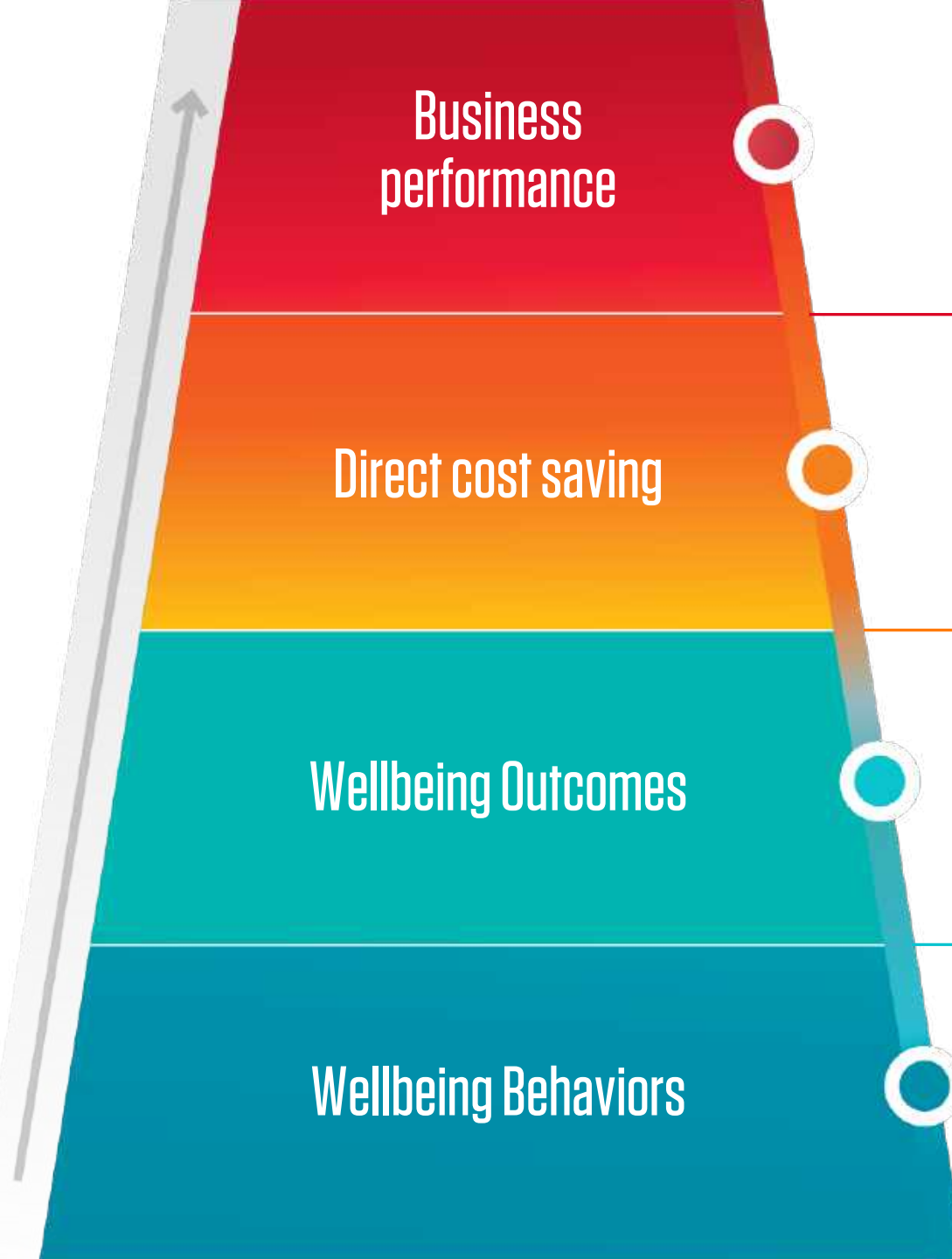


# Value On Investment Framework (VOI)



## Business performance

- Employee Engagement
- Company Culture
- Performance & Productivity
- Retention of Key Employees
- Employee Value Proposition

## Direct cost saving

- Absenteeism
- Presenteeism
- Medical & Rx Claims
- Workers' Compensation & Safety

## Wellbeing Outcomes

- Disease Risk
- BMI, Blood Pressure, Cholesterol
- Biometric Indicators
- Overall Health
- Psychological Health

## Wellbeing Behaviors

- Activity Levels
- Sleep Quantity & Quality
- Nutrition
- Engagement & Satisfaction Levels

# Why Virgin Pulse is Leading the Market Today

*Company delivers a unique, differentiated value proposition and product suite that outperforms competitors*



## HIGH-ENGAGEMENT

**55%**  
Sustained  
Engagement

- Highest enrollment and engagement rates in the industry
- Customers adhering to Company's best practices for program design typically achieve 60%+ monthly engagement while top ten clients achieve nearly 70% (with ~90% employee enrollment)<sup>(1)</sup>
- Average of 6+ daily interactions per member



## ROI & OUTCOMES

**~\$1,100**  
Average Reduction  
in Claims Cost Per  
Member<sup>(1)</sup>

- Powerful on-demand analytics and actionable insights
- Robust reporting on engagement, behavior change, health and productivity outcomes
- Claims ingestion allows for tangible measurement of ROI
- Ingestion of human capital management data allows for measurement and reporting of productivity and related HR metrics



## SOLUTION DEPTH & BREADTH

**800+**  
Enterprise Clients &  
25% of Fortune 500

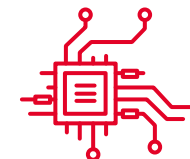
- Modern, configurable platform scales from SMB to Enterprise clients, meeting the needs of all employers
- Multiple product packages match maturity level of any employer's health and wellbeing strategy



## ONLY GLOBAL SOLUTION

**22**  
Languages

- Language and content capabilities tailored for cultures and regions around the world
- Deep global expertise with 15 offices worldwide and international data centers to support global customers
- GDPR-compliant & ISO 27001 certified



## INNOVATION & TECHNOLOGY

**1**  
Flagship  
Platform

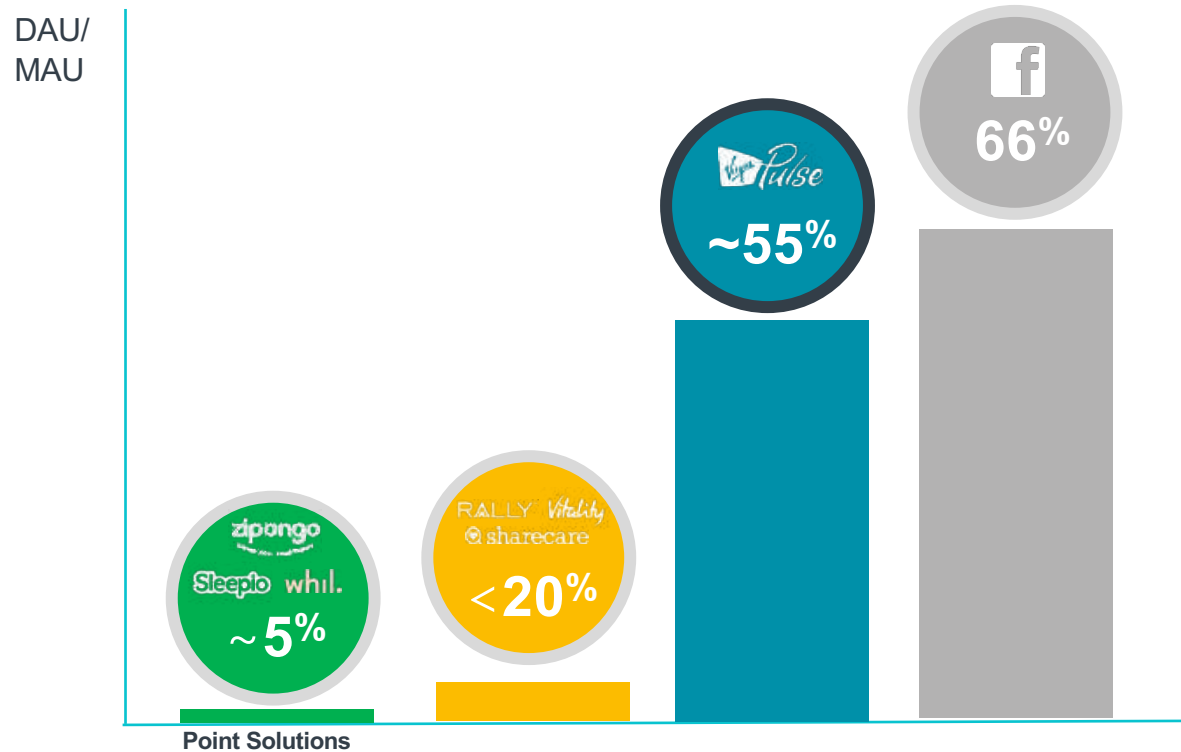
- All R&D investments on a single, scalable technology platform
- \$40M in 2021, \$50M in 2022 with 75% of that going directly toward the core product offering (no buy-up).
- Modern, mobile-first solution with highest satisfaction in the industry
- World-class engineering infrastructure delivers quality, stability, security, and scalability

Note:  
1. Virgin Pulse Institute data

# Industry-Leading Daily Engagement

Carefully-optimized platform drives continuous daily user engagement to maximize health outcomes and derive steady data feed for behavior algorithms

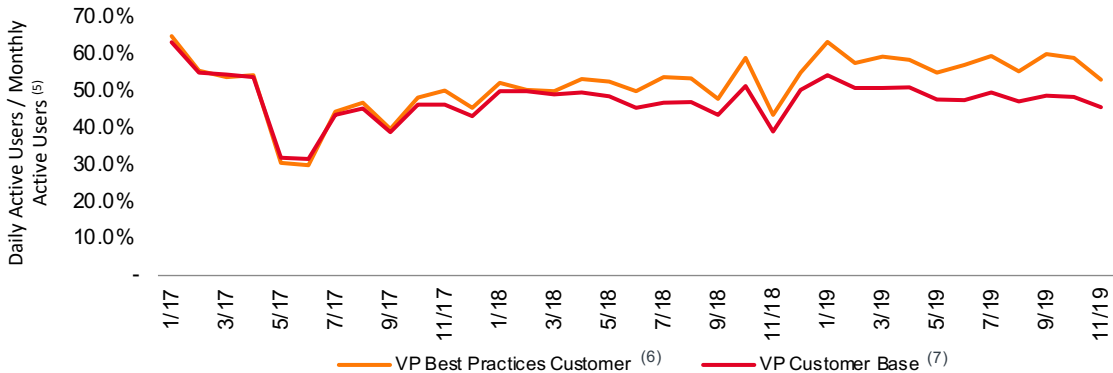
**DAU (Daily Active Users) ÷ MAU (Monthly Active Users)<sup>(1)(2)(3)(4)</sup>**



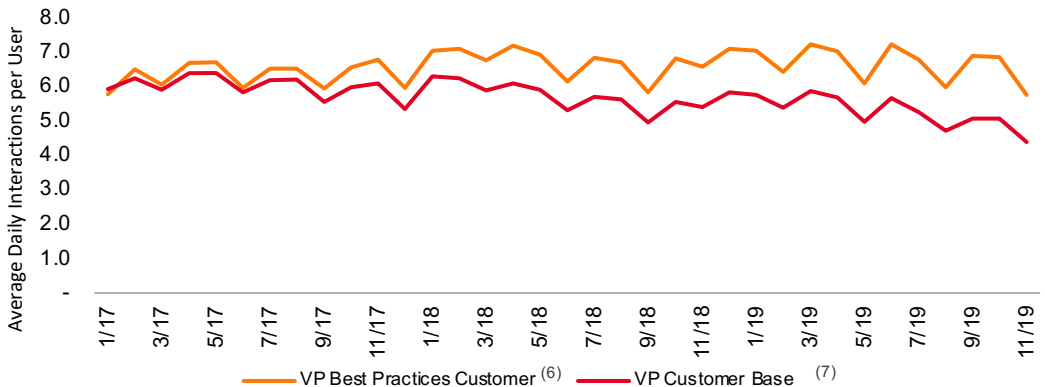
Notes:

- 1. MobileAction estimates, Sept 19-Oct 18, 2019
- 2. Virgin Pulse book of business mobile app usage, Sept 2019
- 3. Facebook Form 10K (June 2019) 1.47B DAU / 2.23B MAU
- 4. Virgin Pulse book of business mobile app usage, Sept 2018
- 5. Daily Active Users / Monthly Active Users represents a common measures of user engagement and product stickiness
- 6. VP Best Practices Customers defined as all customers who adhere to the Company's prescribed program designs (e.g., incentive structures, communication guidelines, etc.)
- 7. VP Customer Base defined as all customers on Engage, the Company's comprehensive health and wellbeing platform

## Consistently High DAU / MAU Over Time



## Sustained Daily Interactions Over Time



# ENGAGES THE ENTIRE POPULATION – FROM HEALTHY TO CHALLENGED



*With broad populations engaged, HR leaders maximize the bottom-line impact of their benefits strategies while tangibly improving the health of their employees*



## Healthy Today (~20%)



## At Risk Groups (~55%) (Pre-diabetic)



## Chronic Condition (~25%) (Hypertension)



### Today

- In-range for BMI, Cholesterol, Blood Pressure
- Moderate cost claimant (claims data) for family
- Autistic son
- Poor sleep and high work stress

- Overweight with fasting blood glucose (FBG) of 110
- Gap in care – missing A1C reading (Claims)
- Moderate cost claimant – struggles with anxiety and depression

- Hypertensive (claims data, confirmed via HRA, Zestril)
- Gap in care – Zestril prescription adherence (Claims)
- Overweight – BMI of 30
- Not activated in health – relies on primary care physician



### Uses of VP Platform

- Understands health benefits – chose HDHP via consult
- Awareness of programs – ReThink (Autism benefit)
- Tracks and improves his daily sleep routine
- Tries new approaches to manage stress (e.g., Whil app)

- Increases activity and lose weight
- Participates in social challenges and community
- Adopts Transform Diabetes Prevention Program (DPP)
- Works on anxiety and stress-related Journeys

- Manages current hypertension routine – Rx, avoiding salt
- Builds basic health literacy (nutrition, sleep, health impacts)
- Tries every AI-based suggestion (habits, Journeys, etc.)
- Works with a health coach monthly



### Illustrative Results

- Peace of mind regarding health plan, spend, benefits
- Feels he's managing his son's autism
- Enrollment in ReThink and selecting HDHP is projected to save employer \$1,250 in avoided medical and pharma costs

- Lost 12% weight and reduced FBG to 95
- Reduced sick days and mental health days by 30%
- Projected to save employer \$2,500 per year in avoided claims costs and lost productivity

- Became compliant with medication - Zestril
- Increased activity, sleep via small steps and lost 10 pounds
- Projected to save employer \$3,500 per year in avoided claims costs

## Successful Participants Creates Successful CHROs



### CHRO



### Illustrative Results

Over 80% enrollment in Virgin Pulse's benefits and wellbeing platform  
 30% increase in HDHP enrollment – projected to save \$25MM per year  
 20% reduction in 2+ risk factor cohort, projected to save over \$8MM / year  
 150% increase in enrollment in mental wellbeing, DPP, hypertension, condition management programs - projected to save over \$5MM / year

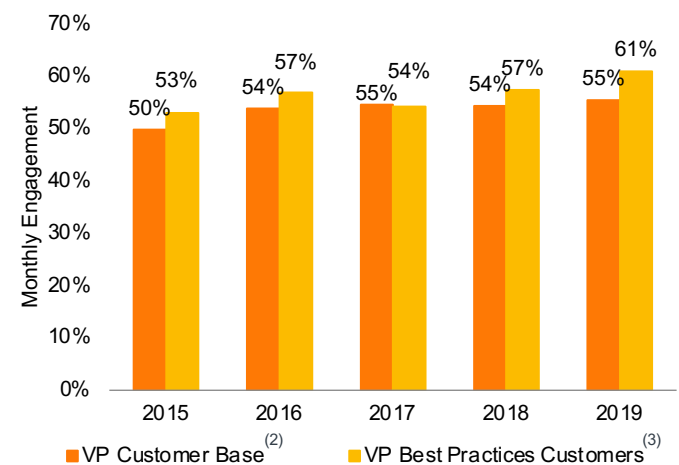
- Strictly Confidential -

# High, Sustained Daily Engagement Delivers Health and Productivity Outcomes

Virgin Pulse's proprietary approach to behavior change drives best-in-class member engagement and industry-leading outcomes



## Industry-Leading User Engagement

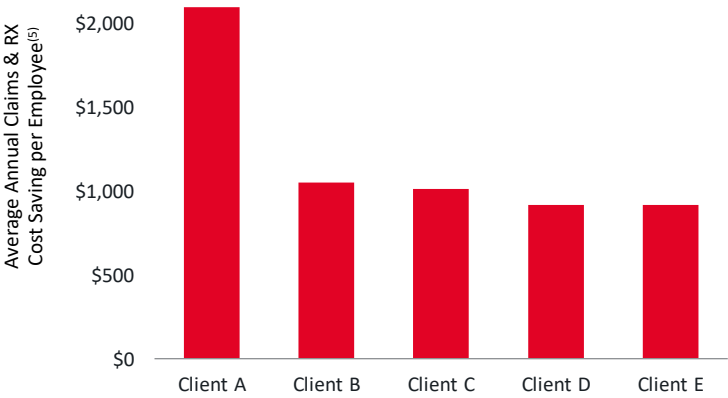


**~60%**  
ENROLLMENT

**~55%**  
DAU / MAU<sup>(4)</sup>

**6**  
DAILY INTERACTIONS

## Health Care Cost Savings

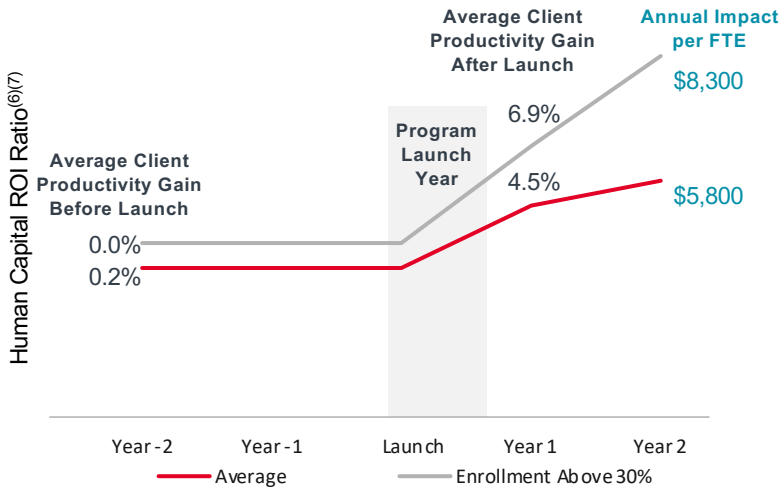


**84%**  
OF HIGH RISK MEMBERS LOWER BP

**50%**  
OF OBESE MEMBERS LOWER BMI

**~\$1,100**  
AVERAGE PER MEMBER CLAIMS COST REDUCTION

## Increased Productivity



**50%**  
LOWER EMPLOYEE TURNOVER

**45%**  
MORE ENGAGED AT WORK

**\$5,800**  
AVERAGE PRODUCTIVITY GAIN PER FTE

Notes:

- Engagement defined as participant earned at least 1 point on the platform during month of observation
- VP Customer Base defined as all customers on Engage, the Company's comprehensive wellbeing platform
- VP Best Practices Customers defined as all customers who adhere to the Company's prescribed program designs (e.g., incentive structures, communication guidelines, etc.)
- Daily Active Users / Monthly Active Users
- Virgin Pulse Institute data
- Human Capital ROI Ratio ("HCROI") represents the amount of profit obtained by a company against every dollar in their human capital compensation. The HCROI shows the ratio of income derived against the total employment. This compensation includes salaries, compensations, extra monetary benefits, etc. spent on FTEs and contingent (temporary or part-time) employees of any organization
- Study sample size of 29 companies, including 14 companies that had enrolled above 30% of their employees in the VP program



# ...AND ULTIMATELY DELIVERS BEHAVIOR CHANGE

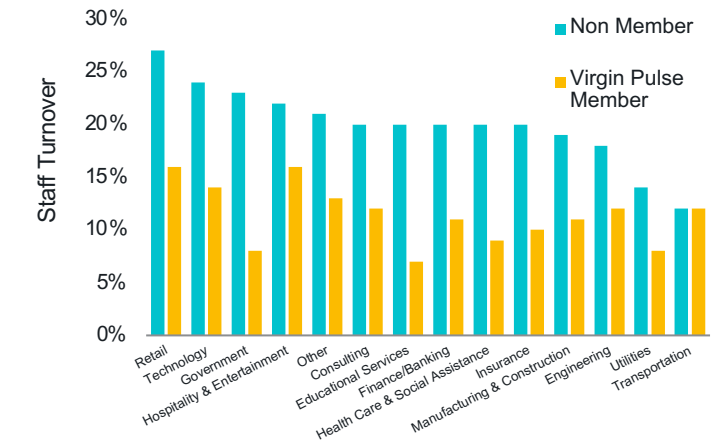
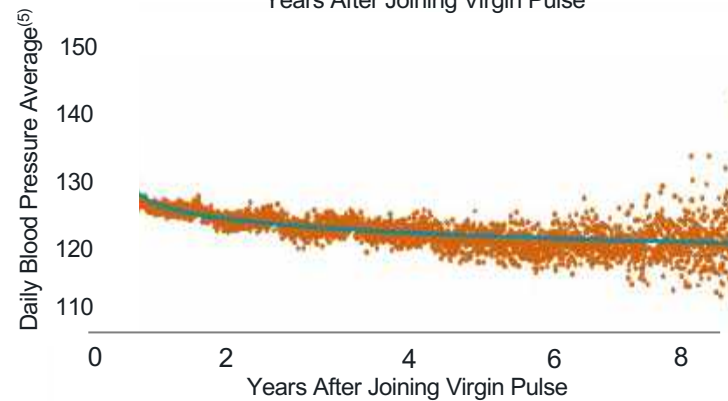
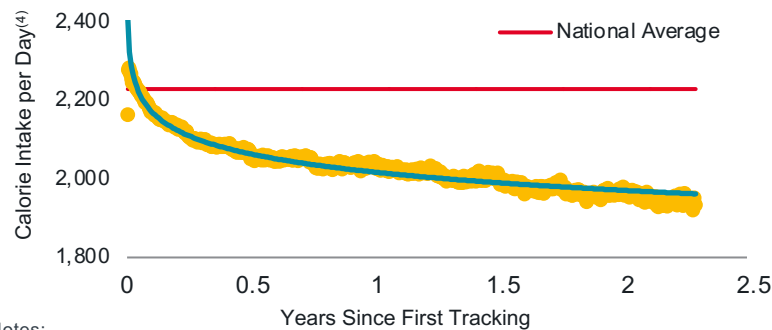
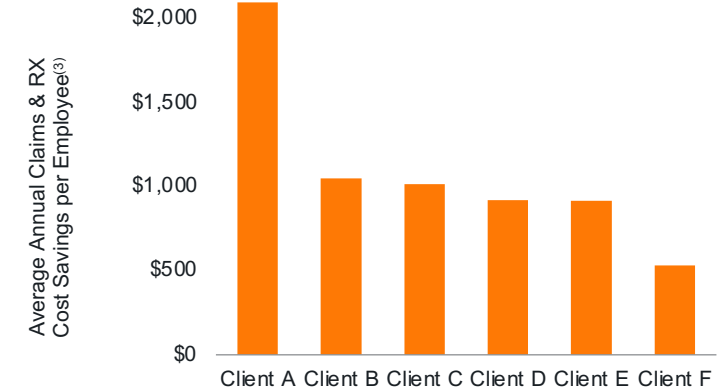
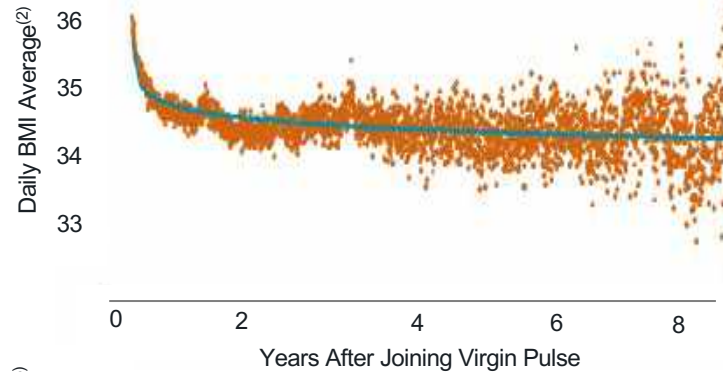
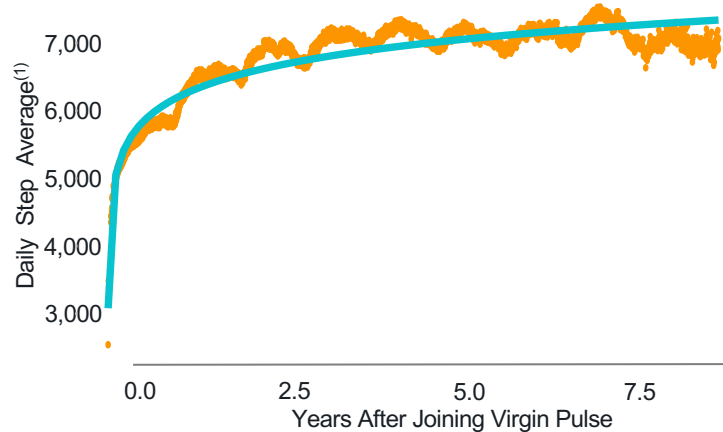


Platform delivers tangible outcomes across key health attributes and concrete cost savings for employers and health plans

## BEHAVIOR CHANGE

## HEALTH IMPROVEMENT

## COST SAVINGS



### Notes:

1. Current as of 12/31/2019. Reflects VP Engage members who were deemed inactive (< 5,000 steps/day prior to starting VP)
2. Current as of 12/31/2019. Reflects VP Engage members who were deemed high risk (> 30 BMI prior to starting VP) (n = 302k members)
3. Virgin Pulse Institute data
4. Based on one-time analysis (published in 2017); Reflects all VP Engage members
5. Current as of 12/31/2019. Reflects VP Engage members who were deemed high risk (> 140 systolic BP prior to starting VP) (n = 48k members)

- Strictly Confidential -

# Virgin Pulse Measurably Boosts Company Culture Across the Book of Business

Employees See The Value Proposition,

are Committed & Engaged

and Lift Productivity

58%

Virgin Pulse makes their company a better place to work

45%

More engaged at work

45%

More energetic at work

65%

More aware of other benefits

58%

More proud of company culture

44%

More productive

62%

Would feel disappointed if they could no longer use Virgin Pulse

81%

Have developed positive daily habits

28%

Fewer sick days

# Positive Impact on Health Risk

Percentage of high-risk members who have improved since joining VP



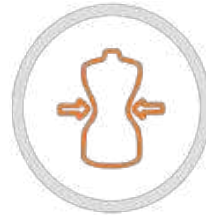
**Total Cholesterol**

49%<sub>2</sub>



**Stress**

68%<sub>2</sub>



**Lost Weight**

50%<sub>1</sub>



**Increased Activity**

69%<sub>1</sub>

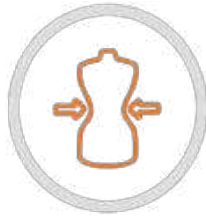


**Lowered Blood Pressure**

83%<sub>1</sub>

# Positive Impact on Health Risk

Percentage of members who have improved or maintain healthy since joining VP



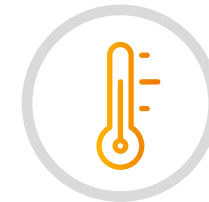
**Maintain Healthy or Lost  
Weight**

59%<sub>1</sub>



**Maintain Healthy or  
Increased Activity**

62%<sub>1</sub>

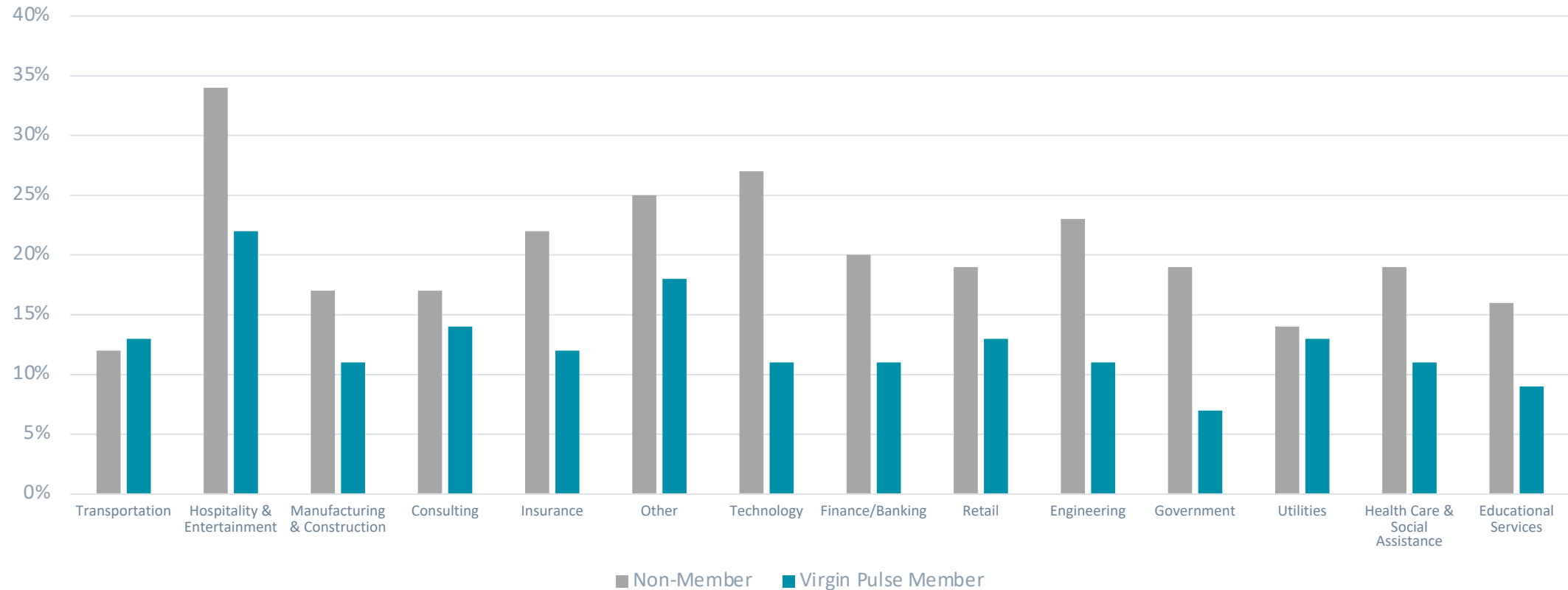


**Maintained Healthy or  
Decreased  
Blood Pressure**

67%<sub>1</sub>

# Staff Turnover is 50% Lower for Virgin Pulse Members Overall

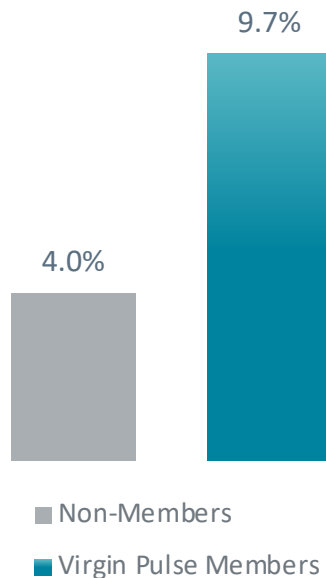
In most industries non-members leave more than members



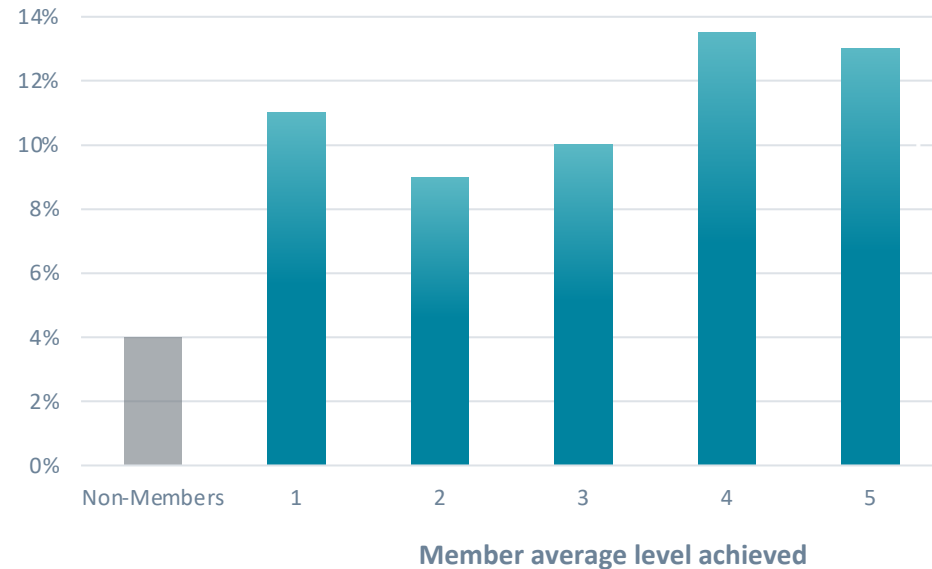
# Performance Study: Members More Than Twice As Likely To Be Promoted

All Employees (8% Of All Promoted) That Received 2 Promotions In 2014 - 2016 Were Engaged Virgin Pulse Members

Overall Percent Promoted



Percent Promoted by Virgin Pulse Achievement Level



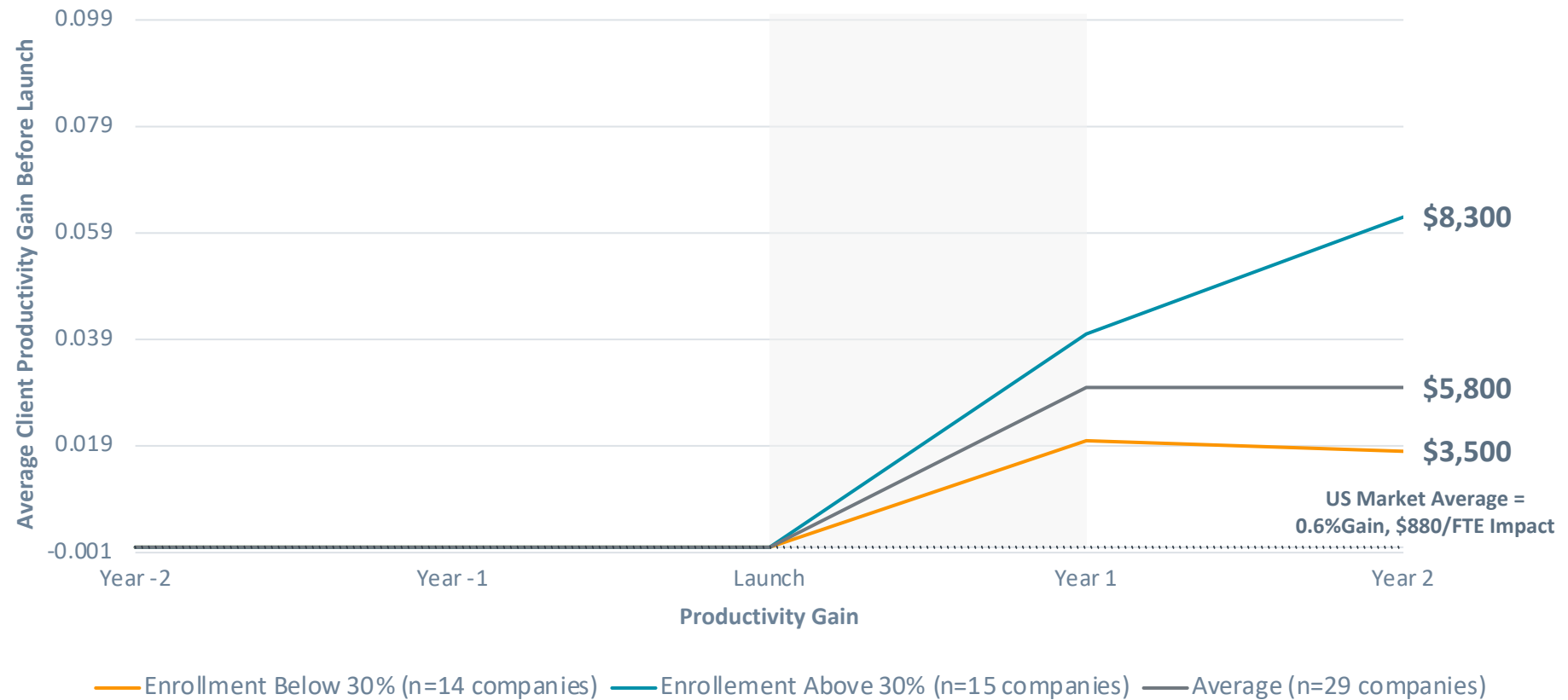
# Virgin Pulse Impacts Human Capital Productivity

In most industries, non-members leave more than members

10%

Average annual increase in enrollment = 16% productivity gain or USD\$27 million impact<sup>2</sup>

(Note: Pre-Covid)



Source: Human Capital Management Institute [www.hcminst.com](http://www.hcminst.com). 1. Analysis compares productivity change rate 2 years before and 2 years after launch. Results adjusted to normalize out industry-average results for each company during their respective launch timing. Includes 29 companies with data 2 years before and 2 years after launch. 2. Impact = gain in total revenue for companies for each 10% increase in enrollment. Productivity differential correlation R-squared .292. P value.023. 3. Market average for 2010-2015, n=1,908 companies in EU/NA.

# Productivity Study: Reducing Absenteeism at work

Employees engaged in wellbeing program took less unscheduled time off

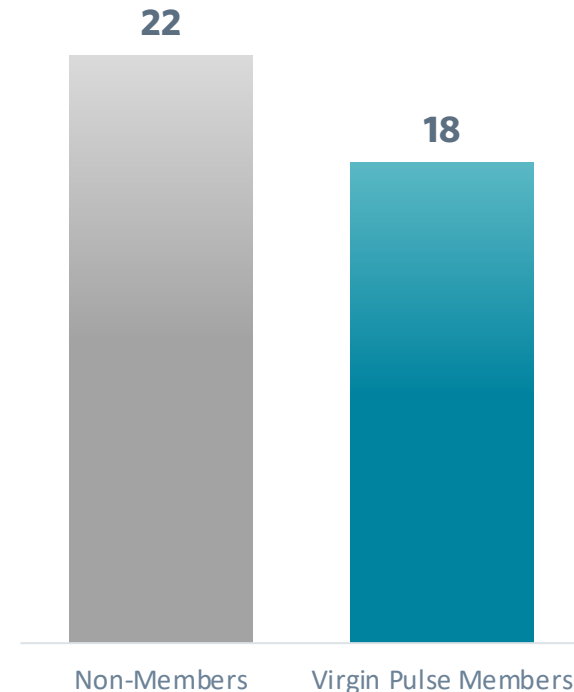
18%

**Lower Unscheduled Absence Rate\* For Members vs Non-Members. VP Clients Average 15-20% Lower Member Absences.**

3,560

**Additional Days Per Year Of Productive Time\* For Members Over Non-members.**

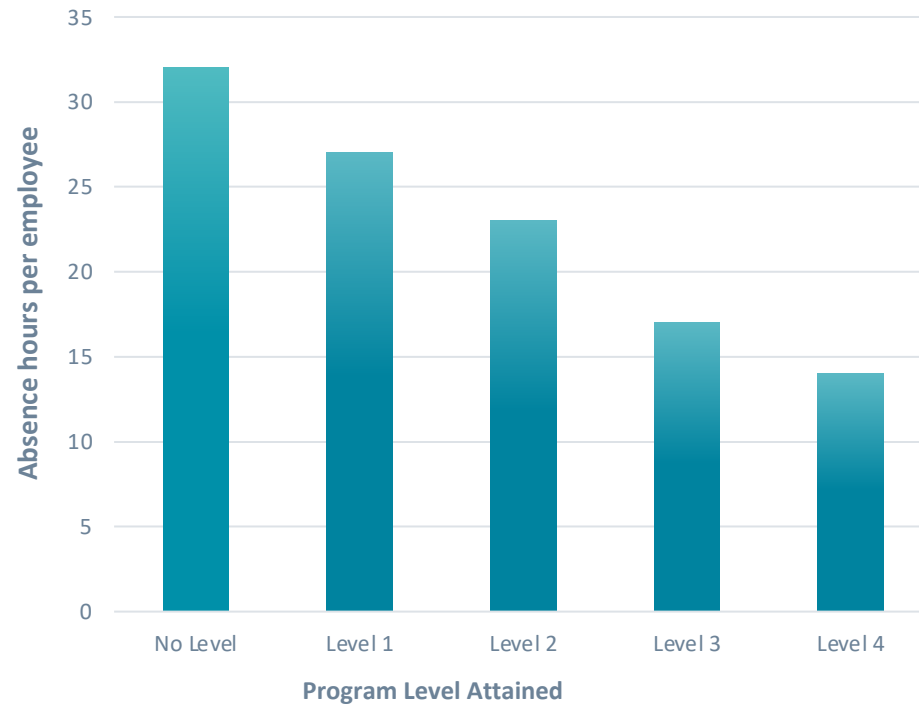
Annual Absence Hours Per Employee



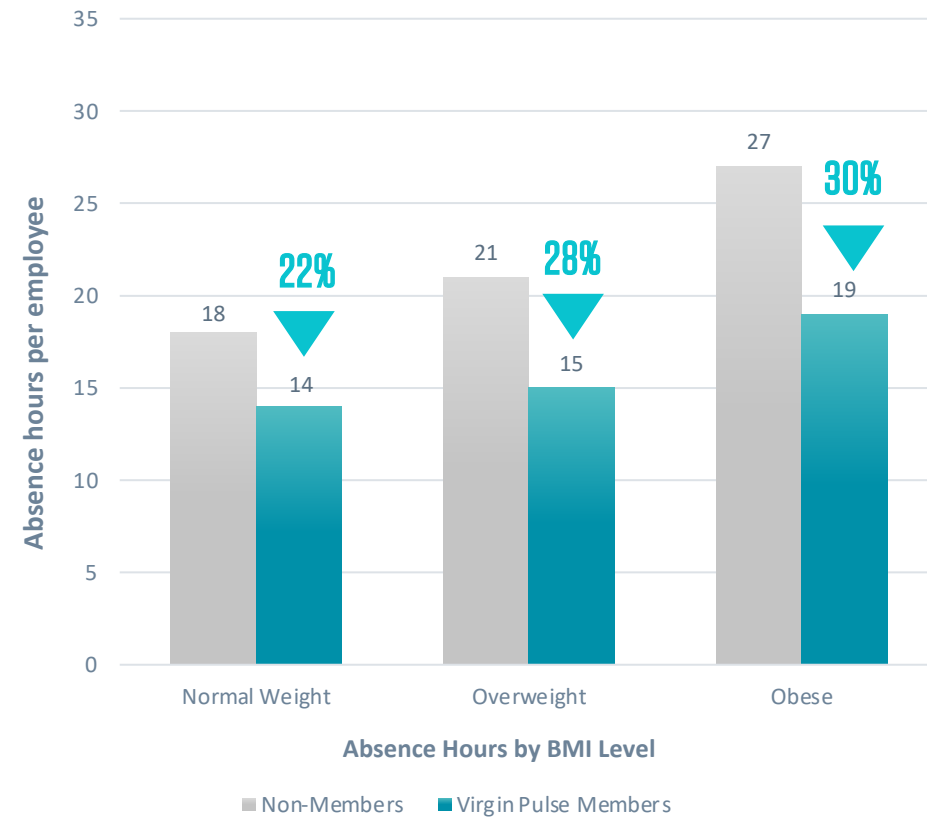
# Productivity Study: Reducing Absenteeism at work

Program engagement correlates to higher productivity, and less healthy workers saw bigger productivity gains

## Member Reaching Higher Program Levels Take Off Less Unscheduled Time Overall



## Annual Absence Hours Per Employee

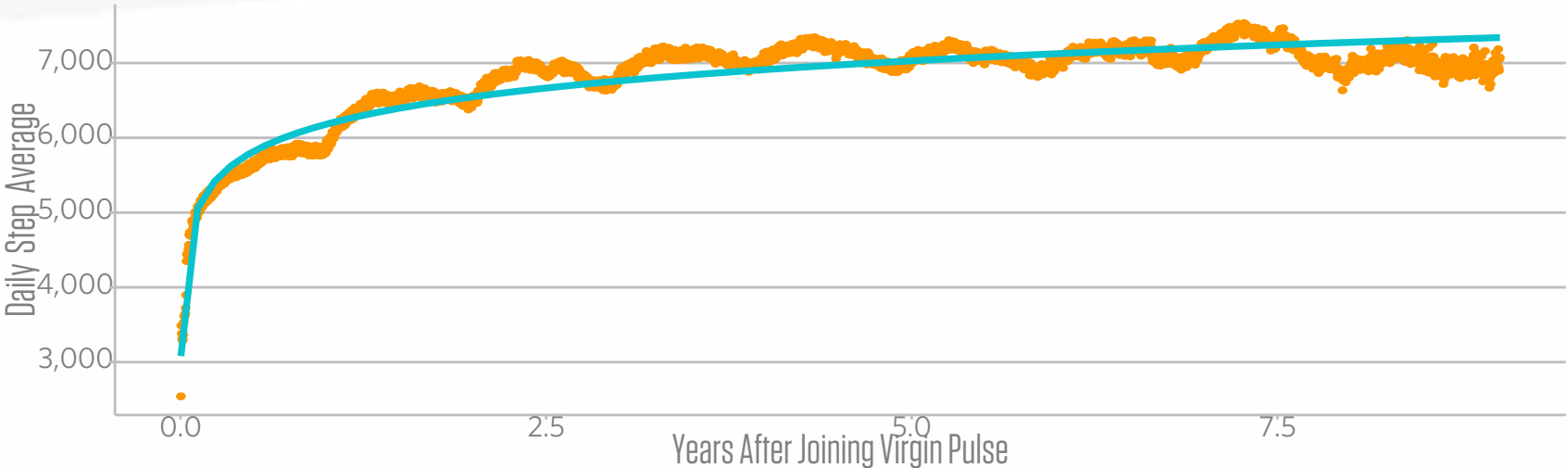


# MEANINGFUL BEHAVIOR CHANGE ACROSS MULTIPLE HEALTH DIMENSIONS



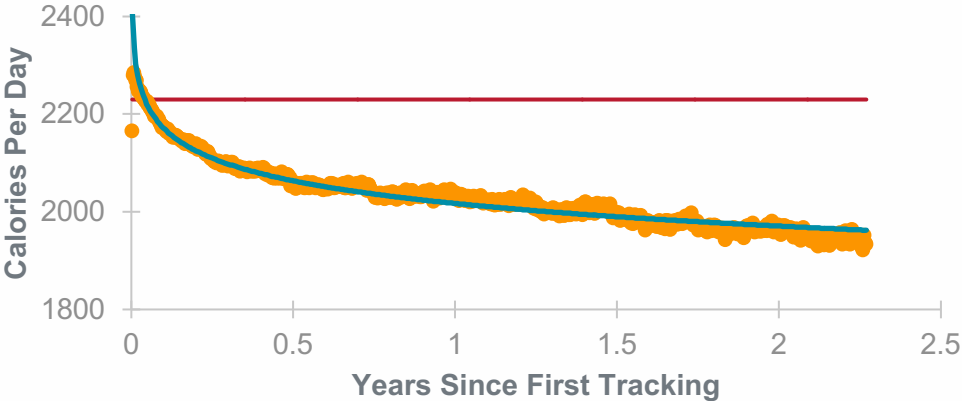
69%

Of high-risk, inactive members increase their activity



Nutrition Trend - All Members Tracking

7%  
Reduction  
in daily  
caloric intake



— NATIONAL AVERAGE

- Strictly Confidential -

1.19 HRS  
More Sleep  
Per Night

Increase in Sleep Hours Per Night for Sleep Deprived

