

KEY GROWTH DRIVERS

Enhanced Growth Capital Opportunities



**JOHN
FAULK**

Senior Vice President
Revenue & Business
Development



Growth capital spend varies across our footprint

ACQUISITIONS



Purchase of funeral homes and cemeteries

NEW BUILDS



New funeral home or cemetery on existing or new property

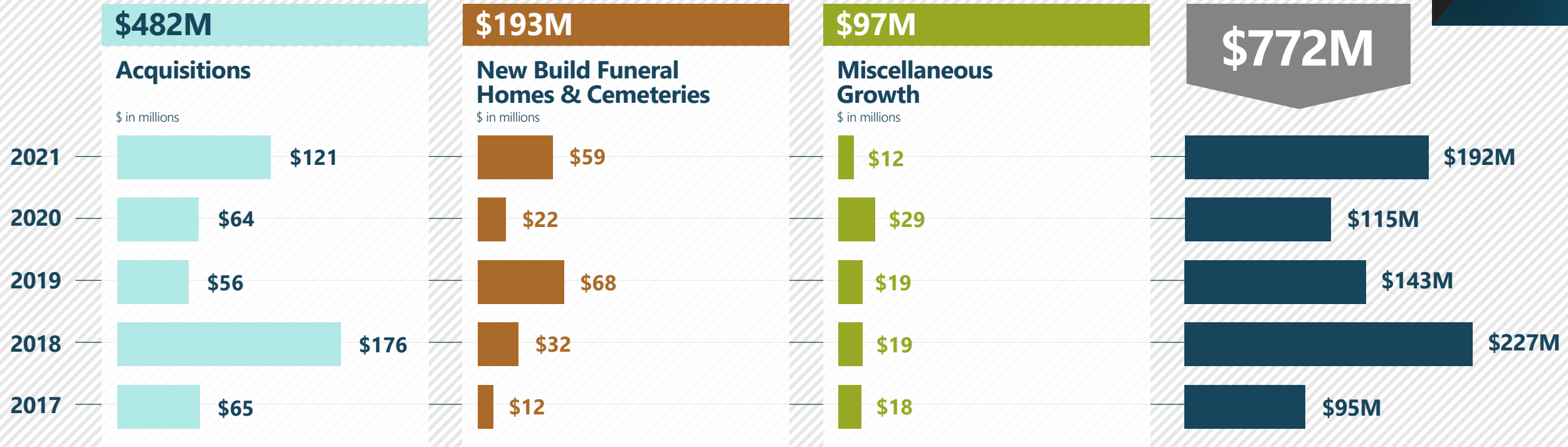
MISCELLANEOUS GROWTH



Facility expansions and significant ad-hoc accretive investments

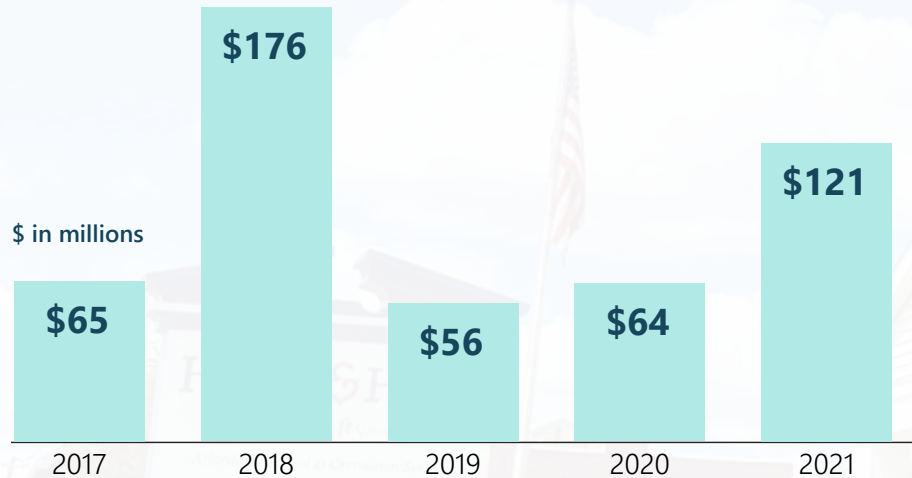
Over \$770M invested in growth opportunities over the past 5 years

TOTAL 5-YEAR GROWTH CAPEX SPEND



Acquisitions are our best use of capital

ACQUISITION SPEND



UPDATED
TARGET
**\$75M-
\$125M**

7	5	11	8	8	Number of Transactions
22	24	16	17	30	Funeral Home Locations
6	9	—	1	2	Cemetery Locations

THE OPPORTUNITY

- Low-to mid-teen IRRs
- Still ample opportunity to acquire closely held candidates (Target list represents \$0.8B–\$1B in revenue)
- Opportunities could accelerate as pandemic wanes

BENEFITS WITH SCI

- Funeral revenue growth due to improved funeral merchandising and packaging
- Cemetery revenue growth due to enhanced cemetery offerings and experienced sales force
- Access to capital provides ability to upgrade facilities
- Cost savings related to local and national scale

**SCHOEDINGER FUNERAL & CREMATION
SERVICE | NEW DUBLIN, OH**

12 locations in the greater Columbus area in Ohio

**MILLER JONES MORTUARY & CREMATORY AND
MENIFEE VALLEY CEMETERY | HEMET, CA**

7 funeral locations and 1 cemetery location in the Hemet Valley area in California

2021 Acquisitions
consisted of
32 businesses in
7 states with
annual revenues
of ~\$40M

**SKYLINE MEMORIAL PARK & CREMATORY
MONEE, IL**

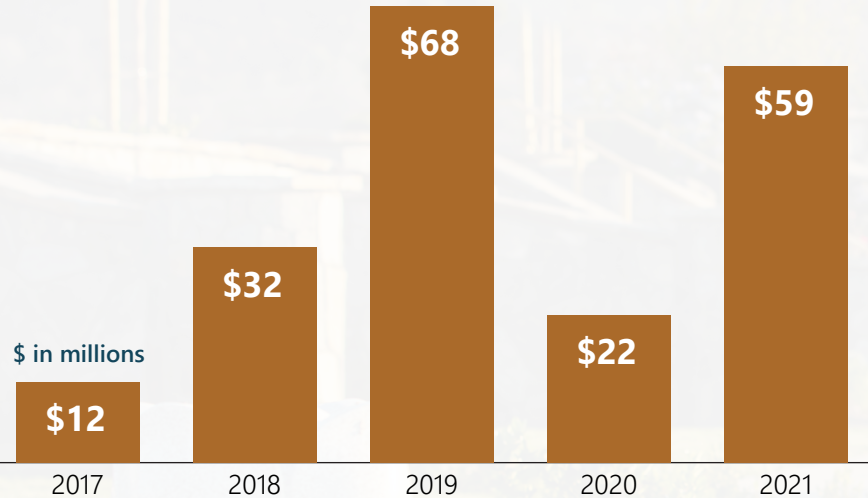
1 cemetery location south of Chicago

**WAPPNER FUNERAL DIRECTORS
ONTARIO, OH**

4 locations in the Mansfield area in Ohio

Greenfield new build opportunities are an increasing focus for us

NEW BUILD FUNERAL HOMES & CEMETERIES



TARGET
**\$25M-
\$50M**

5	5	6	5	8	Funeral Home Locations
—	—	1	—	1	Cemetery Locations
3	6	5	5	3	SCI Direct Locations
9	9	7	12	14	Locations in Progress

THE OPPORTUNITY

- Expansion of footprint to reach growing demographics and target customers
- Target 10 to 15 new funeral homes annually
- Invest in select, strategic cemetery start-up projects where opportunities meet market needs
- Low- to mid-teen IRRs

WHERE WE FOCUS

Target growing suburbs in urban markets where we operate

Look to be the first entrant where there is a sizeable representation of our target customer

Also will create combos via building funeral homes on existing, owned cemeteries

Opportunisticly rebuild combo funeral homes with attractive demographics



DIGNITY MEMORIAL LIFE CELEBRATION CENTER | WILDWOOD, FL



ALLNUT FUNERAL & CREMATION | GREELEY, CO



HUA YUAN AT ROSE HILLS | WHITTIER, CA

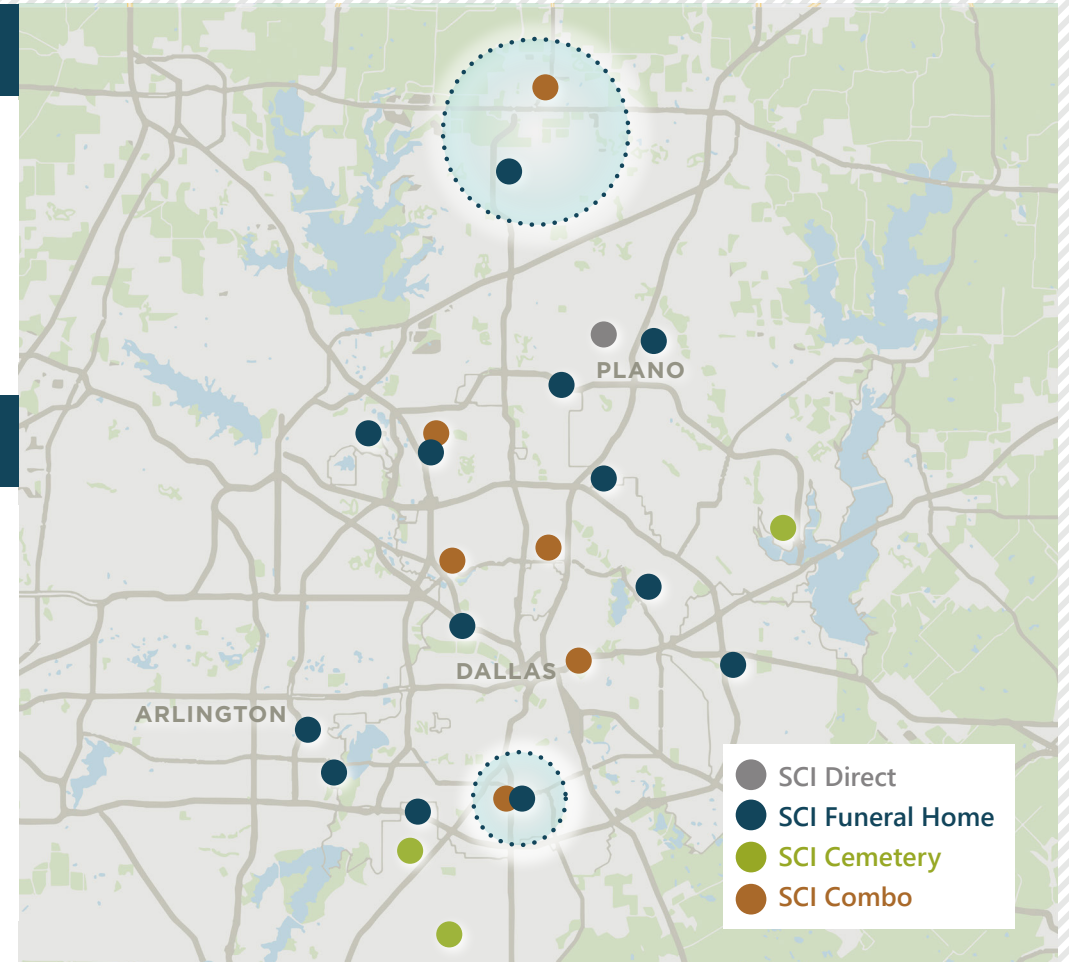
Dallas, Texas - Market Footprint

OVERVIEW

- Dallas is among the fastest growth areas in U.S.
- We have scale, serving over 5,100 funeral customers and 3,800 cemetery customers

GROWTH PROJECTS

- Two new locations in the northern growth corridor where we lacked presence:
 - Stand-alone funeral home in Frisco
 - Planned combo facility in Prosper
- Rebuilt our flagship property, Laurel Land Funeral Home (combo), into a modern, contemporary space





STONEBRIAR FUNERAL HOME | FRISCO, TX *(North of Dallas)*

OPENED 2013 | Serving ~240 families annually



LAUREL LAND FUNERAL HOME | DALLAS, TX

NEW FACILITY OPENED 2019 | Serving ~650 families annually



PROSPER TRAILS FUNERAL HOME & CEMETERY | DALLAS, TX

RENDERING | Construction starting soon

Opportunistic considerations for expansion and redesign of current business

MISCELLANEOUS GROWTH



THE OPPORTUNITY

- Expand high-growth funeral homes to increase their capacity to serve
- Opportunistic, high-return capital opportunities such as:
 - Purchases of leased real estate
 - Adding infrastructure to lower cost to serve (e.g., crematories, solar power, etc.)

Creating unique new venues within our existing footprint



Memorial Oaks Funeral Home, Houston, TX



Blount & Curry Funeral Home - MacDill Avenue, Tampa, FL



Hodges Funeral Home, Naples, FL



Joseph Gawler's Sons, Washington, DC



Woodlawn-Roesch-Patton Funeral Home, Nashville, TN



Geo. H. Lewis & Sons Funeral Directors, Houston, TX



DEPLOYMENT

Our growth capital continues to add strength to our earnings growth framework

MAIN DRIVERS



ACQUISITIONS

NEW BUILDS

**OTHER GROWTH
CAPITAL**

With more deployment years like 2021, with nearly \$200M in acquisitions and new builds, we are able to support higher earnings growth potential