Giacco Richard
Form 4
May 24, 2010

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL

OMB Number:	3235-0287
Expires:	January 31, 2005
Estimated average burden hours per response...	0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person *
Giacco Richard

(Last) (First) (Middle)

C/O ACORN ENERGY, INC., 4 WEST ROCKLAND ROAD

(Street)

MONTCHANIN, DE US 19710

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
ACORN ENERGY, INC. [ACFN]

3. Date of Earliest Transaction (Month/Day/Year)
05/20/2010

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

__X__ Director _____ 10% Owner
_____ Officer (give title below) _____ Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	05/20/2010		P		5,000	A	$ 4.45	15,000	D	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(*e.g.*, puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Nu Deriv Secur Bene Owne Follo Repo Trans (Instr
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares		

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Giacco Richard C/O ACORN ENERGY, INC. 4 WEST ROCKLAND ROAD MONTCHANIN, DE US 19710	X			

Signatures

Richard J. Giacco	05/24/2010
**Signature of Reporting Person	Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.
Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number. ="display:inline;font-family:Arial,Helvetica,sans-serif;font-size:7pt;">

$

13,429,990

Long Term Disability

$

0

$

784,381

$

12,645,609

$

0

$

0

$

0

$

13,429,990

For Cause

$

0

$

0

Explanation of Responses:

$

0

$

0

$

0

$

0

$

0

Gloria M. McCarthy

Company initiated (not for cause) or good reason termination by employee following a change in control(4)	$ 5,395,500	$ 1,018,630	$ 10,925,188	$ 90,000	$ 32,544

$

14,210

$

17,476,072

Company initiated (not for cause) or good reason termination by employee(5)

$

3,300,000

$

1,018,630

$

10,925,188

$

60,000

$

21,696

$

14,210

$

15,339,724

Retirement(6)

$

0

$

1,018,630

$

10,925,188

$

0

$

0

$

0

$

11,943,818

Resignation(7)

Explanation of Responses:

$

0

$

1,018,630

$

10,925,188

$

0

$

0

$

0

$

11,943,818

Death

$

0

$

Explanation of Responses:

1,018,630

$

10,925,188

$

0

$

0

$

0

$

11,943,818

Long Term Disability

$

0

$

1,018,630

$

10,925,188

Explanation of Responses:

$

0

$

0

$

0

$

11,943,818

For Cause

$

0

$

0

$

0

$

0

Explanation of Responses:

$

0

$

0

$

0

Thomas C. Zielinski

Company initiated (not for cause) or good reason termination by employee following a change in control(4)

$

4,368,000

$

700,000

$

9,114,361

$

90,000

$

32,544

$

14,210

$

14,319,115

Explanation of Responses:

Company initiated (not for cause) or good reason termination by employee(5)

$

2,800,000

$

685,111

$

9,114,361

$

60,000

$

21,696

$

14,210

$

12,695,378

Retirement(6)

$

0

Explanation of Responses:

$

685,111

$

9,114,361

$

0

$

0

$

0

$

9,799,472

Resignation(7)

$

0

$

685,111

$

9,114,361

$

0

$

0

$

0

$

9,799,472

Death

$

0

$

685,111

$

9,114,361

$

Explanation of Responses:

0

$

0

$

0

$

9,799,472

Long Term Disability

$

0

$

685,111

$

9,114,361

$

0

$

0

Explanation of Responses:

$

0

$

9,799,472

For Cause

$

0

$

0

$

0

$

0

$

0

$

0

$

0

Brian T. Griffin

Resignation(8)

Explanation of Responses:

$

0

$

0

$

0

$

0

$

0

$

0

$

0

(1) For all NEOs, all unvested equity awards vest immediately upon termination following a change in control or due to death or long-term disability. Upon an eligible retirement, unvested equity awards generally continue to vest on the existing vesting schedule. Mr. Gallina, Ms. McCarthy and Mr. Zielinski are currently retirement eligible under the Incentive Plan. The amounts in this column represent (1) for stock option awards, the amount that could be realized from the exercise of all unvested stock options held by the NEO that would immediately vest or continue to vest upon the indicated termination, which is calculated by subtracting the exercise price of the option from the market price of a share of our common stock on December 31, 2018, and multiplying the result by the total number of shares that could be acquired on exercise at that exercise price, and (2) for RSUs and PSUs, the value of the unvested RSUs held by the NEO that would vest or continue to vest upon the indicated termination, which is

calculated by multiplying the number of such units by the market price of a share of our common stock on December 31, 2018.

(2) Estimate based on the average Company cost per employee for these coverages.

Table of Contents

Executive Compensation (continued)

(3) Represents outplacement services available under our policy.

(4) These amounts apply to a termination following a change in control that is a Company initiated termination not for cause, or a good reason termination by the employee, as defined in our Executive Agreement Plan. All current NEOs are participants in the Executive Agreement Plan, which provides the following benefits for this termination event: (1) a severance benefit of 300% of annual base salary plus target AIP award, (2) a payment equal to 4% of this amount to cover the value of the Company match under the 401(k) Plan and supplemental plan on this payment for all NEOs except Ms. McCarthy, who is eligible for a payment equal to 9% of this amount to cover the value of the Company match under the 401(k) Plan, pension contribution and supplemental plan contributions on this payment, (3) an annual AIP award equal to the greater of the annual target AIP award or AIP award earned under the normal terms of the AIP plan for the year, (4) a payment equal to 300% of the annual value of executive benefits, and (5) a three-year continuation of health and life insurance coverage.

(5) Executive is a participant in our Executive Agreement Plan, which provides the following benefits for this termination event: (1) a severance benefit of 200% of annual base salary plus target AIP award, (2) a two-year continuation of health and life insurance coverage, and (3) a payment equal to 200% of the annual value of executive benefits. The acceleration or continuation of equity awards is dependent on the terms of the grant. Messrs. Gallina and Zielinski and Ms. McCarthy are eligible for retirement and their outstanding grants as of December 31, 2018 would continue to vest upon this termination event. In accordance with Ms. Boudreaux's employment agreement, her sign-on PSU grant will continue to vest in accordance with the terms of the grant for this termination event. Mr. Haytaian would be eligible for partial vesting of his 2016 and 2017 PSU grants based on this termination event.

(6) Mr. Gallina, Ms. McCarthy and Mr. Zielinski are eligible for retirement treatment under the AIP and Incentive Plan. No other NEOs are currently retirement eligible.

(7) Beginning in 2018, participants in the AIP plan are eligible for a payment only if they remain employed through the date of the AIP payout with certain exceptions. If the executives resign after December 31, 2018 but prior to the payout, they will not receive a payout under the AIP unless they meet retirement eligibility criteria. Since this table assumes a resignation on December 31, 2018, a payout under the AIP is earned only by Mr. Gallina, Ms. McCarthy and Mr. Zielinski who are each retirement eligible under the AIP plan.

(8) Mr. Griffin resigned from the Company effective as of May 10, 2018. As shown, he received no post-termination pay or benefits.

The NEOs would also be entitled to the vested benefits included in the Outstanding Equity Awards at Fiscal Year-End table, the Nonqualified Deferred Compensation table and the Pension Benefits table. In addition, the amounts shown in the table above do not include payments and benefits to the extent they are provided on a non-discriminatory basis to salaried employees generally upon termination of employment. These include accrued salary, health benefits and distribution of account balances under the 401(k) Plan.

CEO Pay Ratio

We are providing the following information about the relationship of the annual total compensation of our median employee and the annual total compensation of our Chief Executive Officer (CEO).

For 2018:

· The annual total compensation of the median employee of our Company, as described below, was $72,308.
· The annual total compensation of our CEO as reported in the Summary Compensation Table included on page 49 of this proxy statement was $14,184,276.

· Based on this information for 2018, we reasonably estimate that the ratio of our CEO's annual total compensation to the annual total compensation of our median employee was 196:1. Our pay ratio estimate has been calculated in a manner consistent with Item 402(u) of Regulation S-K.

While performing our 2018 pay ratio analysis, we determined that our previously identified median employee was no longer employed by Anthem as of December 31, 2018, so we concluded that we should re-identify a new median employee using the calculation set forth below. The calculation uses the same methodologies, material assumptions, adjustments and estimates as we used in our pay ratio disclosure for 2017.

As of December 31, 2018, our employee population, including all full-time, part-time and temporary workers, consisted of approximately 64,011 individuals. We elected to exclude all of our employees in India (1,290 employees) and Ireland (124 employees) from our determination of the median employee. The median employee was selected from an adjusted employee population of 62,596 employees in the United States (excluding our CEO), who were employed on December 31, 2018. This includes 61,837 full-time, 627 part-time and 132 temporary workers.

Table of Contents

Executive Compensation (continued)

To identify the median employee we used the following methodology and consistently applied material assumptions, adjustments and estimates:

- We identified the median compensated employee based on payroll data as of December 31, 2018.
- We compared the payroll data for the 62,596 employees described above using a compensation measure consisting of total base pay related wages paid during 2018. Base pay related wages include the amount of base salary the employee received during the year and all other pay elements related to base pay including, but not limited to, holiday pay, paid time off, overtime and shift differentials. We did not include cash bonuses, commissions, equity grants or any adjustment for the value of benefits provided.
- Based on the total base pay related wages of each employee, we identified a cohort of 101 employees, consisting of the median employee and the 50 employees above and the 50 employees below the median base pay value. After evaluating the pay characteristics of each employee in the cohort, we removed employees who appeared to have anomalous pay characteristics (such as a hire date during the year, grandfathered in a pension benefit not offered to new hires, or recipient of a one-time bonus that is not expected in future years) that could significantly distort the pay ratio calculation.
- We then selected the employee with total base pay related wages closest to the median compensated employee who did not have anomalous pay characteristics, and used that employee as our identified median employee for purposes of calculating the CEO pay ratio.

Using the identified median employee, we calculated that employee's annual total compensation, including any perquisites and other benefits, in the same manner that we determine the annual total compensation of our named executive officers for purposes of the Summary Compensation Table disclosed above.

The SEC's rules for identifying the median compensated employee and calculating the pay ratio based on that employee's annual total compensation allow companies to adopt a variety of methodologies, to apply certain exclusions, and to make reasonable estimates and assumptions that reflect their employee populations and compensation practices. As a result, the pay ratio reported by other companies may not be comparable to the pay ratio reported above, as other companies have different employee populations and compensation practices and may utilize different methodologies, exclusions, estimates and assumptions in calculating their own pay ratios.

Table of Contents

Compensation Plans

Annual Incentive Plan

Under the Annual Incentive Plan (the "AIP"), participants are eligible to receive awards of cash or shares of restricted stock based upon the achievement of performance metrics established by the Compensation Committee. Such awards are stated as a percentage of earnings payable to the eligible associates, with a range of targets from 2.5% to 175%. The Compensation Committee retains the discretion to adjust these earned awards to reflect individual performance. The maximum award is 200% of target. In 2018, the amounts earned by our NEOs under the AIP were paid in cash under the 2017 Anthem Incentive Compensation Plan (the "Incentive Plan"). Amounts payable under the AIP are paid during the year immediately following the performance year and are payable only upon approval of the Compensation Committee. Participants must have been employed on or before October 1st of the performance year in order to receive a payment under the AIP. Also, beginning with AIP payments for the 2018 performance year paid in early 2019, participants must be actively employed by us on the payment date of the AIP award to receive an award. In the event a non-executive participant is part of a reduction in force after September 30th of a particular year or an executive participant is terminated by us after September 30th of such year and is receiving a severance benefit, or in the event of a death, qualified retirement or an approved disability of a participant during a plan year, a prorated amount may be payable.

2017 Anthem Incentive Compensation Plan

In May 2017, our shareholders approved the Incentive Plan. The Incentive Plan gives the authority to the Compensation Committee to make incentive awards consisting of stock options, restricted stock, restricted stock units, cash-based awards, stock appreciation rights, performance shares, performance units and other stock-based awards. The Compensation Committee selects the participants from our non-employee directors, employees and consultants and determines whether to grant incentive awards, the types of incentive awards to grant and any requirements and restrictions relating to incentive awards. The Compensation Committee is also authorized to grant shares of restricted and unrestricted common stock in lieu of obligations to pay cash under other plans and compensatory arrangements, including the AIP.

The Incentive Plan reserved for issuance for incentive awards to non-employee directors, employees and consultants a maximum of 37,500,000 shares, which represents the sum of 16,000,000 new shares authorized under the Incentive Plan, plus up to 14,000,000 shares that have previously been approved by our shareholders for issuance under the Anthem Incentive Compensation Plan, which was approved by our shareholders in May 2006, as subsequently amended (the "2006 Stock Plan") but have not been awarded, plus up to 7,500,000 shares which are subject to outstanding awards under the 2006 Stock Plan which may be available for the grant of awards under the Incentive Plan to the extent the shares underlying such outstanding awards are not issued due to expiration, forfeiture, cancellation, settlement in cash in lieu of shares or otherwise on or after May 18, 2017. From and after May 18, 2017, no further grants or awards were made under the 2006 Stock Plan.

Amerigroup 2009 Equity Incentive Plan

The Amerigroup Corporation 2009 Equity Incentive Plan (the "Amerigroup Plan") was approved by Amerigroup's shareholders in May 2009. Under the Amerigroup Plan, associates of Amerigroup and its subsidiaries received equity-based compensation, including restricted stock and stock options. Pursuant to the merger agreement between Amerigroup and us, all equity awards for Amerigroup common stock outstanding at the close of the merger were converted into equity awards for our common stock and were assumed by us. No new equity awards can be made

under the Amerigroup Plan.

Employee Stock Purchase Plan

In May 2009, shareholders approved the amended and restated Employee Stock Purchase Plan (the “Stock Purchase Plan”), which is intended to comply with Section 423 of the Internal Revenue Code of 1986, as amended (the “Tax Code”) and to provide a means by which to encourage and assist associates in acquiring a stock ownership interest in us. The Stock Purchase Plan is administered by the Compensation Committee and amended and restated a previously approved employee stock purchase plan. The Compensation Committee

Table of Contents

Compensation Plans (continued)

has complete discretion to interpret and administer the Stock Purchase Plan and the rights granted under it and determines the terms of each offering that permits purchases of our common stock. Any of our associates are eligible to participate, as long as the associate does not own stock totaling 5% or more of our voting power or value. No associate is permitted to purchase more than $25,000 worth of stock in any calendar year, determined in accordance with Section 423 of the Tax Code. Based on the current terms of the Stock Purchase Plan, this value is determined based on the lesser of the fair market value of the stock on the first or last trading day of each plan offering period. The Stock Purchase Plan reserved 14,000,000 shares of stock for issuance and purchase by associates.

Associates become participants by electing payroll deductions from 1% to 15% of gross compensation. Payroll deductions are accumulated during each plan offering period and applied toward the purchase of stock on the last trading day of each plan offering period. Effective January 1, 2019, the purchase price per share equals 90% (or such higher percentage as may be set by the Compensation Committee) of the lesser of the fair market value of a share of common stock on the first or last trading day of the plan offering period. Once purchased, the stock is accumulated in the associate's investment account and must be held for one year from the purchase date as long as the associate is still actively employed by us.

Prior to January 1, 2019, the purchase price was 95% of the fair market value of a share of common stock on the last trading day of the plan offering period. Shares purchased prior to January 1, 2019 are not subject to the one-year holding period.

Securities Authorized for Issuance under Equity Compensation Plans

Securities authorized for issuance under our equity compensation plans as of December 31, 2018 are as follows:

Plan Category(1)	Number of securities to be issued upon exercise of outstanding options, warrants and rights (2)	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (3)
Equity compensation plans approved by security holders as of December 31, 2018	3,675,937	$ 149.75	31,965,981

(1) We have no equity compensation plans pursuant to which awards may be granted in the future that have not been approved by security holders.

(2) Excludes 3,820 shares to be issued upon the exercise of outstanding stock options under the Amerigroup Plan assumed by us as part of the acquisition of Amerigroup as of December 31, 2018. The weighted average exercise price of these excluded options was $60.15. Including all such assumed options and the outstanding options shown in the table, there were a total of 3,679,757 shares to be issued upon the exercise of outstanding stock options as of December 31, 2018. The weighted average exercise price of these options was $149.66. We also had 1,735,325 unvested shares of restricted stock outstanding as of December 31, 2018.

(3) Excludes securities reflected in the first column, "Number of securities to be issued upon exercise of outstanding options, warrants and rights." Includes 26,922,746 shares at December 31, 2018 available for issuance as stock

options, restricted stock awards, performance stock awards, performance unit awards and stock appreciation rights under the Incentive Plan. Includes 5,043,235 shares of common stock at December 31, 2018 available for issuance under the Stock Purchase Plan.

Anthem Directed Executive Compensation Plan

The Anthem Directed Executive Compensation Plan (the “DEC”) is a plan that provides our officers with flexibility to tailor certain personal benefits or perquisites to meet their needs using cash credits. The amount of cash credits the executive receives is based upon his or her position with us, with the Chief Executive Officer receiving $54,000 per year in cash credits, executive vice presidents receiving $30,000 per year in cash credits and senior vice presidents and vice presidents receiving $12,000 per year in cash credits. Cash credits under the DEC are paid to the executive in cash and are in lieu of executive perquisites such as the following: automobile-related benefits, airline clubs, savings or retirement accounts and additional life insurance or long-term disability insurance.

Effective January 1, 2019, the DEC was converted from a cash credit program to a reimbursement program. The annual credits will be available to reimburse the officer for services such as financial planning, investment advice, estate planning, tax preparation and related legal fees associated with the above services.

Newly hired or promoted executives will participate in the program at the beginning of the month following their hire date or the effective date of their promotion and receive a prorated amount of credits for the year.

Table of Contents

Compensation Plans (continued)

Anthem, Inc. Executive Salary Continuation Plan

We maintain the Anthem, Inc. Executive Salary Continuation Plan for vice presidents, senior vice presidents, and executive vice presidents. Salary continuation is provided at no cost to the executive and pays a benefit equal to 100% of base salary and is payable on the first day of a covered disability, for up to 180 days.

Anthem 401(k) Plan

We maintain the Anthem 401(k) Plan (the "401(k) Plan"). The 401(k) Plan is sponsored by ATH Holding Company, LLC and is designed to provide all of our associates with a tax-deferred, long-term savings vehicle. During 2018, we made matching contributions in an amount equal to 100% of the first 3% and 50% of the next 2% of an associate's eligible earnings that he or she contributed. Eligible earnings for executives are base salary, AIP cash awards and cash bonuses. Eligible earnings for associates are generally base salary, overtime, commissions, AIP cash awards and other cash bonuses. Associates are eligible to participate upon hire and our matching contributions begin following one year of service. None of our matching contributions is in the form of our common stock. During 2018, associates could contribute 1% to 60% of his or her eligible earnings. In addition, participants who are age 50 by the end of a plan year can contribute an additional amount (a "catch-up contribution"), up to the limit described in Section 414(v) of the Tax Code as in effect for the plan year in which the contribution is made. We offer 27 investment funds for participants to invest their contributions. Our common stock is an investment option under the 401(k) Plan. Another investment option is the Vanguard Brokerage Option, which offers 401(k) Plan participants the opportunity to invest in over 10,000 mutual funds of their choice. A participant in the 401(k) Plan can change his or her election at any time (24 hours a day, seven days a week). A participant can also change how he or she wants his or her future contributions and earning on those contributions invested in multiples of 1%, and can transfer or reallocate current investments in multiples of 1% or in flat dollar amounts. Associate contributions and our matching contributions vest immediately for associates hired on or before January 1, 2019.

Effective January 1, 2019, the matching contribution formula was increased to 100% of the first 3% and 50% of the next 3% of an associate's eligible earnings that he or she contributes. Associates hired after January 1, 2019, are eligible to participate in the 401(k) Plan 30 days after their hire date and are subject to a two-year vesting period on our matching contributions.

Anthem, Inc. Comprehensive Non-Qualified Deferred Compensation Plan

Eligible participants may begin participation in the Anthem, Inc. Comprehensive Non-Qualified Deferred Compensation Plan (the "Deferred Compensation Plan") once the participant reaches the maximum contribution amount for the 401(k) Plan. An eligible participant may defer a percentage not to exceed 60% of his or her eligible earnings and may defer a percentage of his or her award under the AIP, but only to the extent that his or her aggregate base salary and AIP award deferral does not exceed 80% of his or her compensation, into the Deferred Compensation Plan. Those contributions were matched by us at the same rate as they would have been in the 401(k) Plan. The annual incentive deferral option allows an additional deferral of amounts under the AIP and is matched at the same rate as the rate for the 401(k) Plan.

Investment options for the Deferred Compensation Plan mirror those for the 401(k) Plan other than our common stock and the Vanguard Brokerage Option are not available. The frequency and manner of changing investment options also mirrors the 401(k) Plan.

The Deferred Compensation Plan includes a supplemental pension benefit contribution program which in general credits eligible participants quarterly with a contribution equal to the difference between the amount which was actually credited to his or her account under the Anthem Cash Balance Plan (the “Pension Plan”) and the amount which would have been credited to his or her account had the amount not been limited as a result of Section 401(a)(17) or Section 415 of the Tax Code. None of the NEOs received contributions under either the Pension Plan or the supplemental pension provision of the Deferred Compensation Plan except Ms. McCarthy.

Account balances in the Deferred Compensation Plan are payable at the election of the participant in a single lump sum or installments.

Table of Contents

Compensation Plans (continued)

All supplemental pension benefit contributions were frozen effective December 31, 2018, in connection with the freezing of the pension benefit contributions under the Pension Plan as described below. Interest will still be credited on existing account balances.

Empire Blue Cross and Blue Shield 2005 Executive Savings Plan

The Empire Blue Cross and Blue Shield 2005 Executive Savings Plan (the "2005 Executive Savings Plan") enabled eligible executives to defer a portion of their base salaries or incentive compensation and to receive the benefit of a matching contribution from us. Effective December 31, 2006, the 2005 Executive Savings Plan was frozen, and no new contributions will be permitted to be made to this plan. Key employees, as defined in the Tax Code, were eligible to participate in this unfunded, non-qualified executive savings plan based upon a qualifying salary range which is adjustable on a yearly basis. In 2006, associates who had an annual base salary of at least $100,000, as of December 1, 2005 (or date of hire if a newly-hired associate) or total compensation earned from January 1 through December 1, 2005 of at least $140,000, could participate in the 2005 Executive Savings Plan.

Participation in the 2005 Executive Savings Plan was voluntary, and participants could make whole-year and make-up elections. A whole-year election was effective for the entire plan year and must have specified a deferral percentage between 5% and 80% of base salary of any incentive award under the annual Executive Incentive Compensation Plan, and of other performance-based awards as defined in the 2005 Executive Savings Plan. The maximum deferral percentage was subject to adjustment in our discretion. A make-up election became effective once total compensation for the plan year reached the maximum amount that would be recognized in that plan year under applicable tax laws for purposes of our 401(k) Plan. As of January 1, 2006, the maximum amount was $215,000. A make-up election was for any whole percentage up to 6% of total compensation in excess of $215,000. We credited the associate's account with an employer match up to 50% of the amount of the total compensation deferred pursuant to the make-up election. The vesting period for the employer match was three years of service.

The participant may designate, from among the investment funds available for selection under the 2005 Executive Savings Plan, which are actively managed by an independent investment manager, the fund or funds to be used to attribute hypothetical investment performance to amounts added to his or her account during the plan year. Nothing in the 2005 Executive Savings Plan requires the employer to invest, earmark, or set aside its general assets in any specific manner.

The fund or funds selected are subject to market fluctuations and, as such, there are no above-market or preferential earnings on deferred compensation paid during the fiscal year, but deferred at the election of the executive.

Anthem Cash Balance Plan

We maintain the Pension Plan, which continues to be sponsored by ATH Holding Company, LLC. It is a non-contributory pension plan for certain associates that is qualified under Section 401(a) of the Tax Code and is subject to the Employee Retirement Income Security Act of 1974, as amended. On January 1, 1997, we converted the Pension Plan from a final average compensation pension plan into a cash balance pension plan. The Pension Plan covered substantially all full-time, part-time and temporary associates, including executive officers, and provides a set benefit at age 65, the normal retirement age under the Pension Plan. Effective January 1, 2006, participation was frozen. The Pension Plan applies only to participants who were active as of that date. Active participants whose sum of age (in complete years) and years of service as defined by the Pension Plan (in complete years) equaled or exceeded

65 (“Rule of 65 Participants”), including executives, were eligible to continue to accrue benefits under the Pension Plan formula. None of the NEOs is a Rule of 65 Participant, except for Ms. McCarthy. Effective January 1, 2011, we spun out the Rule of 65 Participants into a new plan, the WellPoint Cash Balance Pension Plan B, which has been renamed the Anthem Cash Balance Plan B. Effective January 1, 2012, the Pension Plan was renamed the Anthem Cash Balance Plan A.

Under the Pension Plan, at the end of each calendar quarter, a bookkeeping account for each participant is credited with interest. Effective January 1, 2016, interest is calculated based on the average yield for the 10 year U.S. Treasury Constant Maturity Bond for the month of September of the preceding plan year but not

Table of Contents

Compensation Plans (continued)

lower than 3.85%. Account balances are payable in a single lump sum or an actuarially-equivalent annuity commencing on the first of any month following termination of employment.

Effective December 31, 2018, all benefit accruals under the Pension Pan were frozen. Interest will still be credited on existing account balances.

Empire Blue Cross and Blue Shield Supplemental Cash Balance Pension Plan

WellChoice provided a supplemental cash balance pension plan (the "Empire Supplemental Pension Plan"), which was assumed by us when we acquired WellChoice. Effective December 31, 2006, the Empire Supplemental Pension Plan was frozen. Interest is still credited on existing account balances. The Empire Supplemental Pension Plan is not tax-qualified. The purpose of this plan was to replace pension benefits which were lost through the Empire Pension Plan because of an executive's elective deferral of compensation or because of the limitations on benefits or includible compensation imposed for highly-compensated employees by the Tax Code. The supplemental retirement benefit paid to each participant in the Empire Supplemental Pension Plan was equal to the difference between the participant's benefit under the Empire Pension Plan and what the participant's benefit under that plan would have been if the participant's elective deferrals and the participant's compensation in excess of the Tax Code's limitations were included in the definition of compensation under the Empire Pension Plan. The supplemental retirement benefit is calculated pursuant to the provisions of the Empire Supplemental Pension Plan and paid in a single sum. Also, in the event of the death of a participant prior to the participant's benefit payment date, a single sum, or payments made in installments, in accordance with the participant's election, calculated pursuant to the provisions of the plan, is paid to the participant's beneficiary. Benefits under this plan are paid only to the extent they are vested. A participant with a vested benefit under the Empire Pension Plan is paid the supplemental retirement benefit according to the schedule set forth in the plan or as soon as administratively practicable thereafter.

Executive Severance Arrangements

Anthem, Inc. Executive Agreement Plan

The Anthem, Inc. Executive Agreement Plan (the "Executive Agreement Plan") is intended to protect our key executive employees and key employees of our subsidiaries and affiliates against an involuntary loss of employment (without cause) so as to attract and retain such employees and to motivate them to enhance our value. The Executive Agreement Plan is administered by a committee appointed by our Chief Human Resources Officer.

Our key executive employees and key employees of our subsidiaries and affiliates, including each vice president, senior vice president, executive vice president and any other key executive selected by our Chief Executive Officer, are eligible to participate in the Executive Agreement Plan. An eligible executive will only become a participant in the Executive Agreement Plan upon his or her execution of an employment agreement with us. In general, the terms of the Executive Agreement Plan will replace a participant's pre-existing agreements for employment, severance or change in control benefits, or restrictive covenants.

Severance pay and benefits are triggered under the Executive Agreement Plan upon a termination of a participant's employment by us for any reason other than death, disability (each as defined in the Executive Agreement Plan), "cause" (as defined below) or a "transfer of business" (as defined below). Severance pay and benefits will also be provided under the Executive Agreement Plan (at enhanced levels for each participant who is an executive vice president) upon

a termination of a participant's employment (1) by us for any reason other than death, disability, cause, or a transfer of business, during certain periods prior to, or the 36 month period after, a "change in control" (as defined in the Executive Agreement Plan), or (2) by the participant for "good reason" (as defined below), during the 36 month period after a change in control.

Table of Contents

Compensation Plans (continued)

Under the Executive Agreement Plan, "cause" means any act or failure to act which constitutes:

(1) fraud, embezzlement, theft or dishonesty against us;
(2) a material violation of law in connection with or in the course of the participant's duties or employment;
(3) commission of any felony or crime involving moral turpitude;
(4) any violation of any of the restrictive covenants contained in the Executive Agreement Plan;
(5) any other material breach of the related employment agreement;
(6) a material breach of any of our written employment policies;
(7) conduct which tends to bring us into substantial public disgrace or disrepute; or
(8) a material violation of our Standards of Ethical Business Conduct,

except that with respect to a termination of employment during the period beginning on the date of the public announcement or the making of a proposal or offer which if consummated would be a change in control, or the approval by our Board or our shareholders of a transaction that upon closing would be a change in control, and ending on the earlier to occur of the termination, abandonment or occurrence of the change in control or the first anniversary of the beginning of the period (the "Change in Control Period"), or within the 36 month period after a change in control, clause (6) and (8) will apply only if such material breach or violation is grounds for immediate termination under the terms of such written employment policy or standard of ethical business conduct; and clauses (4), (5), (6), and (7) will apply only if such violation, breach or conduct is willful. In addition, "transfer of business" means a transfer of the participant's position to another entity, as part of either (1) a transfer to such entity as a going concern of all or part of our business function(s) in which the participant was employed, or (2) an outsourcing to another entity of our business function(s) in which the participant was employed.

Any participant who is a vice president, senior vice president or executive vice president may terminate his or her employment for "good reason" under the Executive Agreement Plan upon (a) the occurrence of the events set forth in clauses (2) or (5) below within the 36 month period after a change in control, (b) the occurrence of the events set forth in clauses (1), (3) or (4) below at any time before or after a change in control:

(1) a material reduction during any 24 consecutive month period in the participant's salary, or in the annual total cash compensation (including salary and target bonus), but excluding in either case any reduction both (A) applicable to management employees generally, and (B) not implemented during a Change in Control Period or within the 36 month period after a change in control;
(2) a material adverse change without the participant's prior consent in the participant's position, duties, or responsibilities, except in connection with a transfer of business if the position offered by the transferee is substantially comparable and is not in violation of the participant's rights under the employment agreement;
(3) a material breach of the employment agreement by us;
(4) a change in the participant's principal work location to a location more than 50 miles from the participant's prior work location and from the participant's principal residence; or
(5) the failure of any successor of ours to assume our obligations under the Executive Agreement Plan (including any employment agreements).

If a vice president, senior vice president or executive vice president terminates his or her employment without "good reason," he or she is not entitled to any severance benefits under the Executive Agreement Plan.

In the event that severance pay and benefits are triggered, an eligible vice president, senior vice president or executive vice president will be entitled to receive severance pay in an amount equal to the participant's applicable severance

multiplier times the sum of the participant's annual salary and annual target bonus, payable in equal installments over the participant's applicable severance period; continued participation in our health and life insurance benefit plans during the severance period; continuation of certain executive

Table of Contents

Compensation Plans (continued)

compensation perquisite payments and benefits during the severance period; outplacement services; and for participants who were executives prior to May 15, 2018, continued financial planning services, if available to current executives. For participants who are executive vice presidents, the applicable severance multiplier is two and the severance period is two years. For participants who were executive vice presidents before May 15, 2018, the applicable severance multiple when enhanced severance is paid in circumstances relating to a change in control is three and the severance period when the enhanced severance is paid is three years.

Other severance benefits payable to vice presidents, senior vice presidents and executive vice presidents triggered by qualifying terminations of employment after a change in control include a pro-rata bonus for the year of termination; cash payments equivalent to our tax-qualified retirement and supplemental retirement plan contributions for the participant during the severance period; and accelerated vesting of equity grants which were outstanding on both the date of the change in control and the date of termination of employment. The annual bonus of each executive participant for the year of a change in control is guaranteed to be the greater of the participant's target bonus for that year or the amount earned under the bonus plan formulas. The Executive Agreement Plan further provides that, in the event of certain corporate transactions, if an acquiring company does not assume our equity grants, the grants will vest and become payable upon the corporate transaction. Finally, the Executive Agreement Plan provides that in the event of a change in control, our NEOs are entitled to receive either (i) the full benefits payable in connection with a change in control under the Executive Agreement Plan or (ii) a reduced amount sufficient to avoid the imposition of any excise taxes under Section 4999 of the Tax Code or any similar tax payable under any United States federal, state, local or other law, whichever amount provides the greater after-tax value for the executive.

The Executive Agreement Plan payments and benefits of each participant are conditioned upon the participant's compliance with restrictive covenants and execution of a release of claims against us. The Executive Agreement Plan provides that if a participant breaches any restrictive covenant or fails to provide the required cooperation, (1) such participant shall repay to us any severance benefits previously received, as well as an amount equal to the fair market value of restricted stock vested and gain on stock options exercised within the 24 month period prior to such breach, (2) no further severance pay or benefits shall be provided to such participant, and (3) all outstanding unexercised stock options and unvested restricted stock shall be cancelled and forfeited.

Messrs. Gallina, Haytaian and Zielinski, and Ms. McCarthy participate in the Executive Agreement Plan. Ms. Boudreaux participates in the Executive Agreement Plan on a basis substantially similar to our other participants who were executive vice presidents before May 15, 2018.

Employment Agreement

As set forth above, for an executive officer to become eligible to participate in the Executive Agreement Plan, he or she must enter into an employment agreement with us (the "Plan Employment Agreement"). The Plan Employment Agreement has an initial term of one year, which term is automatically extended until one year after the date on which either we or the executive officer provides notice of non-renewal. The executive officer's employment terminates upon the disability or death of the executive officer, or we may terminate the executive officer with or without Cause (as defined in the Executive Agreement Plan). Upon termination of employment, the executive officer may be entitled to the benefits set forth in the Executive Agreement Plan as set forth above. The Plan Employment Agreement also contains the restrictive covenants set forth in the Executive Agreement Plan. Messrs. Gallina, Haytaian and Zielinski, and Ms. McCarthy are parties to the Plan Employment Agreement. Ms. Boudreaux is a party to the Plan Employment Agreement on a basis substantially similar to our other senior officers. Ms. Boudreaux is entitled to the same

severance benefits under the Executive Agreement Plan as described above for our participants who were executive vice presidents before May 15, 2018.

Table of Contents

Proposal No. 4 — Approval of Proposed Amendments to Our Articles of Incorporation To Eliminate the Classified Board Structure When Permitted Under Our Contractual Obligations with the Blue Cross and Blue Shield Association

Our Board of Directors has unanimously adopted, and recommends that our shareholders approve, amendments to our Articles of Incorporation ("Articles") to eliminate the classified board structure when permitted under our contractual obligations with the Blue Cross and Blue Shield Association ("BCBSA") (the "Director Election Proposal"). Shareholders do not presently have the right to elect each director annually due to existing contractual obligations with the BCBSA. A form of amended and restated Articles, marked to reflect the changes contemplated by this proposal, is attached as Annex A. This summary of the proposed amendments to the Articles is qualified in its entirety by reference to Annex A.

The Company's Director Election Proposal

If the Company's Director Election Proposal is approved by shareholders, the Articles will provide that we will eliminate the classified board structure and phase in the annual election of directors over a three-year period when permitted under our contractual obligations with the BCBSA.

In developing the Company's Director Election Proposal, the Board (including all members of the Governance Committee) considered the current requirement contained in our Corporate Governance Guidelines for our Board to submit amendments to our Articles to our shareholders, and recommend that our shareholders approve such amendments, to eliminate our classified board structure if the BCBSA contractual obligations are eliminated or no longer applicable to us. The Board determined that it is appropriate to request that shareholders amend the Articles now so that no further shareholder approval would be needed to eliminate our classified board structure if the BCBSA requirement is eliminated or no longer applicable to us.

If the Company's Director Election Proposal is approved, the Board expects to amend our Bylaws and our Corporate Governance Guidelines to include provisions similar to the proposed amendments to our Articles regarding the elimination of the classified board structure.

The Shareholder Proposal

As described below in Proposal No. 5, we have been notified that a shareholder intends to present a proposal for consideration at the annual meeting (the "Shareholder Proposal") that also addresses the annual election of all directors. The Shareholder Proposal asks that we take all steps necessary to reorganize the Board into one class with each director subject to election each year, with implementation deferred until such time as it would not interfere with the Company's existing contractual obligations and thereafter permits us to phase in annual elections over a three-year period. As described above, the Company's Director Election Proposal asks shareholders to approve amendments to our Articles that would implement the specific changes requested in the Shareholder Proposal, thereby substantially implementing the Shareholder Proposal. We believe there is no meaningful difference between the end result requested by this proposal and the Shareholder Proposal, as both seek to eliminate the classified board structure when we are permitted to do so under our contractual obligations with the BCBSA.

Despite our willingness to amend our Articles to eliminate the classified board structure and phase in the annual election of all directors as provided under the Company's Director Election Proposal and our good faith efforts to discuss the Company's Director Election Proposal and its effects with the proponent, the proponent of the Shareholder Proposal refused to withdraw the Shareholder Proposal. We believe that we have substantially implemented the Shareholder Proposal and thus it does not qualify for inclusion in these proxy materials under SEC rules. However,

due to the impact of the federal government shutdown on the SEC, we did not believe that the SEC could respond to a no-action request to exclude the Shareholder Proposal on the basis of substantial implementation before the deadline to distribute these proxy materials. Therefore, our Board of Directors recommends that shareholders approve the Company's Director Election Proposal and, as discussed below in Proposal No. 5, makes no recommendation on the Shareholder Proposal.

Table of Contents

Proposal No. 4 — Approval of Proposed Amendments to Our Articles of Incorporation To Eliminate the Classified Board Structure When Permitted Under Our Contractual Obligations with the Blue Cross and Blue Shield Association (continued)

Additional Information

The Company's Director Election Proposal is binding. If shareholders approve the Company's Director Election Proposal by the requisite vote, we will file amended and restated Articles with the Indiana Secretary of State shortly following the annual meeting to incorporate the approved amendments. The amended and restated Articles will become effective upon acceptance of the filing by the Indiana Secretary of State. Upon the approval of this proposal and the filing of the amended and restated Articles, our Board expects to approve conforming changes to our Bylaws and our Corporate Governance Guidelines.

Recommendation

The Board of Directors unanimously recommends that shareholders vote FOR Proposal No. 4, Approval of Proposed Amendments to Our Articles of Incorporation to Eliminate the Classified Board Structure When Permitted Under Our Contractual Obligations with the Blue Cross and Blue Shield Association.

Table of Contents

Proposal No. 5 — Shareholder Proposal To Elect Each Director Annually

We have been informed that John Chevedden, 2215 Nelson Avenue, No. 205, Redondo Beach, CA, 90278, the beneficial owner of no fewer than 50 shares of our common stock, intends to introduce the resolution below at the annual meeting. The following shareholder proposal will be voted on at the annual meeting only if properly presented by or on behalf of Mr. Chevedden. In accordance with SEC rules, the proposed shareholder resolution and supporting statement are printed verbatim from his submission.

Proposal 5 – Elect Each Director Annually

RESOLVED, shareholders ask that our Company take all the steps necessary to reorganize the Board of Directors into one class with each director subject to election each year. Although our company can adopt this proposal topic in one-year and the proponent is in favor of a one-year implementation, this proposal allows the option to phase it in over 3-years. It is critical to this proposal that our Company take all the steps necessary to reorganize the Board of Directors into one class. Implementation could be deferred until such time as it would not interfere with the Company's existing contractual obligation.

Arthur Levitt, former Chairman of the Securities and Exchange Commission said, "In my view it's best for the investor if the entire board is elected once a year. Without annual election of each director shareholders have far less control over who represents them."

A total of 79 S&P 500 and Fortune 500 companies, worth more than $1 Trillion, also adopted this important proposal topic since 2012. Annual elections are widely viewed as a corporate governance best practice. Annual election of each director could make directors more accountable, and thereby contribute to improved performance and increased company value.

It is an easy decision for shareholders to vote in favor of this proposal. Anthem shareholders gave 72%-support to a proposal similar to this in 2015. This 72% support translates into 80% or 90% support from shareholders who have independent information on the importance of this proposal topic.

Meanwhile there are challenges facing our company that can best be managed and prevented from reoccurring by directors who need to justify their election each year:

Penalty over alleged repeated failure to address customer grievances and complaints, California.
September 2018

Lawsuit over allegations of unqualified physicians conducting medical necessity requests, California.
September 2018

Date/Privacy Breach – Data breach affecting 80 million customer and employee records – Court approved settlement of $115 Million.
August 2018

Consumer Fraud/Abuse – Purported Class Action over alleged overcharging of patients with employer-based insurance for prescriptions drugs.
May 2018

Purported Class Action over alleged non-payment of overtime wages, New York.
April 2018

Data/Privacy Breach – Purported Class Action over alleged unauthorized recorded phone calls placed on consumers, Ohio.
March 2018

Opioid Medications – Investigation into policies of health insurers in prescribing opioid medications.
February 2018

Table of Contents

Proposal No. 5 — Shareholder Proposal To Elect Each Director Annually (continued)

Discriminatory Business Practices – Certified Class Action over limited medical and surgical benefit on treatment of Autism Spectrum Disorder, Wilson lawsuit.
February 2017

Please vote yes:

Elect Each Director Annually – Proposal 5

Table of Contents

Proposal No. 5 — Shareholder Proposal To Elect Each Director Annually (continued)

The Board of Directors makes no recommendation on this proposal.

Due to our existing contractual obligations with the BCBSA, we are required to maintain a classified board structure. The Board makes no recommendation on this shareholder proposal because we have already adopted a policy in our Corporate Governance Guidelines to eliminate our classified board structure if the BCBSA requirement for a classified board structure is eliminated or is otherwise no longer applicable to us. In addition, the Board has unanimously adopted and recommends that our shareholders approve the Company's Director Election Proposal set forth in Proposal No. 4, which would amend our Articles to eliminate our classified board structure and phase in the annual election of all directors over a three-year period when the BCBSA requirement for a classified board structure is eliminated or is no longer applicable to us.

We are a party to a Blue Cross License Agreement and a Blue Shield License Agreement (collectively, the "BCBS Agreements") with the BCBSA, a national federation of 36 independent Blue Cross and Blue Shield companies. We are an independent licensee of the BCBSA and our Blue-licensed affiliates serve members in 14 states through Blue-branded health insurance products and services, the income from which makes up a significant part of our operating results.

Under the BCBS Agreements, we must include in our Articles a requirement that our Board be composed of three classes of directors with each class containing as close to one-third of the total number of directors as possible and each class of directors serving a three-year term beginning in a year in which no other class' term begins. Failure to maintain this classified board structure would constitute a violation of the BCBS Agreements, which could result in the termination of the Blue Cross and Blue Shield licenses. If the Company's Blue Cross and Blue Shield licenses are terminated, we would no longer be permitted to sell Blue Cross and Blue Shield health insurance products and services. The resulting loss of members and revenue would have a material adverse effect on our business, financial condition and operating results.

In addition, upon termination of the Blue Cross and Blue Shield licenses, the BCBSA would have the right to impose a "Re-establishment Fee" upon us, which would be used, in part, to fund a replacement Blue Cross and/or Blue Shield licensee in the vacated service area. The fee is set at $98.33 per licensed enrollee. As of December 31, 2018, we reported approximately 30 million Blue Cross and/or Blue Shield enrollees. If the Re- establishment Fee was applied to our total Blue Cross and/or Blue Shield enrollees as of December 31, 2018, we would be assessed approximately $3 billion by the BCBSA.

Finally, we believe there is no meaningful difference between the end result requested by the Company's Director Election Proposal set forth in Proposal No. 4 and this shareholder proposal, as both seek to eliminate the classified board structure when we are permitted to do so under our contractual obligation with the BCBSA. Despite the Company's willingness to amend the Articles to eliminate the classified board structure and phase in the annual election of all directors as provided under the Company's Director Election Proposal and our good faith efforts to discuss the Company's Director Election Proposal and its effects with the proponent, the proponent of this shareholder proposal refused to withdraw this proposal. We believe that the Company has substantially implemented this shareholder proposal and thus it does not qualify for inclusion in these proxy materials under SEC rules. However, due to the impact of the federal government shutdown on the SEC, we did not believe that the SEC could respond to a no-action request to exclude this shareholder proposal on the basis of substantial implementation before the deadline to distribute these proxy materials. Therefore, the Board of Directors recommends that shareholders approve the Company's Director Election Proposal set forth in Proposal No. 4 and makes no recommendation on this shareholder

proposal.

Recommendation

For the reasons described above, the Board of Directors makes no recommendation on this proposal.

Table of Contents

Voting and Meeting Information

Voting and Meeting Information

Record Date and Quorum

At the close of business on March 8, 2019, the record date for the annual meeting, there were 257,253,311 shares of our common stock outstanding and entitled to vote at the annual meeting.

In order for business to be conducted at the annual meeting, 25% of the votes entitled to be cast on a matter, represented in person or by proxy, must be present.

Vote Required

You will have one vote for each share held. Shares of our common stock represented by properly executed proxies will be voted at the annual meeting in accordance with the choices indicated on the proxy. Abstentions on a specific proposal will be considered as present at the annual meeting and will be counted for purposes of determining whether a quorum is present.

If you provide specific voting instructions, your shares will be voted as you instruct. If you sign, date and return your proxy card, but do not provide instructions, your shares will be voted:

FOR Proposal No. 1 -	Election of each director nominee
FOR Proposal No. 2 -	Ratification of the appointment of the independent registered public accounting firm for 2019
FOR Proposal No. 3 -	Advisory vote to approve the compensation of our Named Executive Officers
FOR Proposal No. 4 -	Approval of proposed amendments to our Articles of Incorporation to eliminate the classified board structure when permitted under our contractual obligations with the Blue Cross and Blue Shield Association
Proposal No. 5 -	as our Board has adopted a policy to eliminate our classified board structure when we are no longer contractually obligated to maintain a classified board, and given that we believe Proposal No. 4 substantially implements Proposal No. 5, the Board has made no recommendation on Proposal No. 5, and therefore, your shares WILL NOT BE VOTED on the shareholder proposal to elect each director annually and will be treated as an abstention

Each proposal at the annual meeting will be approved if the proposal receives more votes “for” than “against.”

Abstentions will have no effect on the outcome of any proposal. If your shares of our common stock are held in street name, and you do not provide your broker with voting instructions, your broker has the discretion to vote your shares of common stock for or against Proposal No. 2 only, the ratification of the appointment of our independent registered public accounting firm, and not any of the other proposals. If your broker does not have discretion to vote your common stock without your instructions, this is referred to as a “broker non-vote.” Broker non-votes will not be considered as votes cast on, and will have no effect on the outcome of, the remaining proposals other than Proposal

No. 2.

Shareholders

Shares of our common stock may be held directly in your own name or may be held beneficially through a broker, bank or other nominee in street name. Summarized below are some distinctions between shares held of record and those owned beneficially.

Shareholder of Record — If your shares are registered directly in your name with our transfer agent, Computershare Trust Company, N.A., you are considered the shareholder of record with respect to

Table of Contents

Voting and Meeting Information (continued)

those shares and we are providing proxy materials directly to you. As the shareholder of record, you have the right to vote in person at the annual meeting or to grant your voting proxy to the persons designated by us or a person you select.

Beneficial Owner — If your shares are held in a stock brokerage account or by a bank or other nominee, you are considered the beneficial owner of the shares held in street name, and you have been provided proxy materials from your broker, bank or other nominee who is considered the shareholder of record with respect to the shares. As the beneficial owner, you have the right to direct the broker, bank or nominee on how to vote your shares and are also invited to attend the annual meeting. Your broker, bank or nominee is obligated to provide you with a voting instruction card for you to use. However, since you are not the shareholder of record, you may not vote these shares in person at the annual meeting unless you bring with you to the annual meeting a legal proxy, executed in your favor, from the shareholder of record.

Employee Shareholder — If you participate in the 401(k) Plan and you are invested in our common stock fund in your account, you may give voting instructions to the plan trustee as to the number of shares of common stock equivalent to the interest in our common stock fund credited to your account as of the most recent valuation date coincident with or preceding the record date. The trustee will vote your shares in accordance with your instructions received by May 13, 2019 at 11:59 p.m., Eastern Daylight Time. You may also revoke previously given voting instructions by May 13, 2019 at 11:59 p.m., Eastern Daylight Time, by filing with the trustee either written notice of revocation or a properly completed and signed voting instruction card bearing a later date. Your voting instructions will be kept confidential by the trustee. If you do not send instructions for a proposal, the trustee will vote the number of shares equal to the share equivalents credited to your account in the same proportion that it votes shares for which it did receive timely instructions.

Voting

Whether you hold shares as a shareholder of record or as a beneficial owner, you may vote before the annual meeting by granting a proxy or, for shares held in street name, by submitting voting instructions to your bank, broker or nominee. Most shareholders will have a choice of voting through the Internet or by telephone or, if you received a printed copy of the proxy materials, by completing a proxy card or voting instruction card and returning it in a postage-prepaid envelope. Please refer to the instructions below and in the Notice of Internet Availability of Proxy Materials (the “E-Proxy Notice”).

Through the Internet	If you are a shareholder of record, you may vote through the Internet by going to www.envisionreports.com/antm and following the instructions. You will need to have the E-Proxy Notice, or if you received a printed copy of the proxy materials, your proxy card, available when voting through the Internet. If you are a beneficial owner, you may vote through the Internet by going to www.proxyvote.com and following the instructions. If you want to vote through the Internet, you must do so before 11:59 p.m., Eastern Daylight Time, on May 14, 2019. If you vote through the Internet, you do not need to return a proxy card or voting instruction card.
By Telephone	If you are a shareholder of record, you may vote by touchtone telephone by calling (800) 652 8683 in the United States, Canada or Puerto Rico or at (781) 575-2300 from outside the United States, Canada and Puerto Rico. If you are a beneficial owner, please vote by using the telephone number that is shown in your voting instruction form. You will need to have

	your E-Proxy Notice, or if you received a printed copy of the proxy materials, your proxy card or voting instruction card, available when voting by telephone. If you want to vote by telephone, you must do so before 11:59 p.m., Eastern Daylight Time, on May 14, 2019. If you vote by telephone, you do not need to return a proxy card or voting instruction card.
By Mail	If you received a printed copy of our proxy materials, you may vote by signing and dating your proxy card or voting instruction card and mailing it in the postage-prepaid envelope provided with our proxy materials. If you received the E-Proxy Notice and would like to obtain a proxy card or voting instruction form, please follow the instructions on the E-Proxy Notice for requesting a paper or email copy of our proxy materials.
Scan QR Code	Scan the QR code that is located on your proxy card, E-Proxy Notice or voting instruction form to vote with your smartphone.

Table of Contents

Voting and Meeting Information (continued)

Changing Your Vote — You may revoke your proxy at any time prior to the annual meeting. If you provide more than one proxy, the proxy having the latest date will revoke any earlier proxy. If you attend the annual meeting and you are a shareholder of record, you will be given the opportunity to revoke your proxy and vote in person. If you are a beneficial owner, you must have a legal proxy from your bank, broker or nominee in order to vote in person at the annual meeting.

Internet Availability of Proxy Materials

We are using the “e-proxy” rules adopted by the SEC to furnish proxy materials to shareholders through a “notice only” model using the Internet. This allows us to reduce costs by delivering to shareholders an E-Proxy Notice and providing online access to the documents.

If you received an E-Proxy Notice by mail, you will not receive a printed copy of our proxy materials unless you specifically request one as set forth below. The E-Proxy Notice instructs you on how to access and review the important information contained in the proxy statement and our 2018 Annual Report on Form 10 K, as well as how to submit your proxy through the Internet. On or about March 29, 2019, we mailed a printed copy of our proxy materials to our shareholders who had requested them and mailed the E-Proxy Notice to all of our other shareholders.

This proxy statement, the form of proxy and voting instructions are being made available to shareholders on or about March 29, 2019, at www.envisionreports.com/antm for shareholders of record and www.proxyvote.com for beneficial owners. If you are a shareholder of record and received the E-Proxy Notice and would still like to receive a printed copy of the proxy materials, you may request a printed copy of this proxy statement and the form of proxy by any of the following methods: (a) telephone at (866) 641 4276 in the United States, Canada or Puerto Rico or at (781) 575 2879 from outside the United States, Canada and Puerto Rico; (b) Internet at www.envisionreports.com/antm; or (c) e-mail at investorvote@computershare.com. If you are a beneficial owner and received the E-Proxy Notice and would still like to receive a printed copy of the proxy materials, you may request a printed copy of this proxy statement and the form of proxy by any of the following methods: (a) telephone at (800) 579-1639; (b) Internet at www.proxyvote.com; or (c) e-mail at sendmaterial@proxyvote.com.

Inspector of Election

Computershare Trust Company, N.A. has been appointed Inspector of Election for the annual meeting. The Inspector of Election will determine the number of shares outstanding, the shares represented at the annual meeting, the existence of a quorum, and the validity of proxies and ballots, and will count all votes and ballots.

Confidentiality of Votes

The vote of each shareholder is held in confidence, except (a) as necessary to meet applicable legal requirements and to assert or defend claims for or against the Company; (b) if there is a contested proxy solicitation; (c) if a shareholder makes a written comment on the proxy card or otherwise communicates his or her vote to management; or (d) as necessary to allow the Inspector of Election to resolve any dispute about the authenticity or accuracy of a proxy card, consent, ballot, authorization or vote and to allow the Inspector of Election to certify the results of the vote.

Householding

Shareholders who share the same last name and address may receive only one copy of the E-Proxy Notice unless we receive contrary instructions from any shareholder at that address. This is referred to as “householding.” If you prefer to receive multiple copies of the E-Proxy Notice at the same address, additional copies will be provided to you promptly upon written or oral request, and if you are receiving multiple copies of the E-Proxy Notice, you may request that you receive only one copy. Please address requests for a copy of the E-Proxy Notice to our Secretary, Anthem, Inc., 220 Virginia Avenue, Mail No. IN1-4WS-19, Indianapolis, Indiana 46204 or telephone (800) 985 0999. If you are a beneficial owner, please contact your broker, bank or other nominee for assistance.

Table of Contents

Voting and Meeting Information (continued)

Additional Information

Our Board has not received notice of any, and knows of no, matters other than those described in the attached Notice of Annual Meeting of Shareholders, which are to be brought before the annual meeting. If other matters properly come before the annual meeting, it is the intention of the persons named as proxies to vote such proxy in accordance with their judgment on such matters.

Shareholders may receive, without charge, a copy of our 2018 Annual Report on Form 10 K, including consolidated financial statements, as filed with the SEC (which is our Annual Report to Shareholders). Please address requests for a copy of our 2018 Annual Report on Form 10 K to our Corporate Secretary, Anthem, Inc., 220 Virginia Avenue, Mail No. IN1-4WS-19, Indianapolis, Indiana 46204. Our 2018 Annual Report on Form 10 K is also available on our website under “Investors — Financial Information — SEC Filings” at www.antheminc.com.

Annual Meeting Admission

You must have an admission ticket, as well as a form of government-issued photo identification, in order to be admitted to the annual meeting. If you are a shareholder of record and received an E-Proxy Notice, your E Proxy Notice is your admission ticket. If you are a shareholder of record and received a printed copy of our proxy materials, you must bring the admission ticket portion of your proxy card to be admitted to the annual meeting. If you are a beneficial owner and your shares are held in the name of a broker, bank or other nominee, you must request an admission ticket in advance by mailing a request, along with proof of your ownership of our common stock as of the record date of March 8, 2019, to Anthem Shareholder Services, 220 Virginia Avenue, Mail No. IN1-4WS-19, Indianapolis, Indiana 46204. Proof of ownership would be a bank or brokerage account statement in your name showing the number of shares of Anthem stock held by you on the record date or a letter from your broker, bank or other nominee certifying the amount of your beneficial ownership interest as of the record date.

If you wish to appoint a representative to attend the meeting in your place, you must provide to Anthem Shareholder Services, 220 Virginia Avenue, Mail No. IN1-4WS-19, Indianapolis, Indiana 46204, the name of your representative, in addition to your E-Proxy Notice or the admission ticket portion of your proxy card if you are a shareholder of record, or your proof of ownership if you are a beneficial owner, and the address where the admission ticket should be sent. A shareholder may only appoint one representative. Requests from shareholders that are legal entities must be signed by an authorized officer or other person legally authorized to act on behalf of the legal entity.

We may not be able to process requests received after May 6, 2019 in time to allow you to receive your admission ticket before the meeting date, so you should mail your request early.

No cameras, recording equipment, electronic devices, large bags, briefcases, signs or packages will be permitted in the annual meeting. Mobile phones will be permitted in the meeting venue but may not be used for any purpose at any time while in the meeting venue. Violation of this rule can result in removal from the meeting venue. Please note that due to security reasons, all bags may be subject to search, and all persons who attend the annual meeting may be required to pass through a metal detector or be subject to a hand wand search. We will be unable to admit anyone who does not comply with these security procedures. No one will be admitted to the meeting once the meeting has commenced.

Cost of Solicitation

We will bear the cost of the solicitation of proxies and have engaged Georgeson LLC to assist in the solicitation of proxies. Georgeson LLC will receive a fee of approximately $12,500 plus reasonable out-of-pocket expenses for this work. We also will reimburse banks, brokers or other custodians, nominees and fiduciaries for their expenses in forwarding the proxy materials to beneficial owners and seeking instruction with respect thereto. In addition, our directors, officers or other associates, without additional compensation, may solicit proxies from shareholders in person, or by telephone, facsimile transmission or other electronic means of communication.

Table of Contents

Voting and Meeting Information (continued)

Shareholder Proposals and Nominations for Next Year's Annual Meeting

Shareholder Proposals and Nominations for Inclusion in Our Proxy Materials — Pursuant to SEC Rule 14a 8, shareholder proposals for inclusion in our proxy materials for the 2020 annual meeting of shareholders must be received by our Secretary at Anthem, Inc., 220 Virginia Avenue, Mail No. IN-4WS-19, Indianapolis, Indiana 46204, no later than November 29, 2019. Such proposals need to comply with SEC regulations regarding the inclusion of shareholder proposals in our sponsored proxy materials.

Our Bylaws provide that a shareholder, or group of up to 20 shareholders, owning continuously for at least three years shares of our common stock representing an aggregate of at least 3% of our outstanding shares, can nominate and include in our proxy materials director nominees constituting up to the greater of 20% of our Board or two individuals, provided that the shareholder(s) and nominee(s) satisfy the requirements in our Bylaws. Any proxy access nominees serving on the Board and who will continue serving on the Board after the applicable annual meeting count towards the maximum number of nominees. To be timely, notice of proxy access director nominees must be delivered by the close of business to our Secretary at Anthem, Inc., 220 Virginia Avenue, Mail No. IN1-4WS-19, Indianapolis, Indiana 46204, not less than 90 nor more than 150 days prior to the first anniversary of the date the definitive proxy statement was first sent to shareholders in connection with the preceding year's annual meeting of shareholders. For the 2020 annual meeting of shareholders, notice of proxy access director nominees must be received no earlier than October 31, 2019 and no later than December 30, 2019. In the event the annual meeting is advanced by more than 30 days or delayed by more than 60 days from the anniversary of the previous year's annual meeting of shareholders, or if no annual meeting was held in the preceding year, notice of proxy access director nominees must be delivered no earlier than the close of business on the 150th day prior to such annual meeting and not later than the close of business on the 90th day prior to such annual meeting or the 10th day following the day on which public announcement of the date of such meeting is first made.

Other Shareholder Proposals and Nominations — Our Bylaws also establish an advance notice procedure relating to director nominations and shareholder proposals that are not submitted for inclusion in the proxy statement, but that the shareholder instead wishes to present directly at the annual meeting. To be properly brought before the 2020 annual meeting of shareholders, the shareholder must give timely written notice of the nomination or proposal to our Secretary along with the information required by our Bylaws. To be timely, a shareholder's notice must be delivered to our Secretary at the address listed above not less than 90 days nor more than 120 days prior to the first anniversary of the preceding year's annual meeting. For the 2020 annual meeting of shareholders, such notice must be delivered no earlier than January 16, 2020 and no later than February 14, 2020. In the event that the date of the annual meeting is advanced by more than 30 days or delayed by more than 60 days from such anniversary date, notice by the shareholder must be delivered not earlier than the 120th day prior to such annual meeting and not later than the close of business on the later of the 90th day prior to such annual meeting or the 10th day following the day on which public announcement of the date of such meeting is first made. The notice must contain specified information about each nominee or the proposed business and the shareholder making the nomination or proposal.

Copy of Bylaw Provisions — The specific requirements of these advance notice and eligibility provisions are set forth in Sections 1.5, 1.6 and 1.16 of our Bylaws. Our Bylaws are available on our website at www.antheminc.com under "Investors — Corporate Governance — Governance & Corporate Documents."

Explanation of Responses: 55

Table of Contents

Voting and Meeting Information (continued)

Incorporation by Reference

Notwithstanding anything to the contrary set forth in any of our previous filings under the Securities Act of 1933, as amended, or the Exchange Act that may incorporate future filings (including this proxy statement, in whole or in part), the sections of this proxy statement entitled “Audit Committee Report” and “Compensation Committee Report” do not constitute soliciting material and should not be deemed filed with the SEC or incorporated by reference in any such filings.

The information on, or accessible through, our website, www.antheminc.com, is not, and should not be deemed to be, a part of this proxy statement.

By Order of the Board of Directors,

Kathleen S. Kiefer

Corporate Secretary

Table of Contents

Annex A - Proposed Amended and Restated Articles of Incorporation of Anthem, Inc.

AMENDED AND RESTATED

ARTICLES OF INCORPORATION

OF

ANTHEM, INC.

(As Proposed to be Amended Effective May 156, 20198)

The undersigned incorporator, desiring to form a corporation (hereinafter referred to as the "Corporation"), pursuant to the provisions of the Indiana Business Corporation Law (hereinafter referred to as the "Corporation Law"), executes the following Articles of Incorporation:

ARTICLE I

Name

The name of the Corporation is Anthem, Inc.

ARTICLE II

Purposes and Powers

Section 2.1. Purposes of the Corporation. The purpose for which the Corporation is formed is to engage in the transaction of any or all lawful business for which corporations may now or hereafter be incorporated under the Corporation Law.

Section 2.2. Powers of the Corporation. The Corporation shall have (a) all powers now or hereafter authorized by or vested in corporations pursuant to the provisions of the Corporation Law, (b) all powers now or hereafter vested in corporations by common law or any other statute or act, and (c) all powers authorized by or vested in the Corporation by the provisions of these Articles of Incorporation or by the provisions of its Bylaws as from time to time in effect.

ARTICLE III

Term of Existence

The period during which the Corporation shall continue is perpetual.

ARTICLE IV

Registered Office and Agent

The street address of the Corporation's registered office at the time of adoption of these Articles of Incorporation is 220 Virginia Avenue, Indianapolis, Indiana 46204, and the name of its Resident Agent at such office at the time of adoption of these Articles of Incorporation is Kathleen S. Kiefer.

Table of Contents

Annex A - Proposed Amended and Restated Articles of Incorporation of Anthem, Inc. (continued)

ARTICLE V

Authorized Shares

Section 5.1. Authorized Classes and Number of Shares. The total number of shares which the Corporation has authority to issue shall be one billion (1,000,000,000) shares, consisting of nine hundred million (900,000,000) shares of common stock, $0.01 par value per share (the "Common Stock"), and one hundred million (100,000,000) shares of preferred stock, without par value (the "Preferred Stock").

Section 5.2. General Terms of All Shares. The Corporation shall have the power to acquire (by purchase, redemption, or otherwise), hold, own, pledge, sell, transfer, assign, reissue, cancel, or otherwise dispose of the shares of the Corporation in the manner and to the extent now or hereafter permitted by the laws of the State of Indiana (but such power shall not imply an obligation on the part of the owner or holder of any share to sell or otherwise transfer such share to the Corporation), including the power to purchase, redeem, or otherwise acquire the Corporation's own shares, directly or indirectly, and without pro rata treatment of the owners or holders of any class or series of shares, unless, after giving effect thereto, the Corporation would not be able to pay its debts as they become due in the usual course of business or the Corporation's total assets would be less than its total liabilities (calculated without regard to any amounts that would be needed, if the Corporation were to be dissolved at the time of the purchase, redemption, or other acquisition, to satisfy the preferential rights upon dissolution of shareholders whose preferential rights are superior to those of the holders of the shares of the Corporation being purchased, redeemed, or otherwise acquired, unless otherwise expressly provided with respect to a series of Preferred Stock in the provisions of these Articles of Incorporation adopted by the Board of Directors pursuant to Section 5.5 hereof describing the terms of such series). Shares of the Corporation purchased, redeemed, or otherwise acquired by it shall constitute authorized but unissued shares, unless prior to any such purchase, redemption, or other acquisition, or within thirty (30) days thereafter, the Board of Directors adopts a resolution providing that such shares constitute authorized and issued but not outstanding shares.

The Board of Directors of the Corporation may dispose of, issue, and sell shares in accordance with, and in such amounts as may be permitted by, the laws of the State of Indiana and the provisions of these Articles of Incorporation and for such consideration, at such price or prices, at such time or times and upon such terms and conditions (including the privilege of selectively repurchasing the same) as the Board of Directors of the Corporation shall determine, without the authorization or approval by any shareholders of the Corporation. Shares may be disposed of, issued, and sold to such persons, firms, or corporations as the Board of Directors may determine, without any preemptive right on the part of the owners or holders of other shares of the Corporation of any class or kind to acquire such shares by reason of their ownership of such other shares.

When the Corporation receives the consideration specified in a subscription agreement entered into before incorporation, or for which the Board of Directors authorized the issuance of shares, as the case may be, the shares issued therefor shall be fully paid and nonassessable.

The Corporation shall have the power to declare and pay dividends or other distributions upon the issued and outstanding shares of the Corporation, subject to the limitation that a dividend or other distribution may not be made if, after giving it effect, the Corporation would not be able to pay its debts as they become due in the usual course of business or the Corporation's total assets would be less than its total liabilities (calculated without regard to any amounts that would be needed, if the Corporation were to be dissolved at the time of the dividend or other distribution, to satisfy the preferential rights upon dissolution of shareholders whose preferential rights are superior to those of the holders of shares receiving the dividend or other distribution, unless otherwise expressly provided with respect to a series of Preferred Stock in the provisions of these Articles of Incorporation adopted by the Board of Directors pursuant to Section 5.5 hereof describing the terms of such series). Except as otherwise provided in Section 5.4, the Corporation shall have the power to issue shares of one class or series as a share dividend or other distribution in respect of that class or series or one or more other classes or series.

Table of Contents

Annex A - Proposed Amended and Restated Articles of Incorporation of Anthem, Inc. (continued)

Section 5.3. Voting Rights of Shares.

(a)Common Stock. Except as otherwise provided by the Corporation Law and subject to such shareholder disclosure and recognition procedures (which may include voting prohibition sanctions) as the Corporation may by action of its Board of Directors establish, shares of Common Stock have unlimited voting rights. Shares of Common Stock shall, when validly issued by the Corporation, entitle the record holder thereof to one (1) vote per share on all matters submitted to a vote of the shareholders of the Corporation. Shares of Common Stock shall not have cumulative voting rights.

(b)Preferred Stock. Except as required by the Corporation Law or by the provisions of these Articles of Incorporation adopted by the Board of Directors pursuant to Section 5.5 hereof describing the terms of the Preferred Stock or a series thereof, the holders of Preferred Stock shall have no voting rights or powers. Shares of Preferred Stock shall, when validly issued by the Corporation, entitle the record holder thereof to vote as and on such matters, but only as and on such matters, as the holders thereof are entitled to vote under the Corporation Law or under the provisions of these Articles of Incorporation adopted by the Board of Directors pursuant to Section 5.5 hereof describing the terms of the Preferred Stock or a series thereof (which provisions may provide for special, conditional, limited, or unlimited voting rights, including multiple or fractional votes per share, or for no right to vote, except to the extent required by the Corporation Law) and subject to such shareholder disclosure and recognition procedures (which may include voting prohibition sanctions) as the Corporation may by action of the Board of Directors establish.

Section 5.4. Other Terms of Common Stock.

(a)Shares of Common Stock shall be equal in every respect insofar as their relationship to the Corporation is concerned, but such equality of rights shall not imply equality of treatment as to redemption or other acquisition of shares by the Corporation.

(b)Subject to the rights of the holders of any outstanding Preferred Stock issued under Section 5.5 hereof, the holders of Common Stock shall be entitled to share ratably in such dividends or other distributions (other than purchases, redemptions, or other acquisitions of shares by the Corporation), if any, as are declared and paid from time to time at the discretion of the Board of Directors.

(c)In the event of any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, after payment shall have been made to the holders of the Preferred Stock of the full amount to which they shall be

entitled under this Article V, the holders of Common Stock shall be entitled, to the exclusion of the holders of the Preferred Stock of any and all series, to share, ratably according to the number of shares of Common Stock held by them, in all remaining assets of the Corporation available for distribution to its shareholders.

Section 5.5. Other Terms of Preferred Stock.

(a)Preferred Stock may be issued from time to time in one or more series, each such series to have such distinctive designation and such preferences, limitations, and relative voting and other rights as shall be set forth in these Articles of Incorporation. Subject to the requirements of the Corporation Law and subject to all other provisions of these Articles of Incorporation, the Board of Directors of the Corporation may create one or more series of Preferred Stock and may determine the preferences, limitations, and relative voting and other rights of one or more series of Preferred Stock before the issuance of any shares of that series by the adoption of an amendment to these Articles of Incorporation that specifies the terms of the series of Preferred Stock. All shares of a series of Preferred Stock must have preferences, limitations, and relative voting and other rights identical with those of other shares of the same series and, if the description of the series set forth in these Articles of Incorporation so provides, no series of Preferred Stock need have preferences, limitations, or relative voting or other rights identical with those of any other series of Preferred Stock.

Table of Contents

Annex A - Proposed Amended and Restated Articles of Incorporation of Anthem, Inc. (continued)

Before issuing any shares of a series of Preferred Stock, the Board of Directors shall adopt an amendment to these Articles of Incorporation, which shall be effective without any shareholder approval or other action, that sets forth the preferences, limitations, and relative voting and other rights of the series, and authority is hereby expressly vested in the Board of Directors, by such amendment:

(1)To fix the distinctive designation of such series and the number of shares which shall constitute such series, which number may be increased or decreased (but not below the number of shares thereof then outstanding) from time to time by action of the Board of Directors;

(2)To fix the voting rights of such series, which may consist of special, conditional, limited, or unlimited voting rights, including multiple or fractional votes per share, or no right to vote (except to the extent required by the Corporation Law);

(3)To fix the dividend or distribution rights of such series and the manner of calculating the amount and time for payment of dividends or distributions, including, but not limited to:

(A)the dividend rate, if any, of such series;

(B)any limitations, restrictions, or conditions on the payment of dividends or other distributions, including whether dividends or other distributions shall be noncumulative or cumulative or partially cumulative and, if so, from which date or dates;

(C)the relative rights of priority, if any, of payment of dividends or other distributions on shares of that series in relation to Common Stock and shares of any other series of Preferred Stock; and

(D)the form of dividends or other distributions, which may be payable at the option of the Corporation, the shareholder, or another person (and in such case to prescribe the terms and conditions of exercising such option), or upon the occurrence of a designated event in cash, indebtedness, stock or other securities or other property, or in any combination thereof,

and to make provisions, in the case of dividends or other distributions payable in stock or other securities, for adjustment of the dividend or distribution rate in such events as the Board of Directors shall determine;

(4)To fix the price or prices at which, and the terms and conditions on which, the shares of such series may be redeemed or converted, which may be

(A)at the option of the Corporation, the shareholder, or another person or upon the occurrence of a designated event;

(B)for cash, indebtedness, securities, or other property or any combination thereof; and

(C)in a designated amount or in an amount determined in accordance with a designated formula or by reference to extrinsic data or events;

(5)To fix the amount or amounts payable upon the shares of such series in the event of any liquidation, dissolution, or winding up of the Corporation and the relative rights of priority, if any, of payment upon shares of such series in relation to Common Stock and shares of any other series of Preferred Stock; and to determine whether or not any such preferential rights upon dissolution

Table of Contents

need be considered in determining whether or not the Corporation may make dividends, repurchases, or other distributions;

(6)To determine whether or not the shares of such series shall be entitled to the benefit of a sinking fund to be applied to the purchase or redemption of such series and, if so entitled, the amount of such fund and the manner of its application;

(7)To determine whether or not the issue of any additional shares of such series or of any other series in addition to such series shall be subject to restrictions in addition to restrictions, if any, on the issue of additional shares imposed in the provisions of these Articles of Incorporation fixing the terms of any outstanding series of Preferred Stock theretofore issued pursuant to this Section 5.5 and, if subject to additional restrictions, the extent of such additional restrictions; and

(8)Generally to fix the other preferences or rights, and any qualifications, limitations, or restrictions of such preferences or rights, of such series to the full extent permitted by the Corporation Law; provided, however, that no such preferences, rights, qualifications, limitations, or restrictions shall be in conflict with these Articles of Incorporation or any amendment hereof.

(b)Shares of Preferred Stock of any series that have been redeemed (whether through the operation of a sinking fund or otherwise) or purchased by the Corporation, or which, if convertible, have been converted into shares of the Corporation of any other class or series, may be reissued as a part of such series or of any other series of Preferred Stock, subject to such limitations (if any) as may be fixed by the Board of Directors with respect to such series of Preferred Stock in accordance with subsection (a) of this Section 5.5.

ARTICLE VI

Directors

Section 6.1. Number. The number of Directors of the Corporation shall not be less than five (5) nor more than nineteen (19), the exact number to be specified from time to time in the manner set forth in the Bylaws. The Bylaws shall provide for staggering the terms of the members of the Board of Directors by dividing the total number of

Directors into three (3) groups (with each group containing one-third (1/3) of the total, as near as may be) whose terms of office expire at different times.

Notwithstanding the foregoing paragraph, if the requirement for a classified board structure set forth in the Corporation’s license agreements with the Blue Cross and Blue Shield Association is eliminated or is otherwise no longer applicable to the Corporation, the Bylaws shall provide for the elimination of the classified board structure and the annual election of all Directors, which shall be phased in over a three-year period commencing with the first annual meeting of shareholders occurring at least 90 days after the date the Board of Directors determines that such requirement is eliminated or is otherwise no longer applicable to the Corporation.

Notwithstanding the first sentence of this Section 6.1, any amendment to the Bylaws (other than an amendment approved by the shareholders) or any resolution of the Board of Directors that would effect:

(a)any increase in the number of Directors over such number as then in effect,

(b)any reduction in the number of Directors below such number as then in effect, or

(c)any elimination or modification of the groups or terms of office of the Directors as the Bylaws then in effect may provide,

---

Table of Contents

Annex A - Proposed Amended and Restated Articles of Incorporation of Anthem, Inc. (continued)

shall also be approved by the affirmative vote of a majority of the entire number of Directors of the Corporation who then qualify as Continuing Directors (as such term is defined for purposes of Article VIII hereof).

Section 6.2. Qualifications. Directors need not be shareholders of the Corporation or residents of this or any other state in the United States.

Section 6.3. Vacancies. Vacancies occurring in the Board of Directors shall be filled in the manner provided in the Bylaws or, if the Bylaws do not provide for the filling of vacancies, in the manner provided by the Corporation Law. The Bylaws may also provide that in certain circumstances specified therein, vacancies occurring in the Board of Directors may be filled by vote of the shareholders at a special meeting called for that purpose or at the next annual meeting of shareholders.

Section 6.4. Liability of Directors. A Director's responsibility to the Corporation shall be limited to discharging his or her duties as a Director, including his or her duties as a member of any committee of the Board of Directors upon which he or she may serve, in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner the Director reasonably believes to be in the best interests of the Corporation, all based on the facts then known to the Director.

In discharging his or her duties, a Director is entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by:

(a)One (1) or more officers or employees of the Corporation whom the Director reasonably believes to be reliable and competent in the matters presented;

(b)Legal counsel, public accountants, or other persons as to matters the Director reasonably believes are within such person's professional or expert competence; or

(c)A committee of the Board of which the Director is not a member if the Director reasonably believes the Committee merits confidence;

but a Director is not acting in good faith if the Director has knowledge concerning the matter in question that makes reliance otherwise permitted by this Section 6.4 unwarranted.

A Director shall not be liable for any action taken as a Director, or any failure to take any action, unless (a) the Director has breached or failed to perform the duties of the Director's office in compliance with this Section 6.4, and (b) the breach or failure to perform constitutes willful misconduct or recklessness.

Section 6.5. Factors to be Considered by Board. In determining whether to take or refrain from taking any action with respect to any matter, including making or declining to make any recommendation to shareholders of the Corporation, the Board of Directors may, in its discretion, consider both the short term and long term best interests of the Corporation (including the possibility that these interests may be best served by the continued independence of the Corporation), taking into account, and weighing as the Directors deem appropriate, the social and economic effects thereof on the Corporation's present and future employees, suppliers and customers of the Corporation and its subsidiaries, the communities in which offices or other facilities of the Corporation are located, and any other factors the Directors consider pertinent.

Section 6.6. Removal of Directors. Any or all of the members of the Board of Directors may be removed only at a meeting of the shareholders or Directors called expressly for that purpose. Removal by the shareholders requires an affirmative vote of a majority of the outstanding shares. Removal by the Board of Directors requires an affirmative vote of both (a) a majority of the entire number of Directors at the time, and (b) a majority of Directors who then qualify as Continuing Directors (as such term is defined for purposes of Article VIII hereof). No Director may be removed except as provided in this Section 6.6.

Table of Contents

Annex A - Proposed Amended and Restated Articles of Incorporation of Anthem, Inc. (continued)

Section 6.7. Election of Directors by Holders of Preferred Stock. The holders of one (1) or more series of Preferred Stock may be entitled to elect all or a specified number of Directors, but only to the extent and subject to limitations as may be set forth in the provisions of these Articles of Incorporation adopted by the Board of Directors pursuant to Section 5.5 hereof describing the terms of the series of Preferred Stock.

Section 6.8. Standard for Election of Directors by Shareholders. Except as otherwise set forth in this Article VI, each Director shall be elected by a vote of the majority of votes cast with respect to the Director at any shareholders meeting for the election of Directors at which a quorum is present, provided that if as of the record date for such meeting the number of Director nominees to be considered at the meeting exceeds the number of Directors to be elected, each Director shall be elected by a vote of the plurality of the shares represented in person or by proxy and entitled to vote on the election of Directors. For purposes of this Section, a majority of the votes cast means that the number of shares voted “for” a Director must exceed the number of shares voted “against” such Director.

ARTICLE VII

Provisions for Regulation of Business

and Conduct of Affairs of Corporation

Section 7.1. Annual Meetings of Shareholders. Annual meetings of the shareholders of the Corporation shall be held at such time and at such place, either within or without the State of Indiana, as may be stated in or fixed in accordance with the Bylaws of the Corporation and specified in the respective notices or waivers of notice of any such meetings.

Section 7.2. Special Meetings of Shareholders. Special meetings of the shareholders, for any purpose or purposes, unless otherwise prescribed by the Corporation Law or otherwise expressly provided with respect to a series of Preferred Stock in the provisions of these Articles of Incorporation adopted by the Board of Directors pursuant to Section 5.5 hereof describing the terms of such series, may be called at any time by the Board of Directors or any officer or director of the Corporation who is authorized to do so by the Bylaws, and shall be called by the Chair of the Board or the Secretary of the Corporation upon the written demand or demands of one or more persons that (a) Own (as such term is defined in the Bylaws, as amended from time to time) shares representing at least 20% of the Common Stock of the Corporation that is outstanding as of the record date for determining shareholders entitled to demand a special meeting fixed in accordance with the Bylaws and (b) comply with such procedures for demanding a special meeting of shareholders as may be set forth in the Bylaws and amended from time to time. The foregoing provisions of this Section 7.2 shall be subject to the provisions of the Bylaws (as amended from time to time) that define the ability to demand a special meeting and that specify the circumstances pursuant to which a demand for a

special meeting shall be deemed to be revoked.

Section 7.3. Quorum. Unless the Indiana Business Corporation Law provides otherwise, at all meetings of shareholders, twenty-five percent (25%) of the votes entitled to be cast on a matter, represented in person or by proxy, constitutes a quorum for action on the matter. Action may be taken at a shareholders' meeting only on matters with respect to which a quorum exists; provided, however, that any meeting of shareholders, including annual and special meetings and any adjournments thereof, may be adjourned to a later date although less than a quorum is present. Once a share is represented for any purpose at a meeting, it is deemed present for quorum purposes for the remainder of the meeting and for any adjournment of that meeting unless a new record date is or must be set for that adjourned meeting.

Section 7.4. Meetings of Directors. Meetings of the Board of Directors of the Corporation shall be held at such place, either within or without the State of Indiana, as may be authorized by the Bylaws and specified in the respective notices or waivers of notice of any such meetings or otherwise specified by the Board of Directors. Unless the Bylaws provide otherwise, (a) regular meetings of the Board of Directors may be held

---

Table of Contents

Annex A - Proposed Amended and Restated Articles of Incorporation of Anthem, Inc. (continued)

without notice of the date, time, place, or purpose of the meeting and (b) the notice for a special meeting need not describe the purpose or purposes of the special meeting.

Section 7.5. Action Without Meeting. Any action required or permitted to be taken at any meeting of the Board of Directors or shareholders, or of any committee of such Board, may be taken without a meeting, if the action is taken by all members of the Board or all shareholders entitled to vote on the action, or by all members of such committee, as the case may be. The action must be evidenced by one (1) or more written consents, in one or more counterparts, describing the action taken, signed by each Director, or all the shareholders entitled to vote on the action, or by each member of such committee, as the case may be, and, in the case of action by the Board of Directors or a committee thereof, included in the minutes or filed with the corporate records reflecting the action taken or, in the case of action by the shareholders, delivered to the Corporation for inclusion in the minutes or filing with the corporate records. Action taken under this Section 7.5 is effective when the last Director, shareholder, or committee member, as the case may be, signs the consent, unless the consent specifies a different prior or subsequent effective date, in which case the action is effective on or as of the specified date. Executed consents returned to the Corporation by facsimile transmission may be relied upon as, and shall have the same effect as, originals of such consents. A consent signed under this Section 7.5 shall have the same effect as a unanimous vote of all members of the Board, or all shareholders, or all members of the committee, as the case may be, and may be described as such in any document.

Section 7.6. Bylaws. All provisions for the regulation of the business and management of the affairs of the Corporation not stated in these Articles of Incorporation shall be stated in the Bylaws.

The Board of Directors may adopt Emergency By-laws of the Corporation and shall have the exclusive power (except as may otherwise be provided therein) to make, alter, amend, or repeal, or to waive provisions of, the Emergency By-laws by the affirmative vote of both (a) a majority of the entire number of Directors at the time and (b) a majority of the entire number of Directors who then qualify as Continuing Directors (as such term is defined for purposes of Article VIII hereof).

Section 7.7. Interest of Directors.

(a) A conflict of interest transaction is a transaction with the Corporation in which a Director of the Corporation has a direct or indirect interest. A conflict of interest transaction is not voidable by the Corporation solely because of the Director's interest in the transaction if any one (1) of the following is true:

(1)The material facts of the transaction and the Director's interest were disclosed or known to the Board of Directors or a committee of the Board of Directors and the Board of Directors or committee authorized, approved, or ratified the

transaction.

(2)The material facts of the transaction and the Director's interest were disclosed or known to the shareholders entitled to vote and they authorized, approved, or ratified the transaction.

(3)The transaction was fair to the Corporation.

(b)For purposes of this Section 7.7, a Director of the Corporation has an indirect interest in a transaction if:

(1)Another entity in which the Director has a material financial interest or in which the Director is a general partner is a party to the transaction; or

(2)Another entity of which the Director is a director, officer, or trustee is a party to the transaction and the transaction is, or is required to be, considered by the Board of Directors of the Corporation.

Table of Contents

Annex A - Proposed Amended and Restated Articles of Incorporation of Anthem, Inc. (continued)

(c)For purposes of Section 7.7(a)(1), a conflict of interest transaction is authorized, approved, or ratified if it receives the affirmative vote of a majority of the Directors on the Board of Directors (or on the committee) who have no direct or indirect interest in the transaction, but a transaction may not be authorized, approved, or ratified under this section by a single Director. If a majority of the Directors who have no direct or indirect interest in the transaction vote to authorize, approve, or ratify the transaction, a quorum shall be deemed present for the purpose of taking action under this Section 7.7. The presence of, or a vote cast by, a Director with a direct or indirect interest in the transaction does not affect the validity of any action taken under Section 7.7(a)(1), if the transaction is otherwise authorized, approved, or ratified as provided in such subsection.

(d)For purposes of Section 7.7(a)(2), a conflict of interest transaction is authorized, approved, or ratified if it receives the affirmative vote of the holders of shares representing a majority of the votes entitled to be cast. Shares owned by or voted under the control of a Director who has a direct or indirect interest in the transaction, and shares owned by or voted under the control of an entity described in Section 7.7(b), may be counted in such a vote of shareholders.

Section 7.8. Nonliability of Shareholders. Shareholders of the Corporation are not personally liable for the acts or debts of the Corporation, nor is private property of shareholders subject to the payment of corporate debts.

Section 7.9. Indemnification of Officers, Directors, and Other Eligible Persons.

(a)The Corporation shall indemnify every Eligible Person against all Liability and Expense that may be incurred by him or her in connection with or resulting from any Claim to the fullest extent authorized or permitted by the Corporation Law, as the same exists or may hereafter be amended (but in the case of any such amendment, only to the extent that such amendment permits the Corporation to provide broader indemnification rights than such law permitted the Corporation to provide prior to such amendment), or otherwise consistent with the public policy of the State of Indiana. In furtherance of the foregoing, and not by way of limitation, every Eligible Person shall be indemnified by the Corporation against all Liability and reasonable Expense that may be incurred by him or her in connection with or resulting from any Claim, (1) if such Eligible Person is Wholly Successful with respect to the Claim, or (2) if not Wholly Successful, then if such Eligible Person is determined, as provided in either Section 7.9(g) or 7.9(h), to have acted in good faith, in what he or she reasonably believed to be the best interests of the Corporation or at least not opposed to its best interests and, in addition, with respect to any criminal claim is determined to have had reasonable cause to believe that his or her conduct was lawful or had no reasonable cause to believe that his or her conduct was unlawful. The termination of any Claim, by judgment, order, settlement (whether with or without court approval), or conviction or upon a plea of guilty or of nolo contendere, or its equivalent, shall not create a presumption that an Eligible Person did not meet the standards of conduct set forth in clause (2) of this subsection (a). The actions of an Eligible Person with respect to an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 shall be deemed to have been taken in what the Eligible Person reasonably believed to be the best interests of the Corporation or at least not opposed to its best interests if the Eligible Person reasonably believed he

was acting in conformity with the requirements of such Act or he reasonably believed his actions to be in the interests of the participants in or beneficiaries of the plan.

(b)The term "Claim" as used in this Section 7.9 shall include every pending, threatened, or completed claim, action, suit, or proceeding and all appeals thereof (whether brought by or in the right of this Corporation or any other corporation or otherwise), civil, criminal, administrative, or investigative, formal or informal, in which an Eligible Person may become involved, as a party or otherwise:

(1)by reason of his or her being or having been an Eligible Person, or

Table of Contents

Annex A - Proposed Amended and Restated Articles of Incorporation of Anthem, Inc. (continued)

(2)by reason of any action taken or not taken by him or her in his or her capacity as an Eligible Person, whether or not he or she continued in such capacity at the time such Liability or Expense shall have been incurred.

(c)The term "Eligible Person" as used in this Section 7.9 shall mean every person (and the estate, heirs, and personal representatives of such person) who is or was a Director, officer, employee, or agent of the Corporation or is or was serving at the request of the Corporation as a Director, officer, employee, partner, trustee, member, manager, agent, or fiduciary of another foreign or domestic corporation, partnership, joint venture, trust, employee benefit plan, or other organization or entity, whether for profit or not. An Eligible Person shall also be considered to have been serving an employee benefit plan at the request of the Corporation if his or her duties to the Corporation also imposed duties on, or otherwise involved services by, him or her to the plan or to participants in or beneficiaries of the plan.

(d)The terms "Liability" and "Expense" as used in this Section 7.9 shall include, but shall not be limited to, counsel fees and disbursements and amounts of judgments, fines, or penalties against (including excise taxes assessed with respect to an employee benefit plan), and amounts paid in settlement by or on behalf of an Eligible Person.

(e)The term "Wholly Successful" as used in this Section 7.9 shall mean (1) termination of any Claim, whether on the merits or otherwise, against the Eligible Person in question without any finding of liability or guilt against him or her, (2) approval by a court, with knowledge of the indemnity herein provided, of a settlement of any Claim, or (3) the expiration of a reasonable period of time after the making or threatened making of any Claim without the institution of the same, without any payment or promise made to induce a settlement.

(f)As used in this Section 7.9, the term "Corporation" includes all constituent entities in a consolidation or merger and the new or surviving corporation of such consolidation or merger, so that any Eligible Person who is or was a Director, officer, employee or agent of such a constituent entity, or is or was serving at the request of such constituent entity as a Director, officer, employee, partner, trustee, member, manager, agent, or fiduciary of any other corporation, partnership, joint venture, trust, employee benefit plan, limited liability company or other organization or entity, whether for profit or not, shall stand in the same position under this Section 7.9 with respect to the new or surviving corporation as he or she would if he or she had served the new or surviving corporation in the same capacity.

(g)Every Eligible Person claiming indemnification hereunder (other than one who has been Wholly Successful with respect to any Claim) shall be entitled to indemnification (1) if special independent legal counsel, which may be regular counsel of the Corporation, or other disinterested person or persons, in either case selected by the Board of Directors, whether or not a disinterested quorum exists (such counsel or person or persons being hereinafter called the "Referee"), shall deliver to the Corporation a written finding that such Eligible Person has met the standards of conduct set forth in Section 7.9(a)(2), and (2) if the Board of Directors, acting upon such written finding, so

determines. The Board of Directors shall, if an Eligible Person is found to be entitled to indemnification pursuant to the preceding sentence, also determine the reasonableness of the Eligible Person's Expenses. The Eligible Person claiming indemnification shall, if requested, appear before the Referee, answer questions that the Referee deems relevant and shall be given ample opportunity to present to the Referee evidence upon which the Eligible Person relies for indemnification. The Corporation shall, at the request of the Referee, make available facts, opinions, or other evidence in any way relevant to the Referee's findings that are within the possession or control of the Corporation.

(h)If an Eligible Person claiming indemnification pursuant to Section 7.9(g) is found not to be entitled thereto, or if the Board of Directors fails to select a Referee under Section 7.9(g) within a reasonable amount of time following a written request of an Eligible Person for the selection of a Referee, or if the Referee or the Board of Directors fails to make a determination under Section 7.9(g) within a reasonable amount of time following the selection of a Referee, the Eligible Person may apply for indemnification with

Table of Contents

respect to a Claim to a court of competent jurisdiction, including a court in which the Claim is pending against the Eligible Person. On receipt of an application, the court, after giving notice to the Corporation and giving the Corporation ample opportunity to present to the court any information or evidence relating to the claim for indemnification that the Corporation deems appropriate, may order indemnification if it determines that the Eligible Person is entitled to indemnification with respect to the Claim because such Eligible Person met the standards of conduct set forth in Section 7.9(a)(2). If the court determines that the Eligible Person is entitled to indemnification, the court shall also determine the reasonableness of the Eligible Person's Expenses.

(i)Expenses incurred by an Eligible Person who is a Director or officer of the Corporation in defending any Claim shall be paid by the Corporation in advance of the final disposition of such Claim promptly as they are incurred upon receipt of an undertaking by or on behalf of such Eligible Person to repay such amount if he or she is determined not to be entitled to indemnification. Expenses incurred by any other Eligible Person with respect to any Claim may be advanced by the Corporation (by action of the Board of Directors, whether or not a disinterested quorum exists) prior to the final disposition thereof upon receipt of an undertaking by or on behalf of the Eligible Person to repay such amount if he or she is determined not to be entitled to indemnification.

(j)The rights of indemnification and advancement of Expenses provided in this Section 7.9 shall be in addition to any rights to which any Eligible Person may otherwise be entitled. Irrespective of the provisions of this Section 7.9, the Board of Directors may, at any time and from time to time, (1) approve indemnification of any Eligible Person to the full extent permitted by the provisions of applicable law at the time in effect, whether on account of past or future transactions, and (2) authorize the Corporation to purchase and maintain insurance on behalf of any Eligible Person against any Liability or Expense asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify him or her against such Liability or Expense.

(k)The provisions of this Section 7.9 shall be deemed to be a contract between the Corporation and each Eligible Person, and an Eligible Person's rights hereunder shall not be diminished or otherwise adversely affected by any repeal, amendment, or modification of this Section 7.9 that occurs subsequent to such person becoming an Eligible Person.

(l)The provisions of this Section 7.9 shall be applicable to Claims made or commenced after the adoption hereof, whether arising from acts or omissions to act occurring before or after the adoption hereof.

(m)If this Section 7.9 or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the Corporation shall nevertheless indemnify each Director or officer and may indemnify each employee or agent

of the Corporation as to costs, charges and expenses (including attorneys' fees), judgments, fines and amounts paid in settlement with respect to any action, suit or proceeding, whether civil, criminal, administrative or investigative, including an action by or in the right of the Corporation, to the fullest extent permitted by any applicable portion of this Section 7.9 that shall not have been invalidated and to the fullest extent permitted by applicable law.

ARTICLE VIII

Restrictions on Ownership and Transfer of Stock

Section 8.1. Limitation on Ownership. Except with the prior approval of a majority of the Continuing Directors (as defined in Section 8.14 below), no Person (as defined in Section 8.14 below) shall Beneficially Own (as defined in Section 8.14 below) shares of Capital Stock (as defined in Section 8.14 below) in excess of the Ownership Limit (as defined in Section 8.14 below). Any Transfer (as defined in Section 8.14 below) that, if effective, would result in any Person Beneficially Owning Capital Stock in excess of the Ownership Limit shall result in such intended transferee acquiring no rights in such shares of Capital Stock (other than

Table of Contents

those rights expressly granted in this Article VIII) and such number of shares of Capital Stock shall be deemed transferred to the Share Escrow Agent (as defined in Section 8.14 below) as set forth in this Article VIII.

Section 8.2. Excess Shares. If, notwithstanding any other provisions of this Article VIII, there is a purported Transfer or other change in the capital structure of the Corporation such that any Person would Beneficially Own shares of Capital Stock in excess of the Ownership Limit (a "Purported Owner"), then, upon such Transfer or change in capital structure, such shares of Capital Stock in excess of the Ownership Limit shall be Excess Shares for purposes of this Article VIII; provided, however, that in the event that any Person becomes a Purported Owner as a result of Beneficial Ownership of Capital Stock of one Person being aggregated with another Person, then the number of Excess Shares subject to this Article VIII shall be allocated pro rata among each Purported Owner in proportion to each Person's total Beneficial Ownership (without regard to any aggregation with another Person pursuant to Section 8.14(b)(4) or (5). Upon the occurrence of any event that would cause any Person to exceed the Ownership Limit (including without limitation the expiration of a voting trust, without being renewed on substantially similar terms, that entitled such Person to an exemption from the Ownership Limit), all shares of Capital Stock Beneficially Owned by such Person in excess of the Ownership Limit shall also be Excess Shares for purposes of this Article VIII, such Person shall be deemed the Purported Owner of such Excess Shares and such Person's rights in such Excess Shares shall be as prescribed in this Article VIII. Excess Shares shall not constitute a separate class of Capital Stock.

Section 8.3. Authority of the Corporation. If the Corporation at any time determines that a Transfer has taken place in violation of Section 8.1 or that a Purported Owner intends to acquire or has attempted to acquire Beneficial Ownership of any shares of Capital Stock in violation of Section 8.1, the Corporation shall take such action as it deems advisable to refuse to give effect to or to prevent such Transfer, including, without limitation, refusing to give effect to such Transfer on the books of the Corporation or instituting proceedings to enjoin or rescind such Transfer; provided, however, that any purported Transfers in violation of Section 8.1 shall automatically result in all shares of Capital Stock in excess of the Ownership Limit being deemed Excess Shares. Notwithstanding the foregoing, nothing contained in this Article VIII shall limit the authority of the Corporation to take such other action as it deems necessary or advisable to protect the Corporation and the interests of its stockholders.

Section 8.4. Written Notice Required. Any Purported Owner who acquires or attempts to acquire shares of Capital Stock in violation of Section 8.l, or any Purported Owner who is a transferee such that any shares of Capital Stock are deemed Excess Shares under Section 8.2, shall immediately give written notice to the Corporation of such event and shall provide to the Corporation such other information as the Corporation may request.

Section 8.5. Restrictive Legend. Each certificate for Capital Stock issued by the Corporation shall bear an appropriate legend with regard to the restrictions on ownership and transfer of stock set forth in these Articles of Incorporation.

Section 8.6. Share Escrow Agent. Upon the occurrence of a Transfer or an event that results in Excess Shares pursuant to Section 8.2, such Excess Shares shall automatically be transferred immediately to the Share Escrow Agent, which Excess Shares, subject to the provisions of this Article VIII, shall be held by the Share Escrow Agent until such time as the Excess Shares are transferred to a Person whose acquisition thereof will not violate the Ownership Limit (a "Permitted Transferee") and the Share Escrow Agent shall be authorized to execute any and all documents sufficient to transfer title to any Permitted Transferee, even in the absence of receipt of certificate(s) representing Excess Shares. The Corporation shall take such actions as it deems necessary to give effect to such transfer to the Share Escrow Agent, including by issuing a stop transfer order to the Corporation's transfer agent with respect to any attempted transfer by the Purported Owner or its nominee of any Excess Shares and by giving effect, or by instructing the Corporation's transfer agent to give effect, to such transfer to a Permitted Transferee on the books of the Corporation. Excess Shares so held shall be issued and outstanding shares of Capital Stock. The Purported Owner shall have no rights in such Excess

Table of Contents

Annex A - Proposed Amended and Restated Articles of Incorporation of Anthem, Inc. (continued)

Shares except as provided in Sections 8.7, 8.8, and 8.11 and the administration of the Excess Shares escrow shall be governed by the terms of a Share Escrow Agent Agreement.

Section 8.7. Dividends on Excess Shares. The Share Escrow Agent, as record holder of Excess Shares, shall be entitled to receive all dividends and distributions as may be declared by the Board of Directors with respect to Excess Shares (the "Excess Share Dividends") and shall hold the Excess Share Dividends until disbursed in accordance with the provisions of Section 8.11 following. The Purported Owner, with respect to Excess Shares purported to be Beneficially Owned by such Purported Owner prior to such time that the Corporation determines that such shares are Excess Shares, shall repay to the Share Escrow Agent the amount of any Excess Share Dividends received by it that (i) are attributable to any Excess Shares and (ii) the record date of which is on or after the date that such shares become Excess Shares. The Corporation shall take all measures that it determines reasonably necessary to recover the amount of any Excess Share Dividends paid to a Purported Owner, including, if necessary, withholding any portion of future dividends or distributions payable on shares of Capital Stock Beneficially Owned by any Purported Owner (including on shares which fall below the Ownership Limit as well as on Excess Shares), and, as soon as practicable following the Corporation's receipt or withholding thereof, shall pay over to the Share Escrow Agent the dividends so received or withheld, as the case may be.

Section 8.8. Effect of Liquidation etc. on Excess Shares. In the event of any voluntary or involuntary liquidation, dissolution, or winding up of, or any distribution of the assets of, the Corporation, the Share Escrow Agent shall be entitled to receive, ratably with each other holder of Capital Stock of the same class or series, that portion of the assets of the Corporation that is available for distribution to the holders of such class or series of Capital Stock. The Share Escrow Agent shall distribute to the Purported Owner the amounts received upon such liquidations, dissolution or winding up or distribution in accordance with the provisions of Section 8.11.

Section 8.9. Voting of Excess Shares. The Share Escrow Agent shall be entitled to vote all Excess Shares. The Share Escrow Agent shall be instructed by the Corporation to vote, consent or assent the Excess Shares as follows: (i) if the matter concerned is the election of directors, the Share Escrow Agent shall vote, consent or assent the whole number of Excess Shares held by the Share Escrow Agent for each director by multiplying the number of votes held in escrow by a fraction, the numerator of which is the number of Nonaffiliated Votes cast for the director and the denominator of which is the number of Nonaffiliated Votes that could have been cast in the election of the director and are present in person or by proxy at the meeting; (ii) where the matter under the Corporation Law or these Articles of Incorporation or the Bylaws of the Corporation requires at least an absolute majority of all outstanding shares of Common Stock in order to be effected, then the Share Escrow Agent shall vote, assent or consent all of such Excess Shares in favor of or in opposition to such matter as the majority of all Nonaffiliated Votes are cast; and (iii) on all other matters, the Share Escrow Agent shall at all times vote, assent or consent all of such shares in the identical proportion in favor of or in opposition to such matter as Nonaffiliated Votes are cast. If any calculation of votes under the preceding sentence would require a fractional vote, the Share Escrow Agent shall vote the next lower number of whole Excess Shares. The Share Escrow Agent shall use all reasonable commercial efforts to ensure, with respect to Excess Shares, that such Excess Shares are counted as being present for the purposes of any quorum required for stockholder action

of the Corporation and to vote as set forth above. For purposes of these Articles of Incorporation, "Nonaffiliated Votes" shall mean the votes cast by stockholders other than any Share Escrow Agent with respect to Excess Shares.

Section 8.10. Sale of Excess Shares.

(a)In an orderly fashion so as not to materially adversely affect the price of Common Stock on the New York Stock Exchange or, if Common Stock is not listed on the New York Stock Exchange, on the exchange or other principal market on which Common Stock is traded, the Share Escrow Agent shall sell or cause the sale of Excess Shares at such time or times as the Share Escrow Agent determines to be appropriate. The Share Escrow Agent shall have the right to take such actions as the Share Escrow Agent deems appropriate to seek to restrict sale of the shares to Permitted Transferees.

Table of Contents

Annex A - Proposed Amended and Restated Articles of Incorporation of Anthem, Inc. (continued)

(b)The Share Escrow Agent shall have the power to convey to the purchaser of any Excess Shares sold by the Share Escrow Agent ownership of the Excess Shares free of any interest of the Purported Owner of those Excess Shares and free of any other adverse interest arising through the Purported Owner.

(c)Upon acquisition by any Permitted Transferee of any Excess Shares sold by the Share Escrow Agent or the Purported Owner, such shares shall upon such sale cease to be Excess Shares and shall become regular shares of Capital Stock in the class to which the Excess Shares belong, and the purchaser of such shares shall acquire such shares free of any claims of the Share Escrow Agent or the Purported Owner.

(d)To the extent permitted by law, none of the Corporation, the Share Escrow Agent or anyone else shall have any liability to the Purported Owner or anyone else by reason of any action or inaction the Corporation or the Share Escrow Agent shall take which either shall in good faith believe to be within the scope of its authority under this Article VIII or by reason of any decision as to when or how to sell any Excess Shares or by reason of any other action or inaction in connection with activities under this Article VIII which does not constitute gross negligence or willful misconduct. Without limiting by implication the scope of the preceding sentence, to the extent permitted by law, (a) neither the Share Escrow Agent nor the Corporation shall have any liability on grounds that either failed to take actions which would have produced higher proceeds for any of the Excess Shares or by reason of the manner or timing for any disposition of any Excess Shares and (b) the Share Escrow Agent shall not be deemed to be a fiduciary or Agent of any Purported Owner.

Section 8.11. Application of the Proceeds from the Sale of Excess Shares. The proceeds from the sale of the Excess Shares to a Permitted Transferee and any Excess Share Dividends shall be distributed as follows: (i) first, to the Share Escrow Agent for any costs and expenses incurred in respect of its administration of the Excess Shares that have not theretofore been reimbursed by the Corporation; (ii) second, to the Corporation for all costs and expenses incurred by the Corporation in connection with the appointment of the Share Escrow Agent, the payment of fees to the Share Escrow Agent with respect to the services provided by the Share Escrow Agent in respect of the escrow and all funds expended by the Corporation to reimburse the Share Escrow Agent for costs and expenses incurred by the Share Escrow Agent in respect of its administration of the Excess Shares and for all fees, disbursements and expenses incurred by the Share Escrow Agent in connection with the sale of the Excess Shares; and (iii) third, the remainder thereof (as the case may be) to the Purported Owner or the Person who was the holder of record before the shares were transferred to the Share Escrow Agent (depending on who shall at such time be entitled to any economic interest in the Excess Shares); provided, however, if the Share Escrow Agent shall have any questions as to whether any security interest or other interest adverse to the Purported Owner shall have existed with respect to any Excess Shares, the Share Escrow Agent shall not be obligated to disburse proceeds for those shares until the Share Escrow Agent is provided with such evidence as the Share Escrow Agent shall deem necessary to determine the parties who shall be entitled such proceeds.

Section 8.12. No Limit on the Authority of the Corporation. Subject to Section 8.13, nothing contained in this Article VIII or in any other provision of these Articles of Incorporation shall limit the authority of the Corporation to take such other action as it deems necessary or advisable to protect the Corporation and the interests of its stockholders.

Section 8.13. Settlement of Transactions. Nothing in these Articles of Incorporation shall preclude the settlement of any transactions entered into through the facilities of the New York Stock Exchange or any other exchange or through the means of any automated quotation system now or hereafter in effect.

Section 8.14. Definitions. The following definitions shall apply with respect to this Article VIII:

(a)"Affiliate" and "associate" shall have the respective meanings ascribed to such terms in Rule 12b-2 of the General Rules and Regulations under the Securities Exchange Act of 1934, as amended or supplemented (the "Exchange Act") at the time as of which the term shall be applied.

Table of Contents

Annex A - Proposed Amended and Restated Articles of Incorporation of Anthem, Inc. (continued)

(b)Except as is provided in (c) of this Section 8.14, a Person shall be deemed to "Beneficially Own," be the "Beneficial Owner" of or have "Beneficial Ownership" of any Capital Stock:

(1)in which such Person shall then have a direct or indirect beneficial ownership interest;

(2)in which such Person shall have the right to acquire any direct or indirect beneficial ownership interest pursuant to any option or other agreement (either immediately or after the passage of time or the occurrence of any contingency);

(3)which such Person shall have the right to vote;

(4)in which such Person shall hold any other interest which would count in determining whether such Person would be required to file a Schedule 13D; or

(5)which shall be Beneficially Owned (under the concepts provided in the preceding clauses) by any affiliate or associate of the particular Person or by any other Person with whom the particular Person or any such affiliate or associate has any agreement, arrangement or understanding (other than customary agreements with and between underwriters and selling group members with respect to a bona fide public offering of securities).

(c)The following provisions are included to clarify (b) above:

(1)A Person shall not be deemed to Beneficially Own, be the Beneficial Owner of, or have Beneficial Ownership of Capital Stock by reason of possessing the right to vote if (i) such right arises solely from a revocable proxy or consent given to such Person in response to a public proxy or consent solicitation made pursuant to, and in accordance with, the applicable rules and regulations promulgated under the Exchange Act, and (ii) such Person is not the Purported Owner of any Excess Shares, is not named as holding a beneficial ownership interest in any Capital Stock in any filing on Schedule 13D and is not an affiliate or associate of any such Purported Owner or named Person.

(2)A member of a national securities exchange or a registered depositary shall not be deemed to Beneficially Own, be the Beneficial Owner of or have Beneficial Ownership of Capital Stock held directly or indirectly by it on behalf of

another Person (and not for its own account) solely because such member or depositary is the record holder of such Capital Stock, and (in the case of such member), pursuant to the rules of such exchange, such member may direct the vote of such Capital Stock without instruction on matters which are uncontested and do not affect substantially the rights or privileges of the holders of the Capital Stock to be voted but is otherwise precluded by the rules of such exchange from voting such Capital Stock without instruction on either contested matters or matters that may affect substantially the rights or the privileges of the holders of such Capital Stock to be voted.

(3)A Person who in the ordinary course of business is a pledgee of Capital Stock under a written pledge agreement shall not be deemed to Beneficially Own, be the Beneficial Owner of or have Beneficial Ownership of such pledged Capital Stock solely by reason of such pledge until the pledgee has taken all formal steps which are necessary to declare a default or has otherwise acquired the power to vote or to direct to vote such pledged Capital Stock, provided that;

(A)the pledge agreement is bona fide and was not entered into with the purpose nor with the effect of changing or influencing the control of the Corporation, nor in connection with any transaction having such purpose or effect, including any transaction subject to Rule 13d-3(b) promulgated under the Exchange Act; and

Table of Contents

Annex A - Proposed Amended and Restated Articles of Incorporation of Anthem, Inc. (continued)

(B)the pledge agreement does not grant to the pledgee the right to vote or to direct the vote of the pledged securities prior to the time the pledgee has taken all formal steps which are necessary to declare a default.

(4)A Person engaged in business as an underwriter or a placement agent for securities who enters into an agreement to acquire or acquires Capital Stock solely by reason of its participation in good faith and in the ordinary course of its business in the capacity of underwriter or placement agent in any underwriting or agent representation registered under the Securities Act of 1933, as amended and in effect on the date these Articles of Incorporation were filed with the office of the Indiana Secretary of State (the "Securities Act"), a bona fide private placement, a resale under Rule 144A promulgated under the Securities Act or in any foreign or other offering exempt from the registration requirements under the Securities Act shall not be deemed to Beneficially Own, be the Beneficial Owner of or have Beneficial Ownership of such securities until the expiration of forty (40) days after the date of such acquisition so long as (i) such Person does not vote such Capital Stock during such period and (ii) such participation is not with the purpose or with the effect of changing or influencing control of the Corporation, nor in connection with or facilitating any transaction having such purpose or effect, including any transaction subject to Rule 13d-3(b) promulgated under the Exchange Act.

(5)If the Corporation shall sell shares in a transaction not involving any public offering, then each purchaser in such offering shall be deemed to obtain Beneficial Ownership in such offering of the shares purchased by such purchaser, but no particular purchaser shall be deemed to Beneficially Own or have acquired Beneficial Ownership or be the Beneficial Owner in such offering of shares purchased by any other purchaser solely by reason of the fact that all such purchasers are parties to customary agreements relating to the purchase of equity securities directly from the Corporation in a transaction not involving a public offering, provided that:

(A)all the purchasers are persons specified in Rule 13d-1(b)(1)(ii) promulgated under the Exchange Act;

(B)the purchase is in the ordinary course of each purchaser's business and not with the purpose nor with the effect of changing or influencing control of the Corporation, nor in connection with or as a participant in any transaction having such purpose or effect, including any transaction subject to Rule 13d-3(b) promulgated under the Exchange Act;

(C)there is no agreement among or between any purchasers to act together with respect to the Corporation or its securities except for the purpose of facilitating the specific purchase involved; and

(D)the only actions among or between any purchasers with respect to the Corporation or its securities subsequent to the closing date of the nonpublic offering are those which are necessary to conclude ministerial matters directly related to the completion of the offer or sale of the securities sold in such offering.

(6)The Share Escrow Agent shall not be deemed to be the Beneficial Owner of any Excess Shares held by such Share Escrow Agent pursuant to a Share Escrow Agent Agreement, nor shall any such Excess Shares be aggregated with any other share of Capital Stock held by affiliates or associates of such Share Escrow Agent.

Table of Contents

Annex A - Proposed Amended and Restated Articles of Incorporation of Anthem, Inc. (continued)

(d)"Capital Stock" shall mean shares (or any other basic unit) of any class or series of any voting security which the Corporation may at any time issue or be authorized to issue, that entitles the holder thereof to vote on any election, but not necessarily all elections, of directors. To the extent that classes or series of Capital Stock vote together in the election of directors with equal votes per share, they shall be treated as a single class of Capital Stock for the purpose of computing the relevant Ownership Limit or the right to amend these Articles of Incorporation.

(e)"Continuing Director" shall mean each member of the initial Board of Directors of the Corporation and any new member of the Board of Directors whose nomination for election to the board was approved by a vote of two-thirds of the directors still in office who were initial directors named in these Articles of Incorporation or whose nomination was approved by such directors.

(f)"Institutional Investor" means any Person if (but only if) such Person is:

(1)a broker or dealer registered under Section 15 of the Securities Exchange Act of 1934, as amended;

(2)a bank as defined in Section 3(a)(6) of the Exchange Act;

(3)an insurance company as defined in Section 3(a)(19) of the Exchange Act;

(4)an investment company registered under Section 8 of the Investment Company Act of 1940;

(5)an investment adviser registered under Section 203 of the Investment Advisers Act of 1940;

(6)an employee benefit plan, or pension fund which is subject to the provisions of the Employee Retirement Income Security Act of 1974 or an endowment fund;

(7)a parent holding company, provided the aggregate amount held directly by the parent, and directly and indirectly by its subsidiaries which are not persons specified in subsections (1) through (6) above, does not exceed one percent of the securities of the subject class such as common stock; or

(8)a group, provided that all the members are Persons specified in the subsections (1) through (7) above.

(g)"License Agreement" shall mean the license agreement between the Corporation and the Blue Cross and Blue Shield Association, including any and all addenda thereto, now in effect and, as it may be amended, modified, superseded and/or replaced from time to time, with respect to, among other things, the "Blue Cross" and "Blue Shield" name and mark.

(h)"Noninstitutional Investor" means any Person that is not an Institutional Investor.:

(i)"Ownership Limit" shall mean the following:

(1)Except as otherwise expressly provided in this Subsection (i), the Ownership Limit for any Noninstitutional Investor shall be that number of shares of Capital Stock one share lower than the number of shares of Capital Stock which would represent 5% of the Voting Power.

Table of Contents

Annex A - Proposed Amended and Restated Articles of Incorporation of Anthem, Inc. (continued)

(2)Except as otherwise expressly provided in this Subsection (i), the Ownership Limit for any Institutional Investor shall be that number of shares of Capital Stock one share lower than the number of shares of Capital Stock which would represent 10% of the Voting Power.

(3)Except as otherwise expressly provided in this Subsection (i), the Ownership Limit for any Person shall be one share lower than that number of shares of Common Stock or other equity securities (or a combination thereof) which would represent 20% of the ownership interest in the Corporation.

(4)In the event the Corporation and Blue Cross and Blue Shield Association shall agree in writing, through an amendment of the License Agreement or otherwise, that an Ownership Limit of a higher percentage than that prescribed in clause (1), (2) or (3) shall apply, then the Ownership Limit shall be as specified in such written agreement.

(5)In the event any particular Person shall Beneficially Own shares of Capital Stock in excess of the Ownership Limit which would apply were it not for this clause (5) (the "Regular Limit"), such ownership shall not be deemed to exceed the Ownership Limit provided that (i) such Person shall not at any time Beneficially Own shares of Capital Stock in excess of the Regular Limit plus 1% and (ii) within thirty (30) days of the time when the particular Person becomes aware of the fact that the regular Limit has been exceeded, the particular Person reduces such Person's Beneficial Ownership below the Regular Limit.

(j)"Person" shall mean any individual, firm, partnership, corporation, trust, association, joint venture or other entity, and shall include any successor (by merger or otherwise) of any such entity.

(k)"Schedule 13D" means a report on Schedule 13D under Regulation 13D of the Exchange Act as in effect on the date these Articles of Incorporation were filed with the office of the Indiana Secretary of State and any report which may be required in the future under any requirements which Blue Cross and Blue Shield Association shall reasonably judge to have any of the purposes served by Schedule 13D as in effect on the date these Articles of Incorporation were filed with the office of the Indiana Secretary of State.

(l)"Share Escrow Agent" shall mean the Person appointed by the Corporation to act as escrow agent with respect to some or all of the Excess Shares.

(m)"Transfer" shall mean any sale, transfer, gift, hypothecation, pledge, assignment, devise or other disposition of Capital Stock (including (i) the granting of any option or entering into any agreement for the sale, transfer or other disposition of Capital Stock or (ii) the sale, transfer, assignment or other disposition of any securities or rights convertible into or exchangeable for Capital Stock), whether voluntary or involuntary, whether of record, constructively or beneficially and whether by operation of law or otherwise.

(n)"Voting Power." The percentage of the voting power attributable to the shares of Capital Stock Beneficially Owned by any particular Person shall be equal to the percentage of all votes which could be cast in any election of any director which could be accounted for by the shares of Capital Stock Beneficially Owned by that particular Person. If in connection with an election for any particular position on the Board, shares in different classes or series are entitled to be voted together for purposes of such election, then in determining the number of "all votes which could be cast" in the election for that particular position for purposes of the preceding sentence, the number shall be equal to the number of votes which could be cast in the election for that particular position if all shares entitled to be voted in such election (regardless of series or class) were in fact voted in such election. If the Corporation shall issue any series or class of shares for which positions on the Board are reserved or shall otherwise issue shares which have voting rights which can arise or vary based upon terms governing that class or series, then the percentage of the voting power represented by the shares of Capital Stock Beneficially Owned by any particular Person shall be the highest percentage of the total votes which could be accounted for by those shares in any election of any director.

Table of Contents

Annex A - Proposed Amended and Restated Articles of Incorporation of Anthem, Inc. (continued)

ARTICLE IX

Incorporator

The name and post office address of the incorporator of the Corporation are as follows:

	Number and Street	City, State
Name	Or Building	Zip Code
Anthem Insurance Companies, Inc.	220 Virginia Avenue	Indianapolis, Indiana 46204

ARTICLE X

Miscellaneous Provisions

Section 10.1. Amendment or Repeal.

(a) Articles of Incorporation. Except as otherwise expressly provided for in these Articles of Incorporation, the Corporation shall be deemed, for all purposes, to have reserved the right to amend, alter, change, or repeal any provision contained in these Articles of Incorporation to the extent and in the manner now or hereafter permitted or prescribed by statute, and all rights herein conferred upon shareholders are granted subject to such reservation.

(b) Bylaws. Except as otherwise expressly provided in these Articles of Incorporation or by the Corporation Law, the Bylaws of the Corporation may be made, altered, amended or repealed by either (1) the Board of Directors by the affirmative vote of a majority of the entire number of Directors at the time, or (2) the affirmative vote, at a meeting of the shareholders of the Corporation, of at least a majority of the votes entitled to be cast by the holders of the outstanding shares of all classes of stock of the Corporation entitled to vote generally in the election of directors, considered for purposes of this Section 10.1 as a single voting group, in the case of all provisions of the Bylaws, except Sections 1.7, 2.1 (the second sentence of the first paragraph only), 7.2, 7.7 and 9.5 of the Bylaws, which cannot be amended by the shareholders of the Corporation.

Section 10.2. Voting as a Shareholder. The Chair of the Board, the Chief Executive Officer, the President, any Vice President, the Secretary, the Treasurer or any other officers designated by the Board of Directors shall have full power and authority on behalf of the Corporation to attend any meeting of shareholders of any corporation in which the Corporation may hold stock, and to act, vote (or execute proxies to vote) and exercise in person or by proxy all other rights, powers and privileges incident to the ownership of such stock. Such officers acting on behalf of the Corporation shall have full power and authority to execute any instrument expressing consent to or dissent from any action of any such corporation without a meeting.

Section 10.3. Captions. The captions of the Articles and Sections of these Articles of Incorporation have been inserted for convenience of reference only and do not in any way define, limit, construe, or describe the scope or intent of any Article or Section hereof.

Table of Contents

Annex B – GAAP Reconciliation

Anthem, Inc.

GAAP Reconciliation

(Unaudited)

Anthem, Inc. (“Anthem,” “we,” “us,” or “our”) has referenced “Adjusted Net Income” and “Adjusted Net Income Per Diluted Share” or “Adjusted EPS,” and “Operating Gain” which are non-GAAP measures, in this document. These non-GAAP measures are not intended to be alternatives to any measure calculated in accordance with GAAP. Rather, these non-GAAP measures are intended to aid investors in understanding and analyzing our core operating results and comparing our financial results. A reconciliation of these measures to the most directly comparable measure calculated in accordance with GAAP is presented below.

(In millions, except per share data)	Year Ended December 31, 2018	Year Ended December 31, 2017	Year Ended December 31, 2016
Net income	$ 3,750	$ 3,843	$ 2,470
Add / (Subtract):			
Net realized losses/(gains) on financial instruments	180	(145)	(5)
Other-than-temporary impairment losses recognized in income	26	33	115
Amortization of other intangible assets	358	169	192
Transaction related costs	9	166	321
Loss on extinguishment of debt	11	282	—
Deferred tax benefit from corporate tax reform	—	(1,108)	—
Penn Treaty assessment costs	—	254	—
2015 cyber attack litigation	—	115	—
Income tax true-up of prior transaction costs	—	(69)	—
Tricare bid conclusion costs	—	—	37
Deferred tax asset write-off from California tax legislation	—	—	21
Tax impact of non-GAAP adjustments	(135)	(316)	(202)
Net adjustment items	449	(619)	479
Adjusted net income	$ 4,199	$ 3,224	$ 2,949
Net income per diluted share	$ 14.19	$ 14.35	$ 9.21
Add / (Subtract):			
Net realized losses/(gains) on financial instruments	0.68	(0.54)	(0.02)
Other-than-temporary impairment losses recognized in income	0.10	0.12	0.43
Amortization of other intangible assets	1.36	0.63	0.72
Transaction related costs	0.03	0.62	1.20
Loss on extinguishment of debt	0.04	1.05	—
Deferred tax benefit from corporate tax reform	—	(4.14)	—

Penn Treaty assessment costs	—	0.95	—
2015 cyber attack litigation	—	0.43	—
Income tax true-up of prior transaction costs	—	(0.26)	—
Tricare bid conclusion costs	—	—	0.14
Deferred tax asset write-off from California tax legislation	—	—	0.08
Tax impact of non-GAAP adjustments	(0.51)	(1.18)	(0.76)
Rounding impact	—	0.01	—
Net adjustment items	1.70	(2.31)	1.79
Adjusted net income per diluted share or Adjusted EPS	$ 15.89	$ 12.04	$ 11.00
Income before income tax expense	$ 5,068	$ 3,964	$ 4,556
Add/(Subtract)			
Net investment income	(970)	(867)	(779)
Net realized gains/(losses) on financial instruments	180	(145)	(5)
Other-than-temporary impairment losses recognized in income	26	33	115
Interest expense	753	739	723
Amortization of other intangible assets	358	169	192
Loss on extinguishment of debt	11	282	-
Net adjustment items	358	211	246
Operating Gain	$ 5,426	$ 4,175	$ 4,802

Explanation of Responses:

Table of Contents

002CSN9B58

Explanation of Responses:

Table of Contents

MMMMMMMMMMM PRMELIMINMARYMCOMPYMSUMBJEMCT TMO CMOMMPLEMTIOMN DMATEMD MARCH 14, 2019 C123456789 000000000.000000 ext 000000000.000000 ext 000000000.000000 ext 000000000.000000 ext 000000000.000000 ext 000000000.000000 ext 000004 ENDORSEMENT_LINE_____ SACKPACK_____ Your vote matters – here's how to vote! You may vote online or by phone instead of mailing this card. Votes submitted electronically must be MR A SAMPLE DESIGNATION (IF ANY) ADD 1 ADD 2 ADD 3 ADD 4 ADD 5 ADD 6 received by 11:59 p.m., Eastern Daylight Time, on May 14, 2019 (May 13 for 401(k) shares) Online GIof ntoo welwewct.reonnviicsivoontrienpgo, rts.com/antm delete QR code and control # oΔr scan the QR code — login details are located in the shaded bar below. Phone Call toll free 1-800-652-VOTE (8683) within the USA, US territories and Canada Save paper, time and money! Sign up for electronic delivery at www.envisionreports.com/antm Using a black ink pen, mark your votes with an X as shown in this example. Please do not write outside the designated areas. q IF VOTING BY MAIL, SIGN, DETACH AND RETURN THE BOTTOM PORTION IN THE ENCLOSED ENVELOPE. q + 1. Election of Directors: For Against Abstain For Against Abstain 01 - Bahija Jallal 02 - Elizabeth E. Tallett For Against Abstain For Against Abstain 2. To ratify the appointment of Ernst & Young LLP as the independent registered public accounting firm for 2019. 3. Advisory vote to approve the compensation of our named executive officers. For Against Abstain 4. To approve proposed amendments to our Articles of Incorporation to eliminate the classified board structure when permitted under our contractual obligations with the Blue Cross and Blue Shield Association. For Against Abstain 5. Shareholder proposal to elect each director annually. Please sign exactly as name(s) appears hereon. Joint owners should each sign. When signing as attorney, executor, administrator, corporate officer, trustee, guardian, or custodian, please give full title. Date (mm/dd/yyyy) — Please print date below. Signature 1 — Please keep signature within the box. Signature 2 — Please keep signature within the box. MMMMMMM C 1234567890 J N T 0 4 2 5 3 MR A SAMPLE (THIS AREA IS SET UP TO ACCOMMODATE 140 CHARACTERS) MR A SAMPLE AND MR A SAMPLE AND MR A SAMPLE AND MR A SAMPLE AND MR A SAMPLE AND MR A SAMPLE AND MR A SAMPLE AND MR A SAMPLE AND + 1 U P X 4 02Z4TL MMMMMMMMM D Authorized Signatures — This section must be completed for your vote to count. Please date and sign below. C Shareholder Proposal — The Board of Directors makes no recommendation on Proposal 5. B Management Proposals — The Board of Directors recommends a vote FOR Proposals 2, 3 and 4. A The Board of Directors recommends a vote FOR each of the nominees. 2019 Annual Meeting Proxy Card1234 5678 9012 345

Explanation of Responses:

Table of Contents

2019 Annual Meeting Admission Ticket 2019 Annual Meeting of Anthem, Inc. Shareholders Wednesday, May 15, 2019 Anthem, Inc. 220 Virginia Avenue, Indianapolis, Indiana 46204 Upon arrival, please present this admission ticket and photo identification at the registration desk. Registration and Seating Available at 7:30 a.m. Eastern Daylight Time Meeting Begins Promptly at 8:00 a.m. Eastern Daylight Time Please plan to arrive early as there will be no admission after the meeting begins. Directions to Anthem, Inc. can be obtained by calling 800-985-0999 or visiting our website at www.antheminc.com under “Investors”. Important notice regarding the Internet availability of proxy materials for the Annual Meeting of Shareholders to be held on May 15, 2019. The Notice and Proxy Statement and Annual Report on Form 10-K are available at: www.envisionreports.com/antm q IF VOTING BY MAIL, SIGN, DETACH AND RETURN THE BOTTOM PORTION IN THE ENCLOSED ENVELOPE. q + Proxy Solicited by the Board of Directors for the Annual Meeting of Shareholders on May 15, 2019 Your shares of stock will be voted as you specify. If you sign and date your proxy card, but do not provide instructions, your shares of stock will be voted FOR each of the nominees set forth in Proposal 1, and FOR Proposals 2, 3 and 4. As the Board has made no recommendation on Proposal 5, your shares WILL NOT be voted on Proposal 5 if instructions are not provided. By signing this PROXY, you revoke all prior proxies and appoint Thomas C. Zielinski, John E. Gallina and Kathleen S. Kiefer or any of them, as proxies, with the power to appoint substitutes, to vote your shares of stock of Anthem, Inc. that you would be entitled to cast if personally present at the Annual Meeting of Shareholders, and all adjournments or postponements of the meeting. If you participate in the Anthem 401(k) Plan and you are invested in the Anthem Stock Fund in your plan account, you may give voting instructions to Vanguard Fiduciary Trust Company, the plan Trustee. The number of shares of Anthem, Inc. common stock you may vote is based on the underlying shares credited to your Anthem Stock Fund account as of the most recent valuation date coincident with or preceding the record date. The Trustee will vote your shares in accordance with your instructions received by 11:59 p.m., Eastern Daylight Time, May 13, 2019. You may also revoke previously given voting instructions by 11:59 p.m., Eastern Daylight Time, May 13, 2019, by filing with the Trustee either written notice of revocation or a properly completed and signed proxy card bearing a later date. Your voting instructions will be kept confidential by the Trustee. If you do not send voting instructions, the Trustee will vote the number of shares equal to the underlying shares credited to your account in the same proportion that it votes shares for which it did receive timely instructions. Your voice is important. You are strongly encouraged to vote your proxy through the Internet or by telephone in accordance with the instructions on the reverse side. However, if you wish to vote by mail, just complete, sign and date the reverse side of this card, and return in the enclosed envelope. If you wish to vote in accordance with the Board of Directors’ recommendations, you need not mark the voting boxes, only return a signed card. If you do not sign and return a proxy, submit a proxy by telephone or through the Internet, or attend the meeting and vote by ballot, shares that you own directly cannot be voted. Electronic distribution of proxy materials saves time, postage and printing costs, and is environmentally friendly. For electronic distribution of proxy materials in the future, log on to www.envisionreports.com/ANTM. (Items to be voted appear on reverse side) Change of Address — Please print new address below. Comments — Please print your comments below. + E Non-Voting Items Anthem, Inc. Proxy Voting Instructions for Annual Meeting of Shareholders Small steps make an impact. Help the environment by consenting to receive electronic delivery, sign up at www.envisionreports.com/antm