

Investor Day 2022

verizon^v

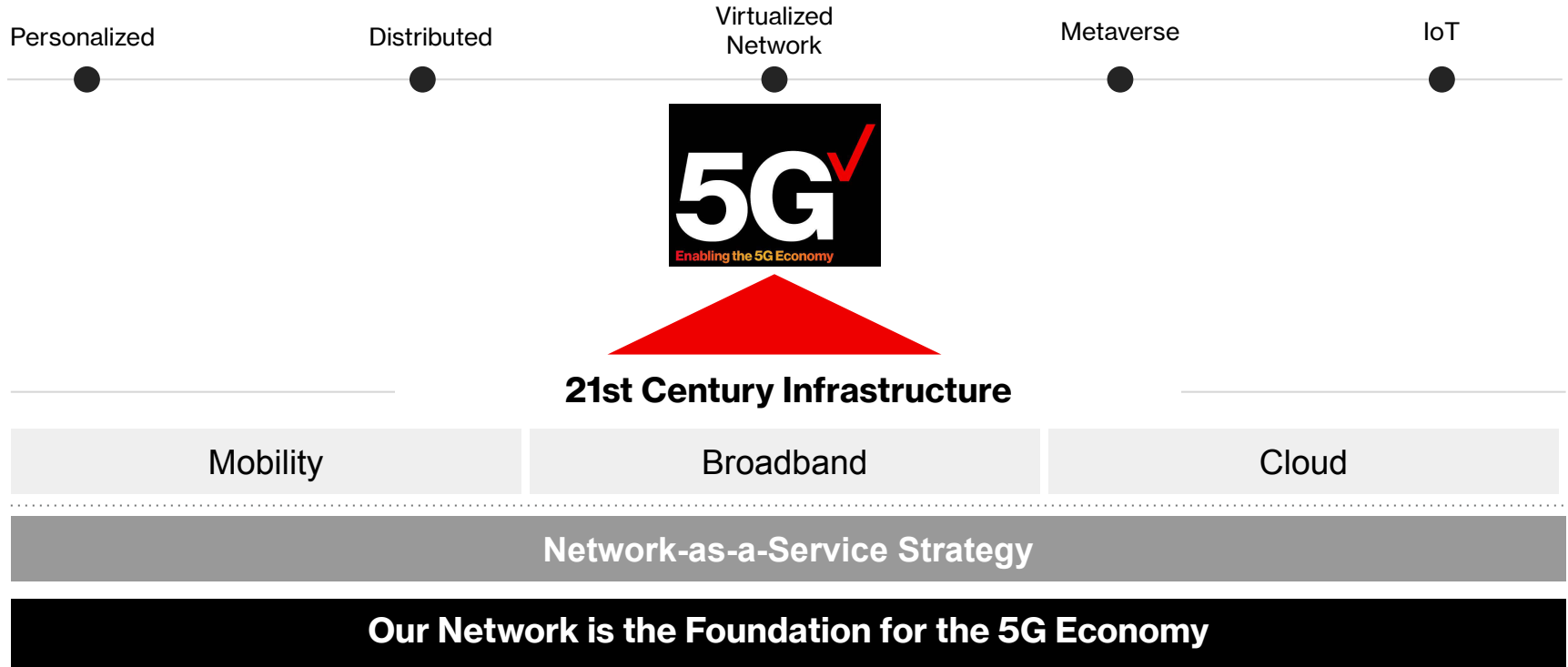
“Safe Harbor” Statement

NOTE: In this presentation we have made forward-looking statements. These statements are based on our estimates and assumptions and are subject to risks and uncertainties. Forward-looking statements include the information concerning our possible or assumed future results of operations. Forward-looking statements also include those preceded or followed by the words “anticipates,” “believes,” “estimates,” “expects,” “hopes,” “forecasts,” “plans” or similar expressions. For those statements, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. We undertake no obligation to revise or publicly release the results of any revision to these forward-looking statements, except as required by law. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. The following important factors, along with those discussed in our filings with the Securities and Exchange Commission (the “SEC”), could affect future results and could cause those results to differ materially from those expressed in the forward-looking statements: cyber attacks impacting our networks or systems and any resulting financial or reputational impact; damage to our infrastructure or disruption of our operations from natural disasters, extreme weather conditions or terrorist attacks and any resulting financial or reputational impact; the impact of public health crises, including the COVID-19 pandemic, on our operations, our employees and the ways in which our customers use our networks and other products and services; disruption of our key suppliers’ or vendors’ provisioning of products or services, including as a result of geopolitical factors, the COVID-19 pandemic or the potential impacts of global climate change; material adverse changes in labor matters and any resulting financial or operational impact; the effects of competition in the markets in which we operate; failure to take advantage of developments in technology and address changes in consumer demand; performance issues or delays in the deployment of our 5G network resulting in significant costs or a reduction in the anticipated benefits of the enhancement to our networks; the inability to implement our business strategy; adverse conditions in the U.S. and international economies; changes in the regulatory environment in which we operate, including any increase in restrictions on our ability to operate our networks or businesses; our high level of indebtedness; significant litigation and any resulting material expenses incurred in defending against lawsuits or paying awards or settlements; an adverse change in the ratings afforded our debt securities by nationally accredited ratings organizations or adverse conditions in the credit markets affecting the cost, including interest rates, and/or availability of further financing; significant increases in benefit plan costs or lower investment returns on plan assets; changes in tax laws or treaties, or in their interpretation; and changes in accounting assumptions that regulatory agencies, including the SEC, may require or that result from changes in the accounting rules or their application, which could result in an impact on earnings.

This presentation includes the following measures, each of which is a non-GAAP financial measure: adjusted earnings per share, free cash flow forecast, net unsecured debt/adjusted EBITDA ratio, and net unsecured debt/adjusted EBITDA ratio forecast. As required by SEC rules, we have provided a reconciliation of these non-GAAP financial measures to the most directly comparable GAAP measures in materials on our website at www.verizon.com/about/investors.



Network-as-a-Service



Key Verizon Milestones

2019

mmWave Acquisition

Verizon Intelligent
Edge Network

First to 5G

Mix & Match Launch

Verizon 2.0 Model

First Industry Green Bond

2020

Nationwide 5G

Public MEC Launch
with AWS

Private MEC Launch
with AWS + Microsoft

CBRS Acquisition

Citizen Verizon

2021

C-Band Acquisition

TracFone Acquisition

VMG Divestiture

10-Year NFL 5G Deal

EDISON Alliance

2022

C-Band Deployment

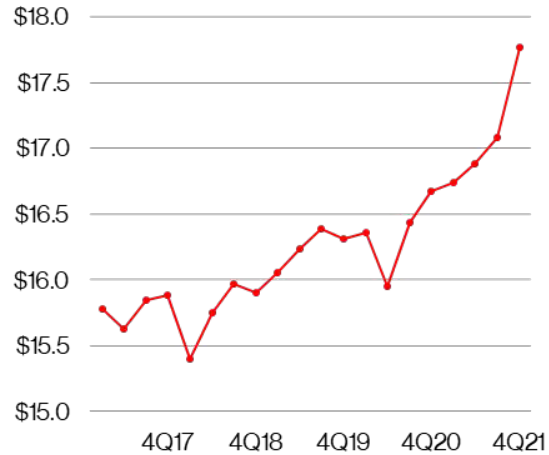
Mix & Match 4.0

Verizon Ultra Internet
for Home & Business

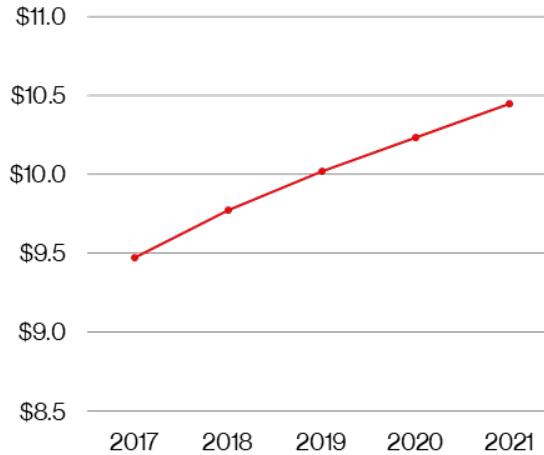


Delivering Financial Performance and Growth

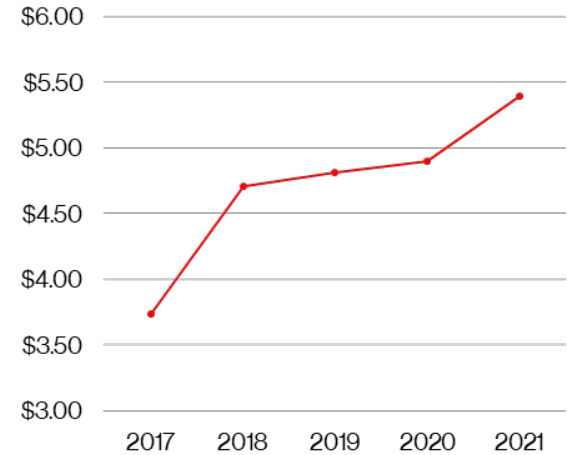
Wireless Service Revenue
\$B



Dividends
\$B



Adjusted EPS
\$ per Share



5 Vectors of Growth



5 Vectors of Growth Drive Verizon's Performance



Financial Outlook Overview

Revenue Growth

4% annual service and other revenue growth in 2024 & beyond

Strong Margins

NaaS to drive long-term consolidated Adjusted EBITDA growth at or above revenue growth

Capital Intensity

Reduction below pre-C-Band levels

Leverage

Achieve target long-term leverage ratio of 1.75-2.0x by 2025

Return of Capital

Dividends and Buybacks

ESG

Invest \$3B in Digital Inclusion by 2025 & carbon neutral operations by 2035

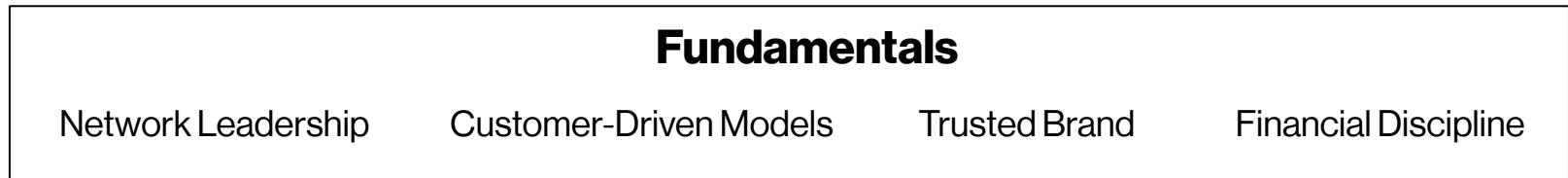
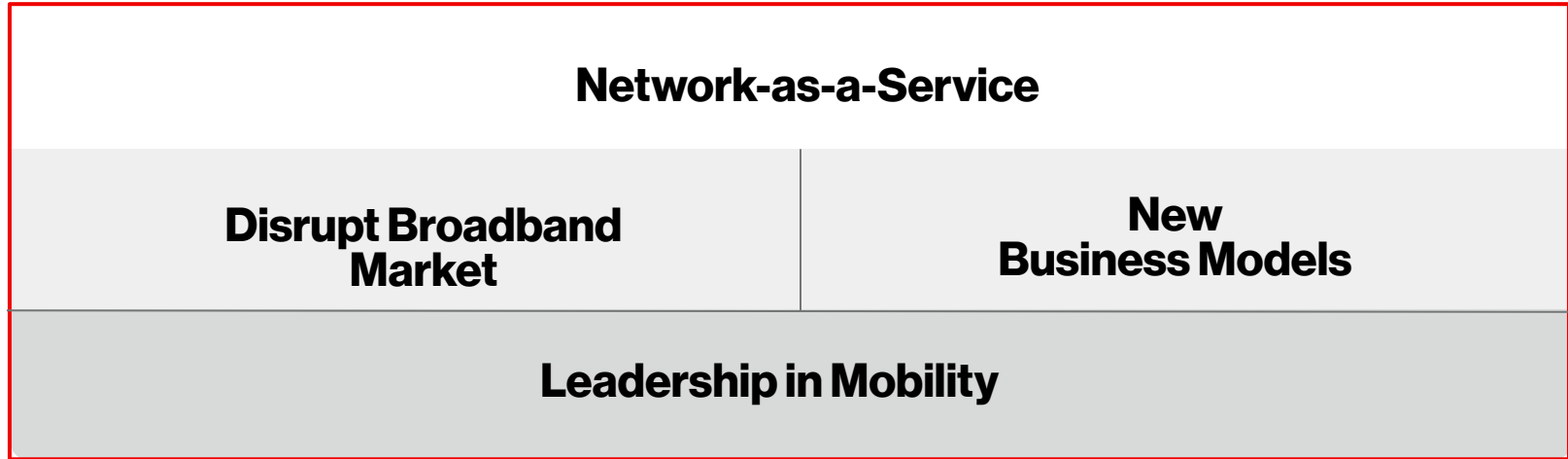


Rima Qureshi

EVP & Chief Strategy Officer

@QureshiVZ

Network-as-a-Service Framework



Investments Enabling Our Strategy

Network

iEN

OneFiber

Spectrum

C-Band

mmWave

Acquisition

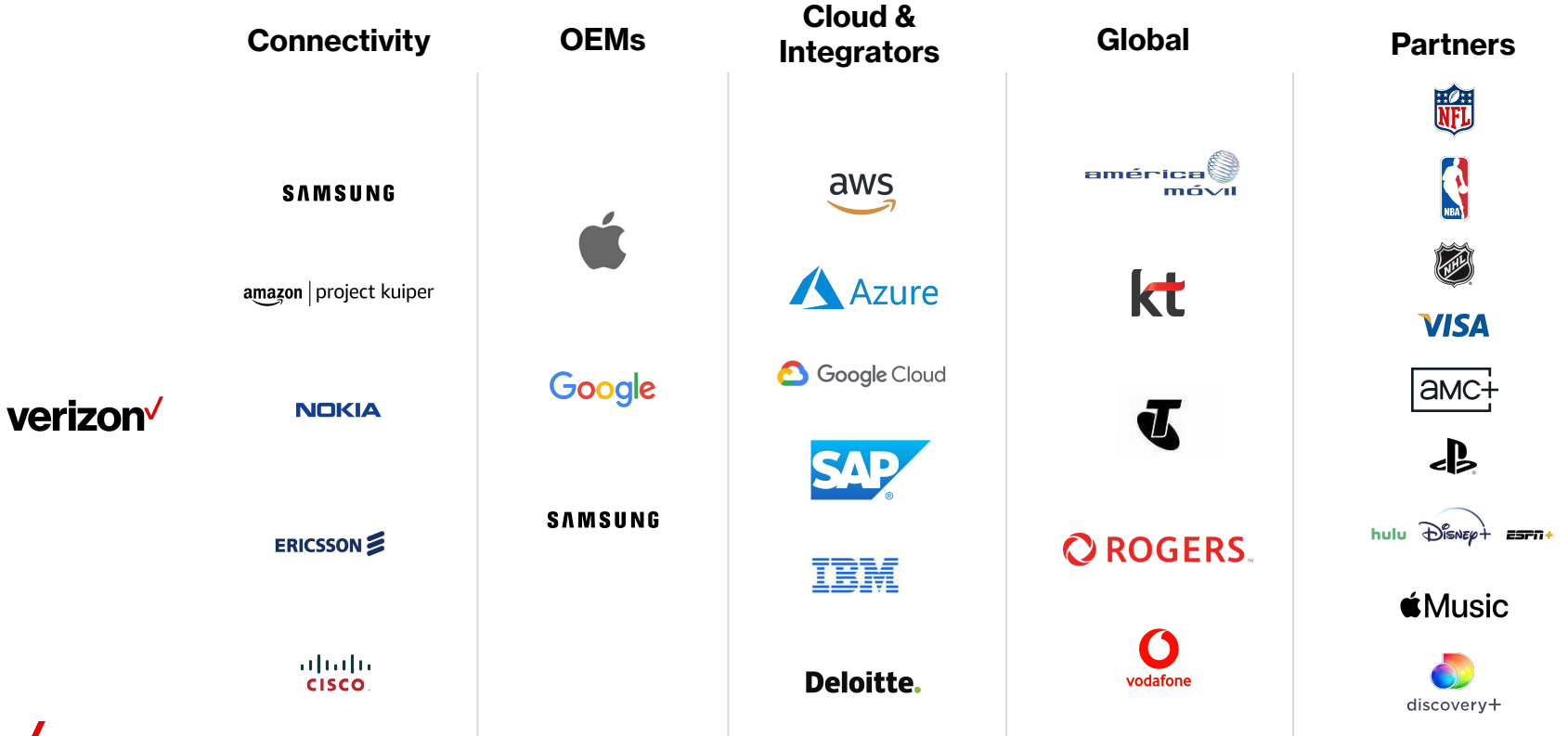
Tracfone®

BlueJeans

Strategic Investments are the Key Enablers that Accelerate our Strategy



Building an Ecosystem Around Us



First-of-its-kind Strategic Partnership

The Verizon logo, featuring the word "verizon" in a bold, black, lowercase sans-serif font, with a red checkmark symbol integrated into the top right of the letter "n".

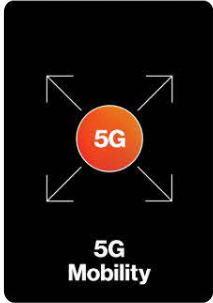
The Meta logo, consisting of a blue infinity symbol followed by the word "Meta" in a bold, dark blue, sans-serif font.

- The Metaverse represents a new use case of Verizon's multi-purpose network
- Partnership to determine:
 - Verizon's network requirements to support XR cloud rendering and low latency streaming
 - Measure impact of edge computing with Verizon's MEC infrastructure on key performance metrics for metaverse optimized experiences

Verizon's Network will Enable the Metaverse



Network-as-a-Service Overview



- + Drive new customer growth
- + Increase revenue via step-ups, premium offerings and subscription services

Measures of Success

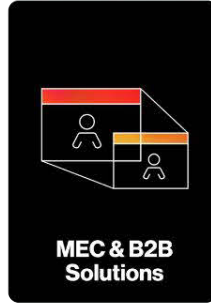
- + ARPA
- + Subscribers & Accounts
- + Premium Unlimited Penetration



- + Capture share
- + Fiber
- + Fixed Wireless Access (FWA)

Measures of Success

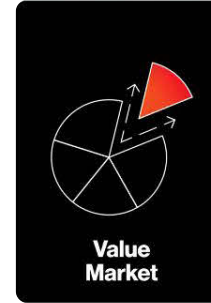
- + Households and Businesses Covered
- + Total Subscribers



- + Build on the first mover advantage
- + Edge computing and next-gen enterprise solutions

Measures of Success

- + Total Revenue



- + #1 Share



Measures of Success

- + Prepaid ARPU
- + Prepaid Subscribers
- + Prepaid Revenue



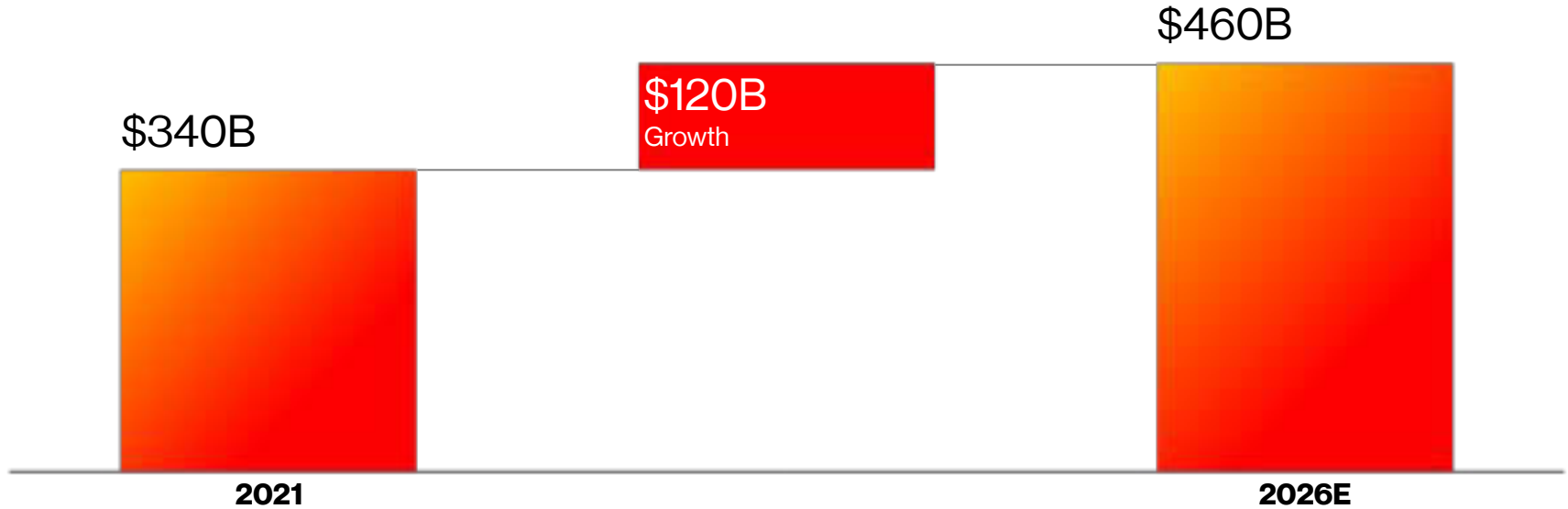
- + Return on invested capital
- + Wholesale, MVNOs, and other strategic partnerships

Measures of Success

- + Wireless Service Revenue



Addressable Market



\$120B Serviceable Addressable Market Expansion over Next 5 Years



More Pathways to Growth

- **Consistent strategy driving execution**
- **Portfolio of assets designed to compete**
- **Vibrant ecosystem, redefining our market**
- **Multiple new paths to growth**



Kyle Malady

EVP & President,
Global Network and Technology

Global Networks & Technologies Enable NaaS



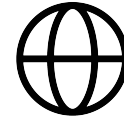
**Build the world's
best networks**



**Deploy the world's
best systems**



**Drive best
efficiency**

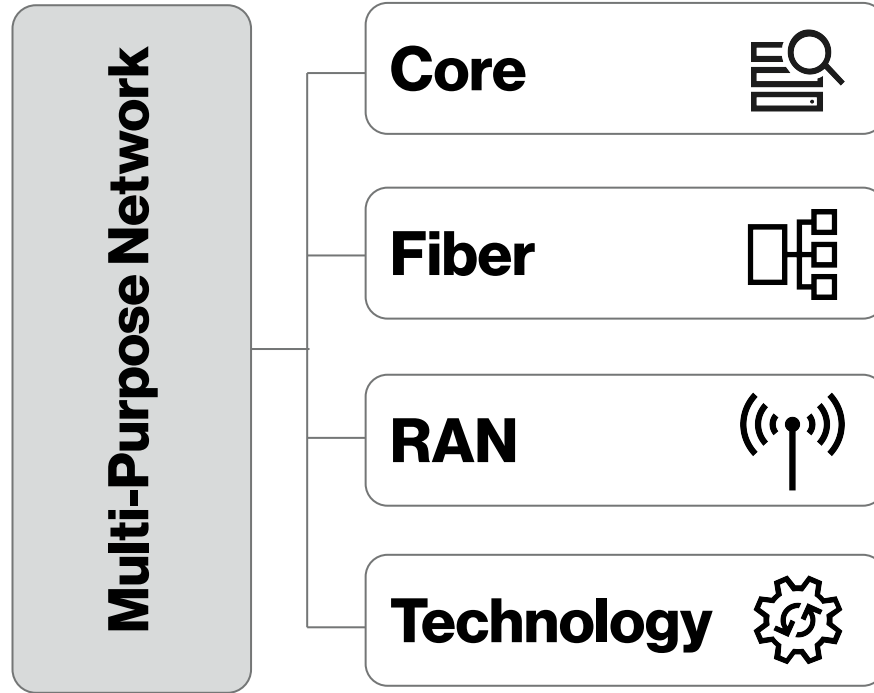


**Develop the world's
best culture**

4 Pillars Serve as Foundation for NaaS Strategy and Underpin the 5G Economy



What Makes Us Different



Verizon Intelligent Edge Network Vision Supports NaaS

1
Core

93%

**Reduction
in Edge
Routers**

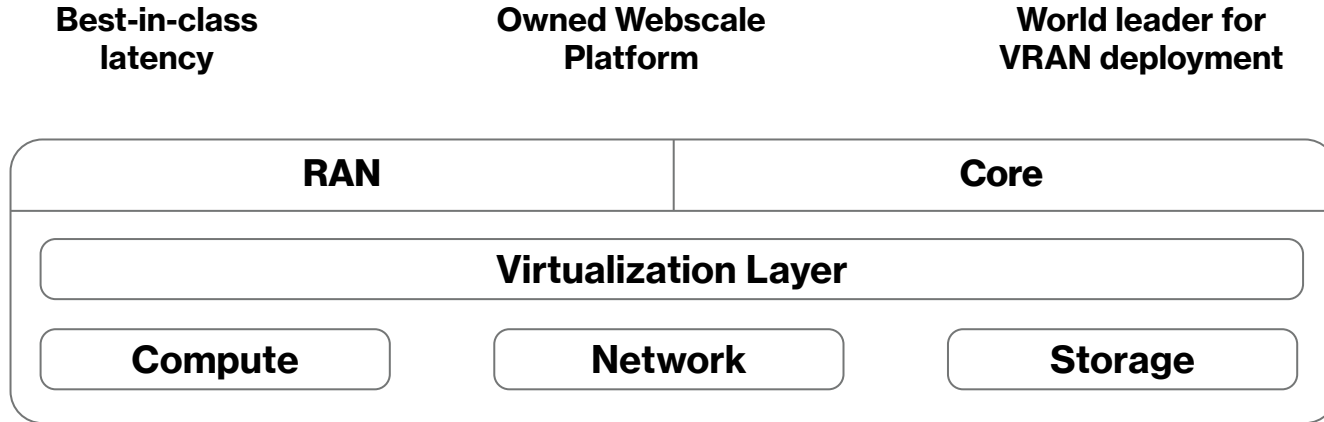
90%

**Reduction in
Transport
Network Elements**

iEN Driving over \$1B in Cumulative Benefits



Virtualization is Transforming Networks



Verizon is a World Leader in VRAN



Fiber is Fundamental to NaaS

Sites on Verizon Fiber

YE 2021

45%

Expect 50% YE 2022

Fios Open for Sale

YE 2021

16.5M

Expect Incremental 550K in 2022

Owned Fiber Assets Improves Performance and Reliability



Fiber Owner's Economics

Expected Backhaul Increase

10x

Owner's Economics Benefits

~\$300M

Access cost savings in 2021

Fiber Owner's Economics Drives Cost Efficiency



Transforming the Network

4.5M Circuits
Off Copper

60M kWhs Saved

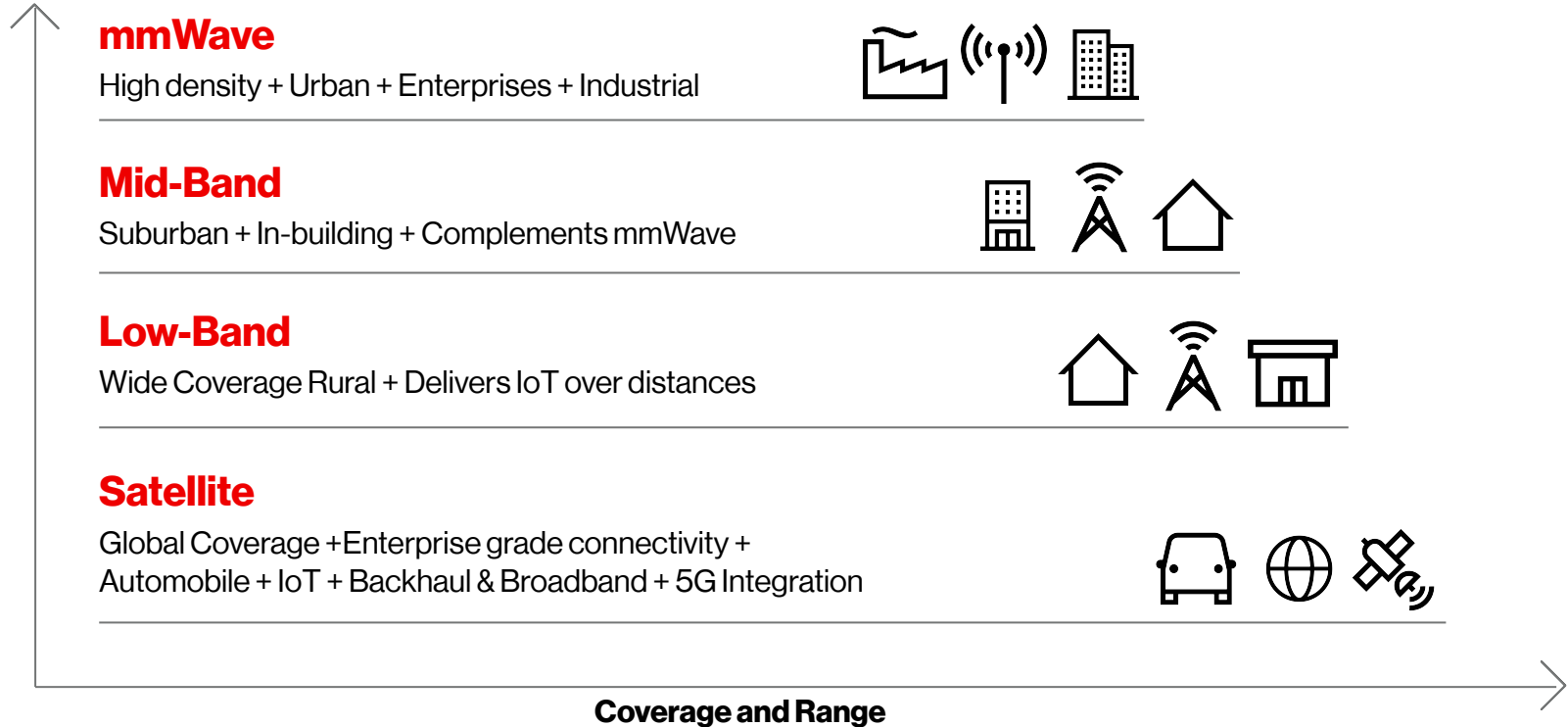
36 Wire Centers
Converted to Fiber

11% Copper Trouble
Reduction YoY due to
network transformation

Copper to Fiber Transformation Drives Additional Cost Savings



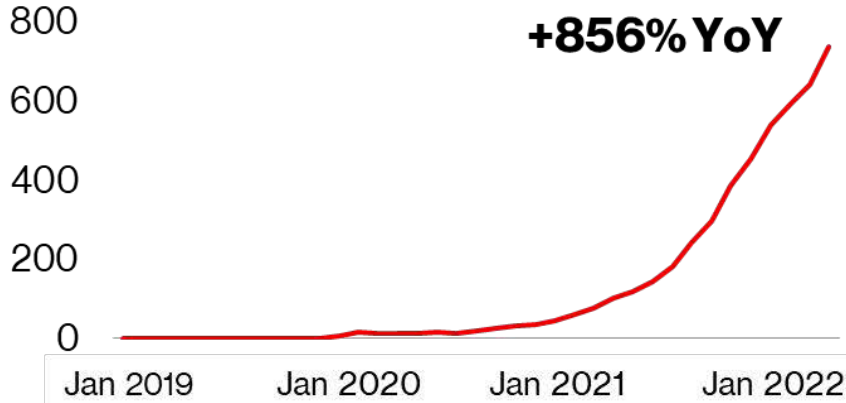
Industry Leading RAN Design



mmWave Usage is Growing Fast

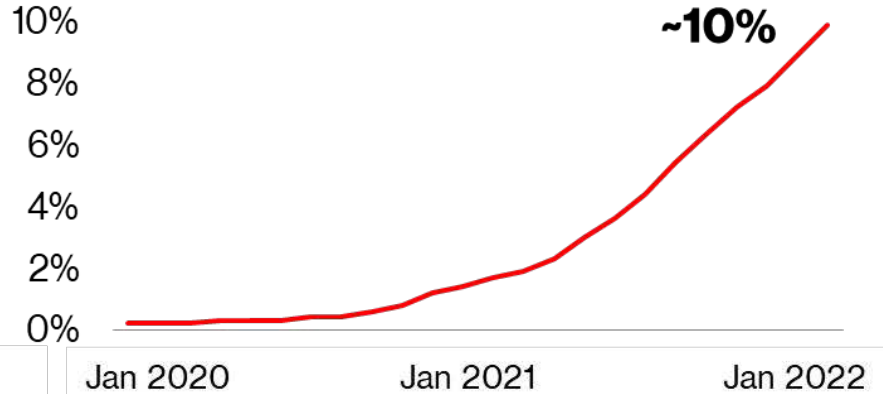
mmWave Usage Growth

Avg. daily usage (TB)



mmWave Usage in Deployed Footprint

Percentage usage on mmWave



mmWave is Vital to 5G Plan to Support and Scale Usage in Dense Areas



C-Band Performance

Ultra Speed

Peak DL speeds
on C-Band

>900

Mbps

Peak DL speeds
with aggregation

>1

Gbps

Unique devices connected
to C-Band network

12M

**Massive
Capacity**

C-Band
Spectrum (MHz)

60

Today



C-Band
Spectrum (MHz)

161

2023+

C-Band off to a Fast Start with Better than Expected Performance



Efficient Use of One Network for Mobility and FWA

Peak Mobility Usage

**12PM –
6PM**

While customers are at work

Peak FWA Usage

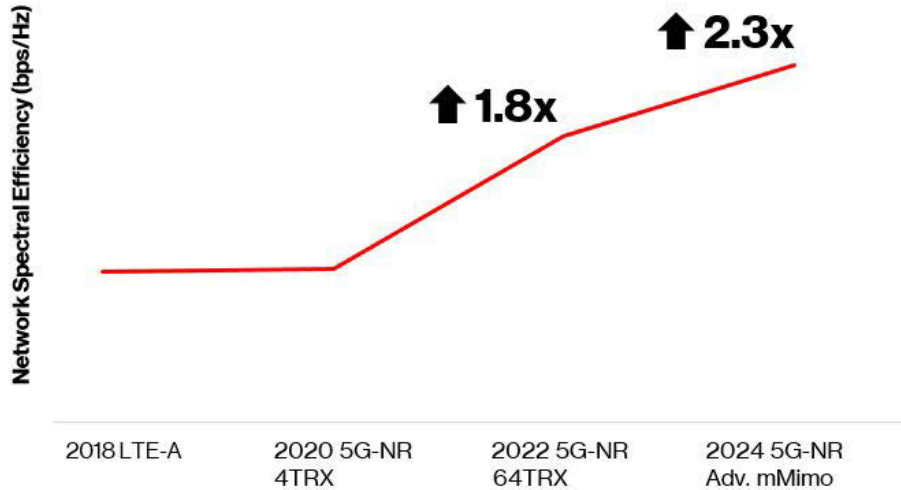
**7PM –
9PM**

While customers are binge watching video

Mobility & FWA Peak Usage is Complementary



Spectral Efficiency Forecast with C-Band



Capacity Enablers

- More spectrum
- Complementary usage patterns
- Bits per Hertz efficiency

5G Spectrum is 80% more Efficient than LTE



C-Band Coverage Exceeding Expectations

**2021
Investor Day Guide**

100M
POPs

175M
POPs

250M+
POPs

EOY
2021

EOY
2022

EOY
2023

EOY
2024

**2022
Investor Day Guide**

**100M+
POPs**

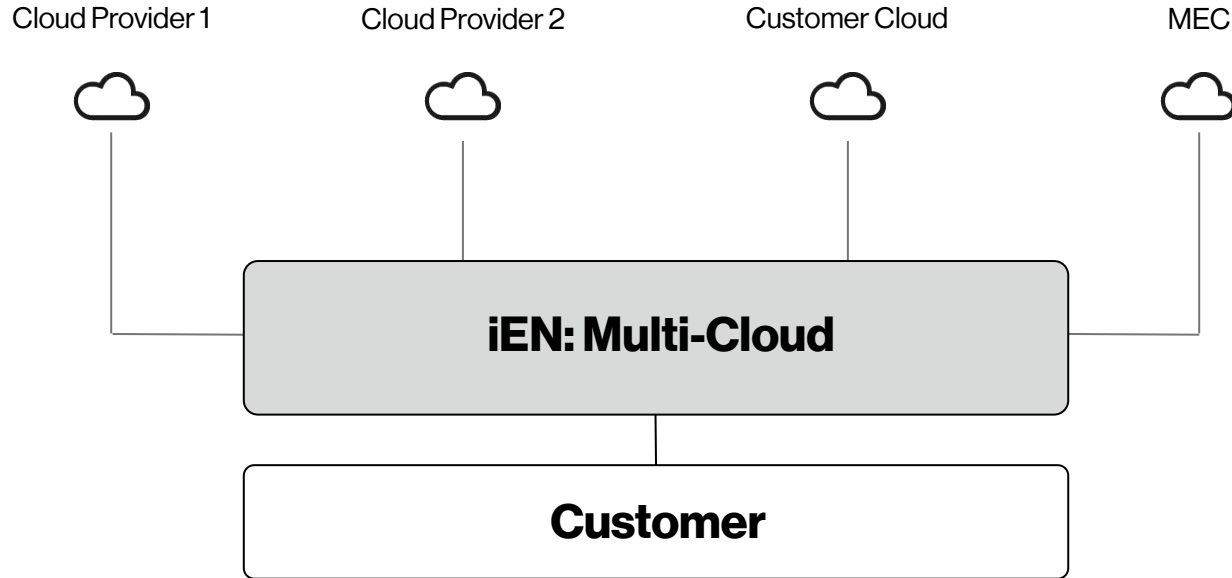
**175M
POPs**

**250M+
POPs**

C-Band Deployment is Accelerating Faster than Original Build Plan



Network Leadership in MEC & Multi-Cloud Services



Leverage Intelligent Edge Network to Connect Customers to Multiple Cloud Environments



5G Services Evolution

Capabilities

LTE, 5G Broadband, Fixed Wireless, Voice over LTE

Consumer & Private Network Slices

Technologies

Evolved Packet Core

Non-Standalone → Standalone → Ultra Reliable

Cloud Native 5G Packet Core

5G Core Evolution will Enable Network Slicing Use Cases as the Ecosystem Evolves



Advanced Fios Network

Multi-gig up to 10 Gbps symmetrical using NG-PON2

Speed

Efficiency

Multi-Purpose

Reliability

Upgraded Technology Enhances Fios Customer Speeds



Internet of Things

- **Cloud integration and digitization**
- **Market-leading platform**
- **Coverage**
- **Low latency**
- **Real-time**

Unique Network Capabilities Make Verizon an Ideal IoT Partner



More Pathways to Growth

- **Network leadership in core, fiber, RAN and technology**
- **Reliable, differentiated and scalable platform**
- **Top engineering talent**



Tami Erwin

EVP & Group CEO Verizon Business

@TamiErwinVZ

Path to Accelerated Growth



**Be our customers'
choice for their digital
transformation journey**



**Build on our strong
leadership position**



**Expand into new
growth categories**

Network-as-a-Service



Market Leader in Mobility and Fiber Broadband

44%

Wireless Share

#1 in Wireless across
Enterprise, Public Sector & SMB

49%

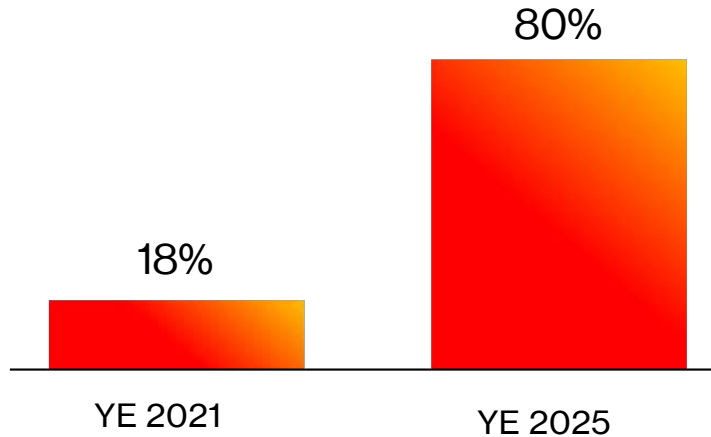
B2B Fios Share

#1 broadband provider in
Fios footprint



5G Mobility

5G Phone Adoption Outlook



Expected 5G Mobility Drivers

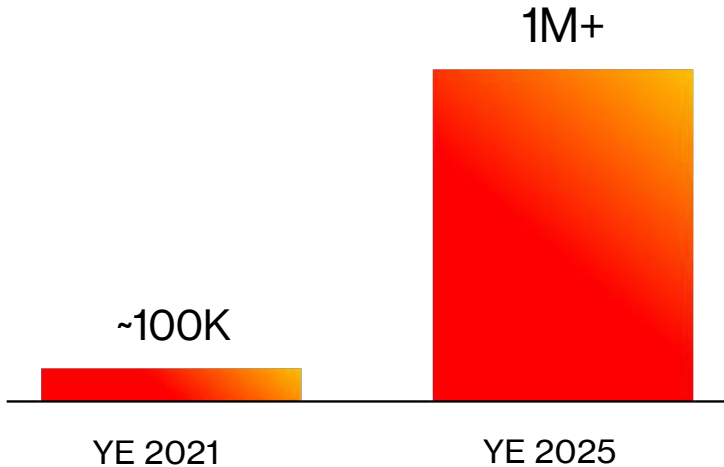
- Continued growth in premium plan step-ups
- Suite of above network products
 - Security
 - One Talk
 - Unified Communications

**4Q21 Delivered Highest Wireless Win Share in More than 2 Years;
C-Band Accelerates Industry-Leading Market Share Growth**



Nationwide Broadband

Fixed Wireless Access (FWA) Subscribers



14M

Expected FWA business locations covered by 2025

FWA as Primary Broadband Access for Every Customer Segment and New Use Cases



Verizon Addressable Opportunity by 2025

\$30B

Private Networks +
Edge Compute +
Enterprise Solutions

- Rapid ecosystem development
- First and only player with all 3 major cloud platforms
- Seamlessly integrate Public and Private MEC into hybrid, multi-cloud solutions



5G Enables Increased Sensor Capacity & Accelerated Adoption

Continued double-digit IoT connections growth expected

Honeywell



Cooler Screens®

nuro



Enterprise Private Networking Solutions



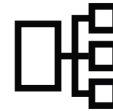
**Increased
Productivity**



**Revenue
Opportunity**



**Cost
Savings**



**Network
Customization**



**Operations
Monetization**

Gateway to Enable 5G Private Edge Computing



Private Networking Use Cases



**In-building coverage
with Hybrid MEC**



**Financial
Services**



**Industrial
Operations**



Logistics



Automotive



**Education/
Universities**



**Sporting Events
& Entertainment**

Superior Network Positions Verizon to Drive the Market to Accelerated Adoption of Private Networks



Business Transformation

1

New Customers & Revenue Acceleration

2

Enhanced Customer Experiences & Digital

3

Strong Cost Control & Business Simplification Initiatives

Targeting 25% EBITDA Margin



More Pathways to Growth

- **Building the 21st Century infrastructure:**
 - **Mobility, Broadband & Cloud**
- **Accelerating Growth with Many Ways to Win**
- **Delivering Transformational Customer Outcomes**



Manon Brouillette

EVP & Group CEO Verizon Consumer

@brouilletm

Even Stronger Consumer Group than 12 Months Ago

1

Diversified brand portfolio



v's'ble



SIMPLE
Mobile

SafeLink
WIRELESS

total
wireless

Walmart
FamilyMobile

Verizon
Prepaid

2

Home broadband coverage

100M POPs mobility C-Band coverage

30M FWA HHs coverage

3

Connecting everyone, everything, everywhere



Go to Market Strength



**Customer
Experience**



**Value Prop
Differentiation**



**Product
Innovation**



**Lifetime Value
Management**

Wholesale

Omni-Channel Capabilities

Brand Equity

Network-as-a-Service



Winning with Mix & Match 4.0 and C-Band



Expanded 5G Ultra
Wideband coverage



Unlimited premium data
with no speed caps



The most hotspot
capacity offered by any
carrier



6 entertainment
subscriptions

Mix and Match Offers Flexibility and Efficiency that brings more Value to Customers



Personalized Customer Base Management



**ARPA & Step-up
Strategy**



**Exclusive
Partnerships**



**Personalized
Upgrade Offers**

Maximize Yield

Drive Lifetime Value

Create Loyalty



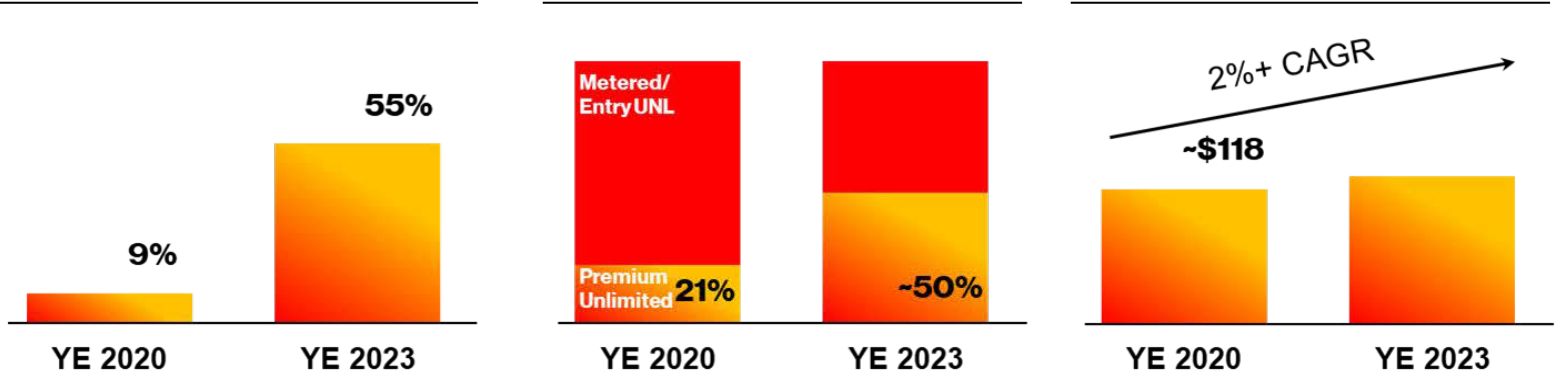
Exceeding 2021 Investor Day Targets

5G Postpaid Phone Penetration

Postpaid Plan Mix

ARPA Forecast

2021 Outlook



Exceeded Expectations

34% EOP 2021

33% Premium UNL EOP 2021

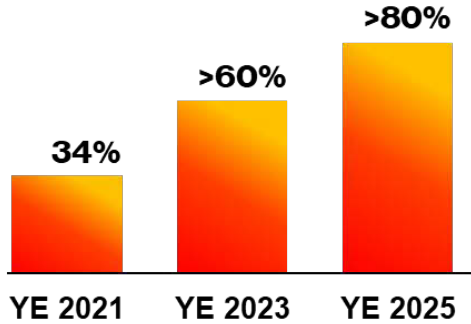
3.3% ARPA growth to \$122.30 FY 2021



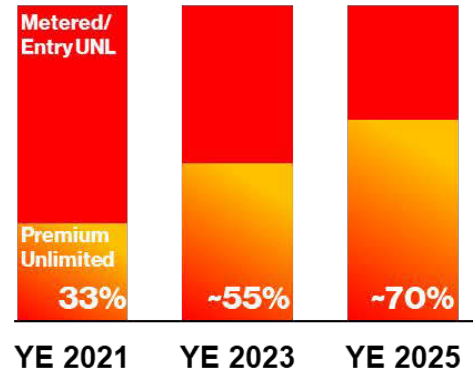
Raising our Outlook

2022 Outlook

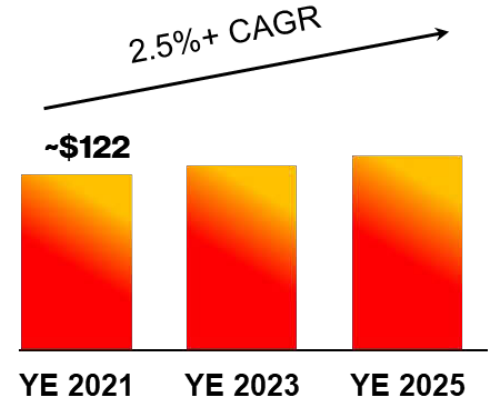
5G Postpaid Phone Penetration



Postpaid Plan Mix



ARPA Forecast



YE 2025 Nationwide Broadband Targets

50M

Expected HHs covered FWA

18M

Expected Fios Open For Sale

Opportunity to be THE Nationwide Broadband Provider in the U.S.



Winning with Mobile & 5G Home



**No contracts,
data caps or extra
fees, equipment
included**



**50% off pricing for
Mobile & Home
customers**



**Self set-up
enhancements**



**Base & Acquisition
management
to support stress
free switching**



**Increase 5G Open
for Sale (OFS)**

Disrupting the Industry with Unparalleled Experience



Home Broadband Subscribers

6.5M

YE 2021

11M

2025 E

Total Broadband Subscribers = Fios + Fixed Wireless Access



Scaling Value Drives Churn Benefits

Incremental Improvement in Consumer Phone Churn

16bps

Active Content
Subscription

34bps

Premium Unlimited +
Broadband

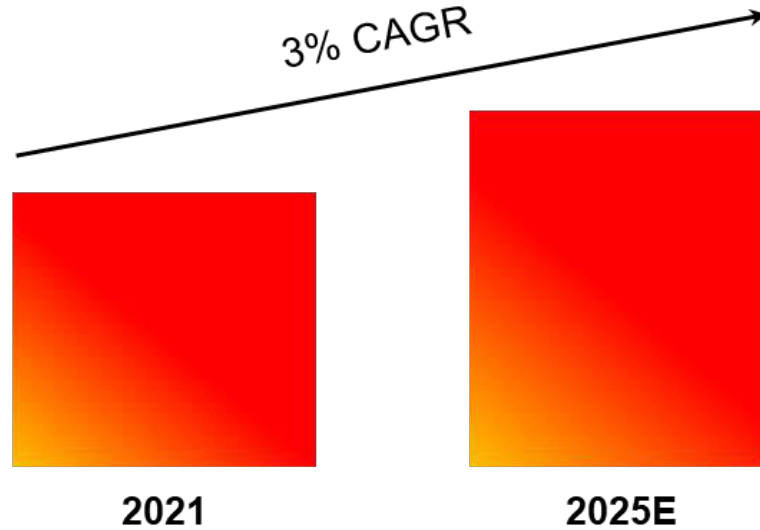


Unlocking Substantial Value



Verizon Value Market Outlook

Prepaid Wireless Service Revenue



Network Monetization



**Strong Revenue
Stream**



Healthy Margins

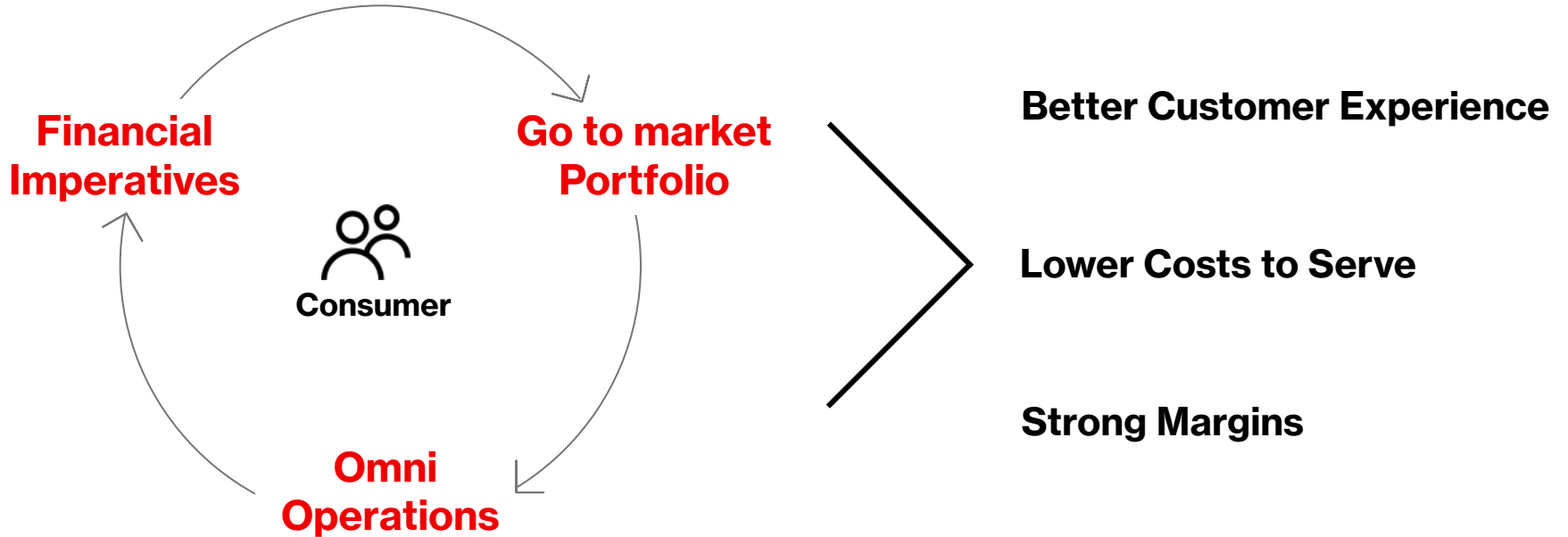


Open for Business

Network-as-a-Service Strategy Creates an Additional Pathway to Revenue Growth



Operational Excellence Model



More Pathways to Growth

- **Multiple paths to grow**
- **Leading all customer segments**
- **Disrupting home broadband nationwide**
- **Agility and nimbleness**
- **Customer-centric model**



Matt
Ellis

EVP & Chief Financial Officer

2021 Goals Delivered

- **Acquired C-Band and achieved 100M POPs Target**
- **Completed TracFone acquisition**
- **Divested non-core assets**
- **Achieved financial targets**



Platform for Accelerating Performance



**Revenue
Growth**



**Operating
Leverage**



**Capital
Efficiency**



**Free Cash Flow
Conversion**



**Capital
Allocation Model**



5 Vectors Drive Accelerating Revenue



Expected Annual
Service & Other
Revenue Growth

2022

~3%* YoY

2023

3%+ YoY

2024+

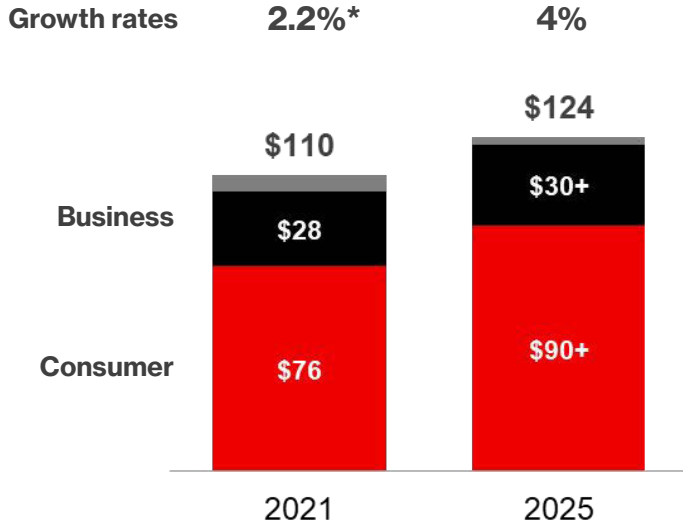
4% YoY

Proof Point: FWA Scaling Quickly. Positioned to Deliver 150K+ FWA Adds in 1Q22

*Organic (excludes Verizon Media Group and TracFone)

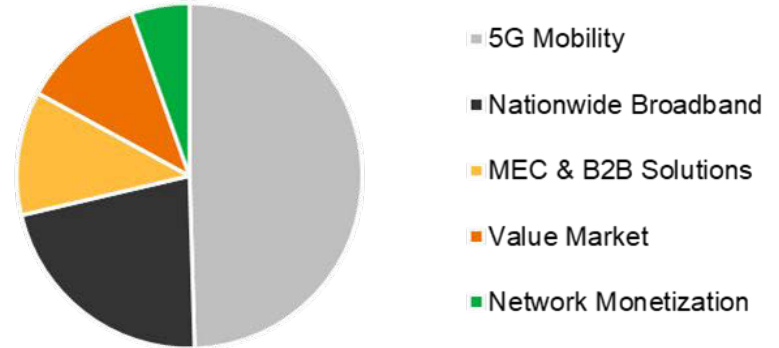
Revenue Growth Drivers

Expected Service & Other Revenue Growth (\$B)



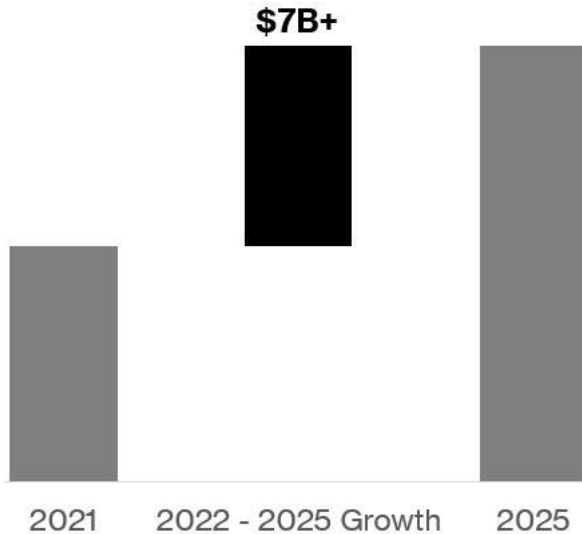
* Excludes impact from Verizon Media

Vector Contributions to 2022-2025 Growth



5G Mobility Growth Drivers

5G Mobility Growth Outlook*



* Vector includes postpaid net adds, ARPA/ARPU, and device protection

Expected Key Drivers

Consumer

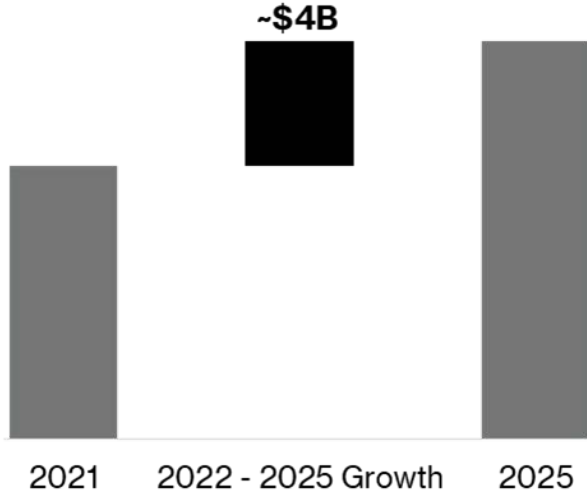
- **2.0%+** ARPA CAGR thru 2025 (excl. FWA)
- **~2/3** from Premium mix and **~1/3** from products
- Growth from subscribers and accounts
- Customers with 5G phones are **2.5X** more likely to take premium unlimited

Business

- Growth from market leadership expansion
- 5G adoption grows to **80%** by year end 2025
- SMB premium mix of **~70%** by year end 2025

Nationwide Broadband Growth Drivers

Broadband Revenue Outlook*



*Note: Includes both Consumer & Business FWA + Fios Revenue

Expected Key Drivers

FWA

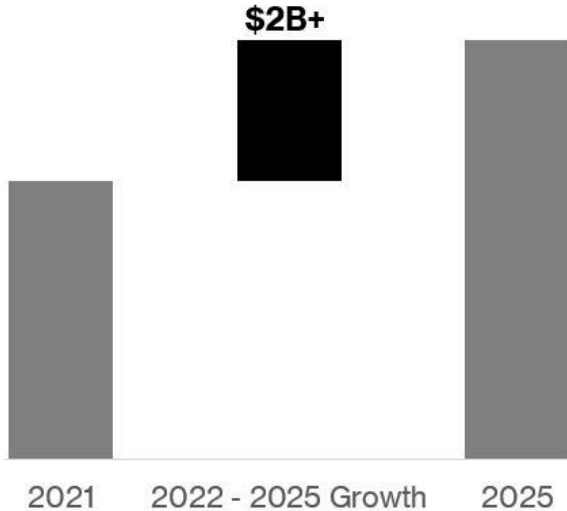
- **50M** Households Covered by YE 2025
- **14M** Businesses covered by YE 2025
- **4M-5M** Subscribers by YE 2025

Fios

- **>18M** Open For Sale by YE 2025
- **~8M** Internet Subscribers by YE 2025
- Consumer Internet-only mix grows from 40% to **50%+** by YE 2025

MEC & B2B Solutions Growth Drivers

MEC & B2B Solution Revenue Outlook*



* Vector includes IoT, MEC, Private Wireless Networks, BlueJeans and other services

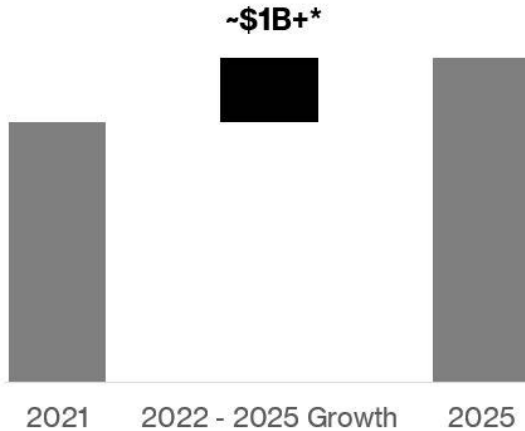
Expected Key Drivers

- IoT revenue grows from **\$1.5B+** in 2021 driven by double-digit connections CAGR thru 2025
- **~\$1B** of growth from Public MEC by YE 2025
- Scaling private networks, delivering private MEC and solutions revenue



Value Market Growth Drivers

Prepaid Revenue Growth Outlook



* Tracfone contribution only includes incremental revenue post acquisition

Expected Key Drivers

- Growing subscriber base over long term
- Shift to unlimited plans and growth in value added services driving ARPU
- Migrating 6M+ off-net subs helps drive **-\$1B** in synergies



Operating Leverage Plan



**Operating Scale
from Multiple
Revenue Sources**



**Network
Owner's
Economics**



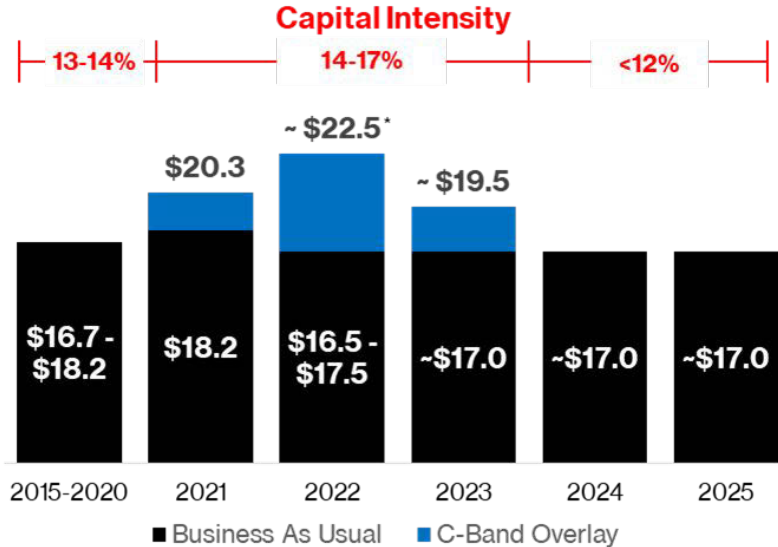
**Adjusted EBITDA
Growth at or Above
Revenue Growth**

\$300M 2021 Fiber Access Cost Savings and Annualized Savings Approaching \$1B by 2025



Improving Capital Efficiency over Time

Capex Outlook (\$B)



* At the mid-point of 2022 guidance

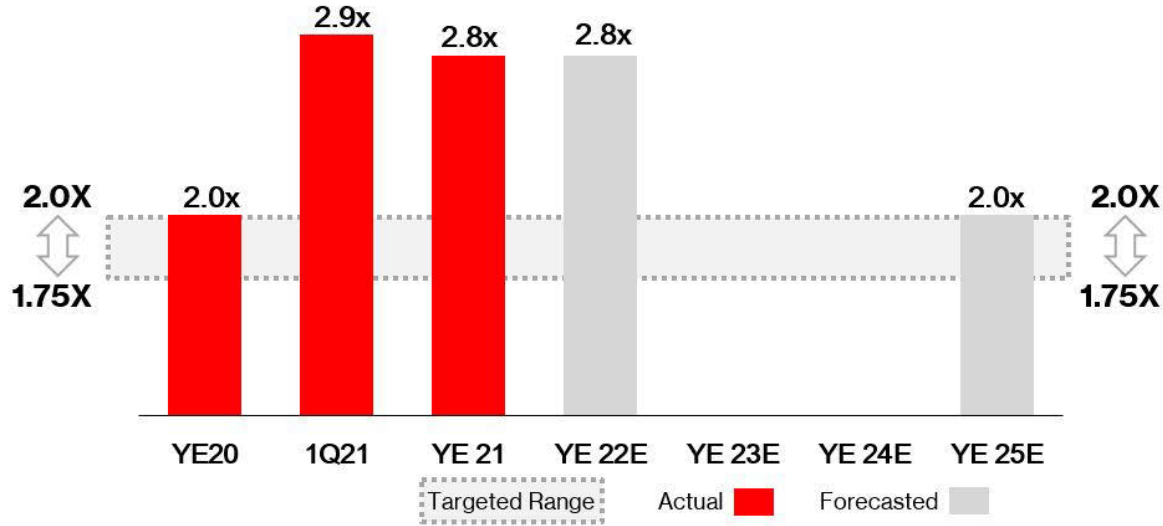
Expected Key Drivers

- **C-Band** accelerated \$10B spend concludes in 2023
- **\$3B** run-rate savings from key programs by 2024
 - Less reliance on **4G LTE** capacity over time
 - Completion of **One Fiber** core build in 2023
 - **iEN** efficiencies result in virtualization benefits

Positioned for \$20B-\$22B FCF in 2023 and Expected to Expand thereafter

Target Leverage Ratio

Leverage Ratio (Net Unsecured Debt/Adjusted EBITDA)



Revenue Growth plus Capital Intensity Reduction Support Deleveraging



Capital Allocation Model

1

Investment in the Business

- Capital Expenditures
- Spectrum
- Mergers & Acquisitions

2

Commitment to Dividend

- 15 consecutive years of increases

3

Strong Balance Sheet

- Target net unsecured debt to adjusted EBITDA range of 1.75x – 2.0x

4

Share Repurchases

- Efficient return of excess cash flow to shareholders



More Pathways to Growth

- **Clear path to 4% annual service and other revenue growth in 2024+**
- **Adjusted EBITDA growth at or above revenue growth**
- **Efficiencies drive lower capital intensity and overall spend**
- **Target leverage ratio remains at 1.75x – 2.0x with share repurchases considered at 2.25x**



