacity to manage increased volumes expected with the Baby Boomer generation as well as the power of incremental margins on higher sales

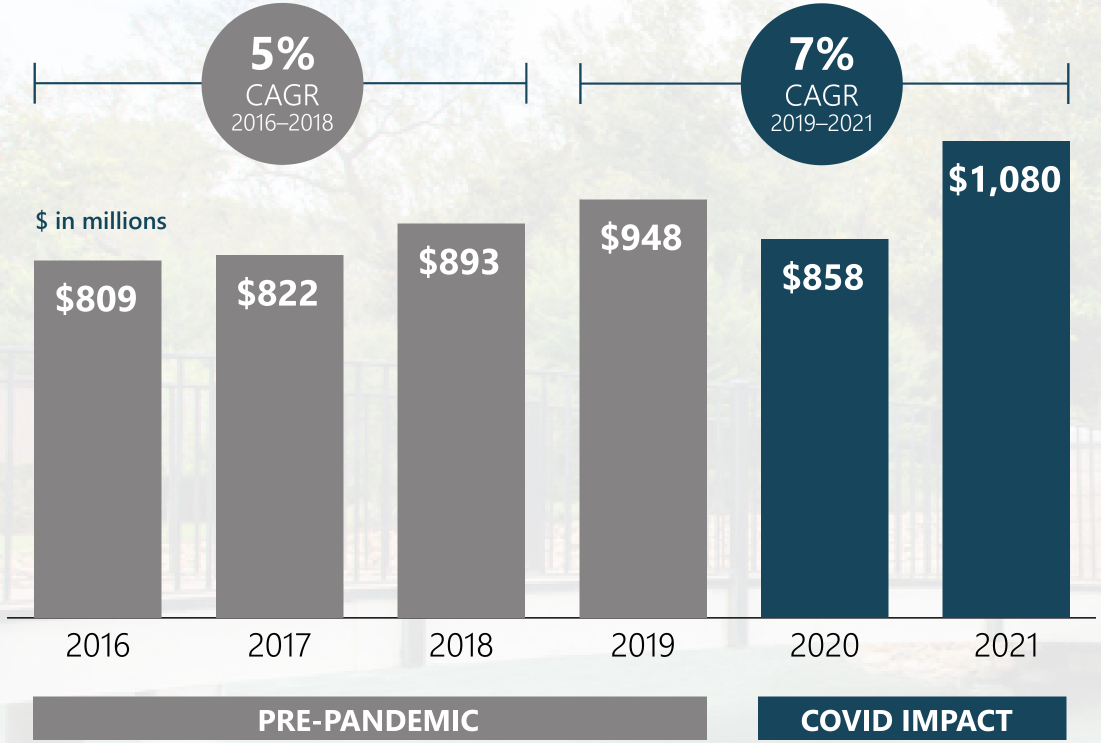
CORE GROSS PROFIT PER FUNERAL SERVICE

Comparable, Excluding SCI Direct



Funeral preneed program supporting future growth

PRENEED FUNERAL SALES PRODUCTION Comparable



BASE CASE
TARGET GROWTH
(2022-2025)

3%-8%

DIFFERENTIAL GROWTH OPPORTUNITY

Independents do not have well-structured and scalable preneed programs

OUR PROGRAM IS CASH FLOW NEUTRAL

Insurance commissions and trust retainage covers selling compensation outflows

Cemetery

Our robust preneed sales program and ability to invest in new and unique property set us apart

Cemetery segment overview

BUSINESS FOCUS	Real estate/sales/service
BARRIERS TO ENTRY	High (Capital/regulatory/permitting)
REVENUE RECOGNITION	Preneed property sales can be recognized before death
FUTURE OUTLOOK	Continued growth in revenues and high incremental margins driven by demographics and robust preneed sales program

2021 SNAPSHOT

Consolidated Operations

$1.8B
Revenues

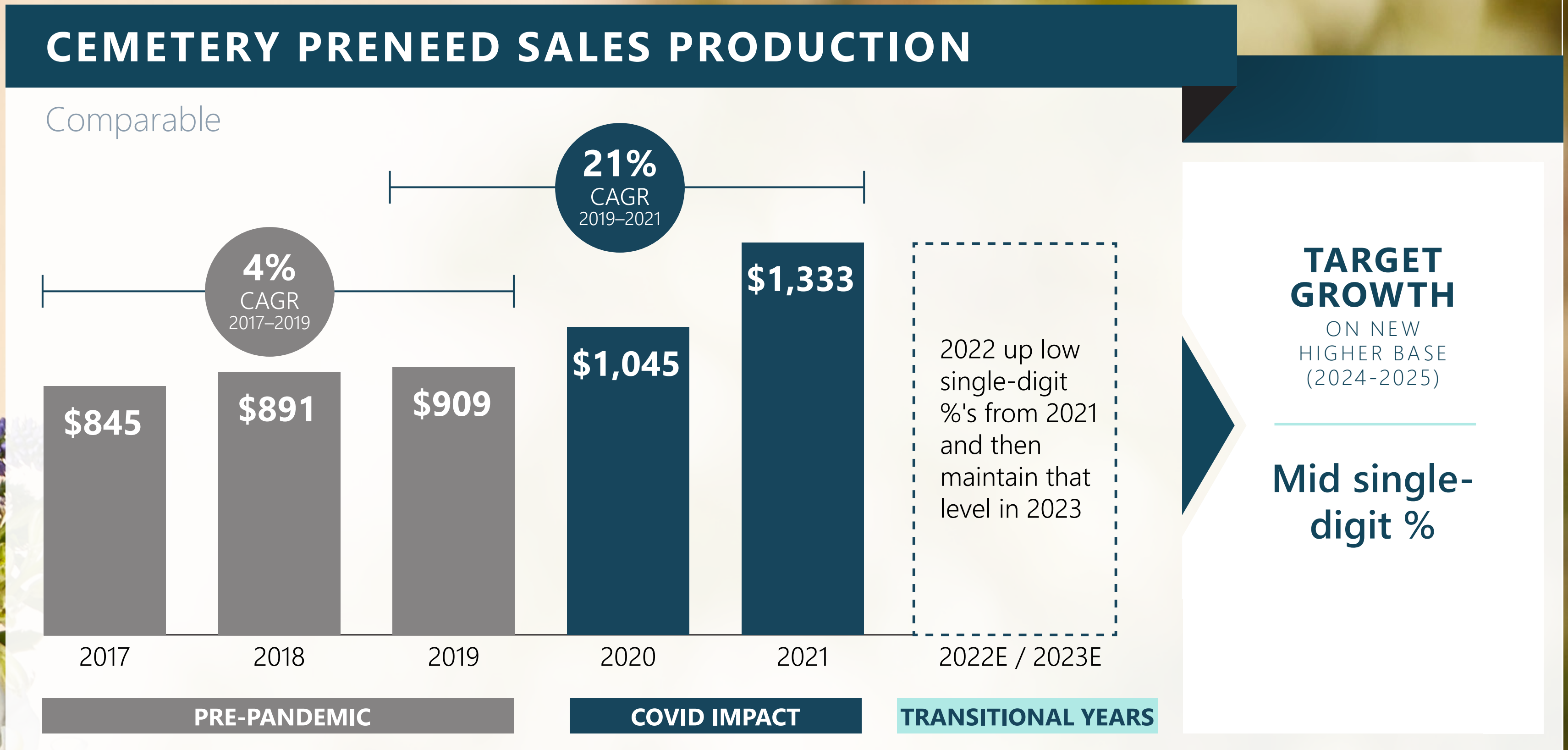
250K
Customers Served
(atneed and preneed)

488
Cemeteries
(61% combos)

$4B
Preneed backlog of merchandise and services sold

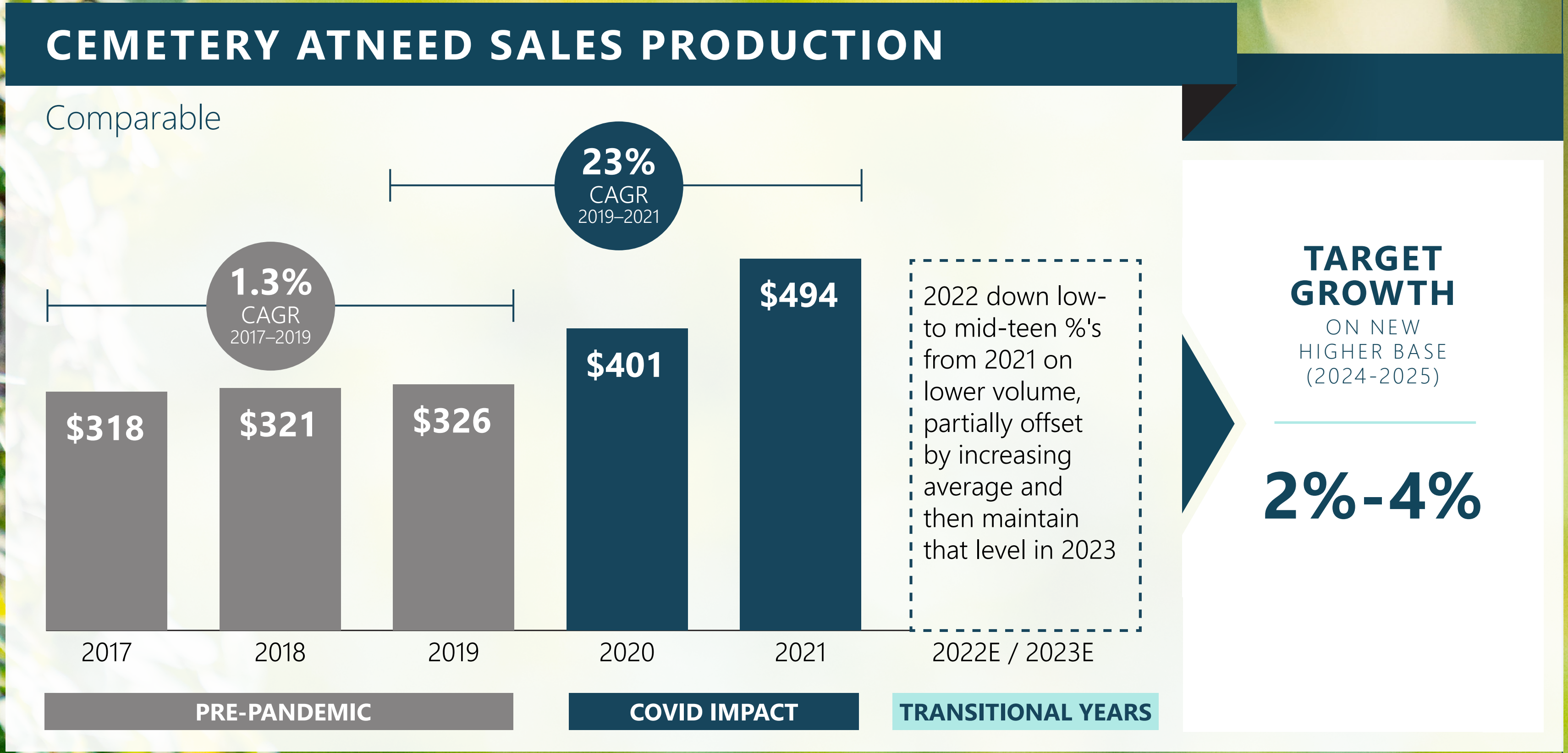
Mid single-digit % growth in preneed sales production expected on higher post-pandemic base

Production growth benefited during the pandemic; not only from higher volumes, but also from sustainable enhanced productivity, which is expected to continue to drive growth on a much higher base



Modest growth in atneed sales production on higher base 2023 and beyond

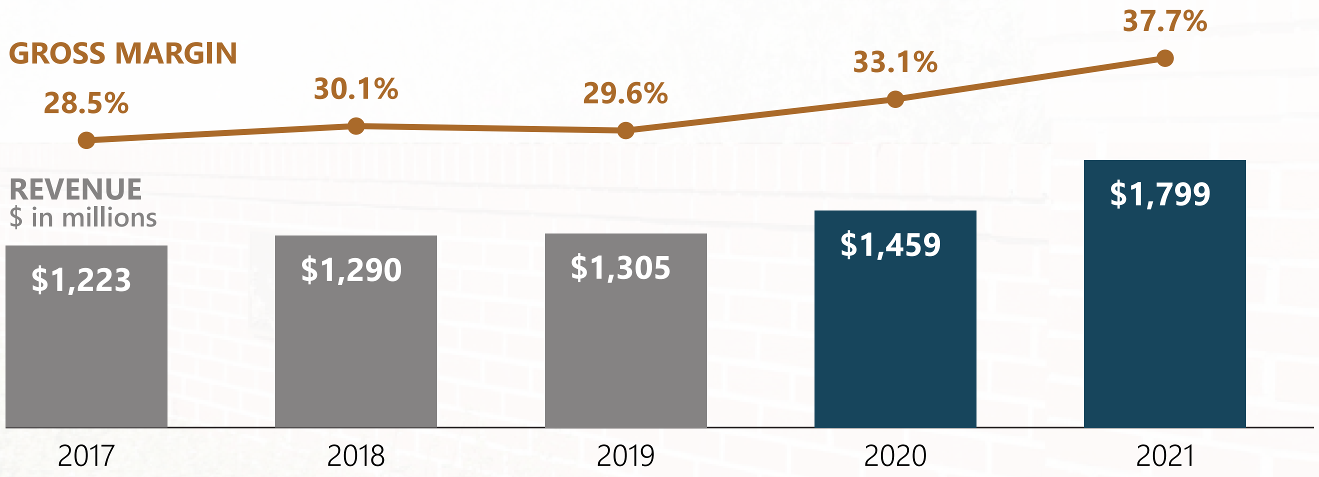
Strong atneed sales production during pandemic driven by both volume and sales average increases



Future cemetery revenue and margin growth expected from sales production strength

REVENUE AND GROSS MARGIN

Comparable



Revenues expected to increase in the low single-digit % range in 2022 and 2023

Margins expected in the mid-30's range

2022E / 2023E

BASE CASE

Target Growth

(2024-2025)

REVENUES

Mid single-digit %

MARGINS

Mid to high 30's

Growing 50-80 bps per year

PRE-PANDEMIC | COVID IMPACT | TRANSITIONAL YEARS