ISO 14064-3 GHG Emissions Verification

Limited Assurance Statement

Schneider Electric (“Schneider”) has been contracted by Humana Inc. (“Humana”) for independent third-party verification of Scope 1, Scope 2, and Scope 3 Greenhouse Gas (GHG) emissions verification for their North American operation's fiscal year 2020 GHG emissions inventory to a limited assurance level. The verification was performed in accordance with the ISO 14064-3: Greenhouse Gases – Specification with Guidance for Validation and Verification of Greenhouse Gas Assertions (2006) standard. The Humana GHG Inventory was prepared using, and verified against, the WRI/WBCSD Greenhouse Gas (GHG) Protocol – A Corporate Accounting and Reporting Standard (Revised 2013), including the GHG Protocol Scope 2 Guidance (2015) amendment.

Responsibilities

Humana has sole responsibility for its GHG Inventory. The preparation of the GHG Inventory, as well as its contents, is the responsibility of Humana. Humana is also responsible for defining, adapting, and maintaining the management and internal control systems from which the information is obtained.

Schneider Electric is responsible to issue an independent report based on the procedures used during our review. While Humana has also contracted with Schneider Electric to support the preparation of their GHG Inventory, those involved in the verification work are part of different operational teams with different management oversight. All verification work and all related communication has been performed with transparency so that Humana can trust in the independence of the verification.

Scope of Verification

The organizational boundary was established following the operational control approach. The scope of this engagement covered GHG Emissions sources for all of Humana’s operations, which are all located within North America. The verification included verification of Scope 1, Scope 2, and Scope 3 data along with water consumption, as follows:

- **Scope 1**: Natural Gas, Diesel, Propane, #2 Fuel Oil, Aviation Gasoline, Gasoline (Petrol) Mobile, Diesel, Ethanol blends, Refrigerants, and onsite Renewable power.
- **Scope 2**: Purchased electricity
- **Scope 3**: Purchased goods & services, Fuel & energy related activities, Waste, Employee commuting, Employee telecommuting, and Business travel.
- **Water Consumption**

Level of Assurance

Schneider’s verification of Humana’s CY2020 was constructed to provide a limited level of assurance with a 5% materiality level.
Objectives

The objectives of this limited assurance verification exercise were:
- Determine if there is any evidence that GHG Emissions, as declared, were not accurate, complete, consistent, transparent, and free of material error or omission
- Review of the methodology for collecting data and preparing Humana’s CY2020 GHG Inventory as stated within the Inventory Management Plan

GHG Verification Methodology:
- Interviews with relevant personnel at Humana and/or consultants assisting with preparation of the CY2020 GHG Inventory
- Review of documentary evidence produced by Humana
- Review of Humana’s data and information systems and methodology for collection, aggregation, analysis and review of information used to determine GHG emissions
- Strategic audit of sites contributing significantly to consumption and/or emissions and random sampling of remaining operations data and calculation used to determine GHG emissions.

Recommendations to consider

While the recommendations below might allow for a more accurate GHG Inventory, none of them are material in nature.
- Identify sites participating in the deregulated electric power market within the United States and utilize either the applicable eGrid factor or the electric power supplier emission factor rather than the distribution utility emission factor
- Utility parent company emission factors were utilized in some situations, usually where utility entity level data was not available, even when a parent company may own utilities in different states and different geographic regions of the United States. (ex. PPL Utilities owns utilities in PA and in KY). If across different eGrid regions, and no specific renewable purchases have been voluntarily made, it would be more accurate to utilize the standard eGrid region instead of the utility parent company emission factor.
- For the gap fill/estimation process, add language to the IMP to use most recent data available rather than just prior data. *This was implemented within the IMP.*
- A few sites within the GHG Inventory were not in Humana’s portfolio report. (ex. 05589 – AIPO). Add to the IMP language around managing Humana’s portfolio information for tighter controls.

In review of water consumption, there were several issues identified associated with the transition from one reporting system to a new reporting system. Corrective action was taken where material and discussions indicate that the new system is designed appropriately to prevent these issues in the future.
- Sites which received multi-month water invoices had data captured in a single month. That data was transferred into the new reporting system. During the preparation of the water consumption inventory, months without consumption had the IMP’s gap fill/data estimation process applied resulting in overestimating consumption.
• For one site, 03583 – State Farm – Hikes Lane, irrigation volumes were captured for some months but not all months.

**Emissions Data Verified:**

**Emissions**

<table>
<thead>
<tr>
<th>Scope</th>
<th>Primary (MB) mtons CO2e</th>
<th>Secondary (LB) mtons CO2e</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scope 1</td>
<td>10,838</td>
<td>10,838</td>
</tr>
<tr>
<td>Scope 2</td>
<td>89,661</td>
<td>61,902</td>
</tr>
<tr>
<td>Scope 3</td>
<td>153,270</td>
<td>153,270</td>
</tr>
<tr>
<td>Biogenic</td>
<td>0.19</td>
<td>0.19</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>253,769</strong></td>
<td><strong>226,010</strong></td>
</tr>
</tbody>
</table>

**Water Consumption**

<table>
<thead>
<tr>
<th>Scope</th>
<th>Sum of Volume (gallons)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Waste Water</td>
<td>62,220,485</td>
</tr>
<tr>
<td>Water - Irrigation</td>
<td>15,038,057</td>
</tr>
<tr>
<td>Water</td>
<td>142,279,361</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>220,137,903</strong></td>
</tr>
</tbody>
</table>

**Conclusion and Verification Opinion**

Schneider conducted verification activities in alignment with ISO 14064-3:2006(E) specifications.

Based on Schneider’s verification activities and after voluntary corrective actions, Schneider has found no reason to believe that material errors, omissions, or misstatements exist in Humana’s CY2020 GHG Inventory. Schneider also found that Humana’s GHG accounting and calculation methodologies, processes, and systems for this inventory conform to WRI/WBCSD GHG Protocol.

Raymond Stuart, Lead Verifier  
Sr. Project Manager, Solutions Consulting  
April 21, 2021

Nenad Obradovic, Peer Reviewer  
Sustainability Specialist  
April 21, 2021
C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Humana Inc. is committed to helping our millions of medical and specialty customers achieve their best health. Our successful history in care delivery and health plan administration is helping us create a new kind of integrated care with the power to improve health and well-being and lower costs. Our efforts are leading to a better quality of life for people with Medicare, families, individuals, military service personnel, and communities at large.

To accomplish that, we support physicians and other health care professionals as they work to deliver the right care in the right place for their patients, our customers. Our range of clinical capabilities, resources and tools – such as in-home care, behavioral health, pharmacy services, data analytics and wellness solutions – combine to produce a simplified experience that makes health care easier to navigate and more effective.

More information regarding Humana is available to investors via the Investor Relations page of the company’s web site at www.humana.com, including copies of:
- Annual reports to stockholders
- Securities and Exchange Commission filings
- Most recent investor conference presentations
- Quarterly earnings news releases and conference calls
- Calendar of events
- Corporate Governance information

As we look to the future, we are continuing to learn how to support the health and well-being of each individual and community we serve, as well as the collective health care system and the environment as a whole.

Humana’s commitment to the health of our planet is stronger than ever. We recognize there is an undeniable link between our physical and emotional well-being and the health of the environment. We are continuing to invest our time and resources where it matters most – a greener future. In 2020, with a majority of our employee population working from home due to COVID-19, we were presented an opportunity to rethink our sustainability programs and
increase the amount of focus for work at home. Check out how we’re continuing to reduce our carbon footprint and what sustainability practices we’ve created in the virtual landscape.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

<table>
<thead>
<tr>
<th>Reporting year</th>
<th>Start date</th>
<th>End date</th>
<th>Indicate if you are providing emissions data for past reporting years</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>January 1, 2020</td>
<td>December 31, 2020</td>
<td>No</td>
</tr>
</tbody>
</table>

C0.3

(C0.3) Select the countries/areas for which you will be supplying data.
- Puerto Rico
- United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.
- USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.
- Operational control

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?
- Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

<table>
<thead>
<tr>
<th>Position of individual(s)</th>
<th>Please explain</th>
</tr>
</thead>
</table>
### Board-level committee

#### i. Climate change responsibilities: Humana’s Enterprise Risk Management (ERM) governance structure consists of oversight from the Audit Committee of the Board of Directors, Humana’s Executive Management Team (including the Enterprise Risk Management Committee (ERMC)), and a three lines of defense model to delegate responsibility for critical risk management processes across the business functions and operational areas, as well as risk management, compliance, and audit teams. Humana’s list of risk factors is updated as appropriate during the year in quarterly reports submitted to the U.S. Securities and Exchange Commission (the “SEC”) on Form 10-Q and reviewed by the full Board of Directors each year to ensure appropriate Board oversight. The enterprise risk framework and risk catalog is established to identify and proactively monitor, measure and avoid risks, including any climate-related issues.

During December 2020, the Company’s Board of Directors formally designated our reconstituted Nominating, Governance & Sustainability Committee with the responsibility for Board-level oversight of the Company’s significant environmental, social and related governance (ESG) strategy, practices and reporting. Pursuant to its Charter, the Nominating, Governance & Sustainability Committee reviews the Company’s programs and policies relating to significant ESG and sustainability matters, and periodically receives updates from management regarding significant ESG and sustainability undertakings.

#### ii. Example of climate-related decision: With oversight from the Audit Committee of the Board of Directors, the Board reviewed and approved the list of risk factors reported in our quarterly and annual SEC reporting. Our 2020 Annual Report on Form 10-K acknowledges that severe weather (e.g. hurricanes and earthquakes) is considered a risk factor that may cause actual health care costs to exceed what was estimated and used to set our premiums, and that environmental regulations could have a material adverse effect on our business. The Nominating, Governance & Sustainability Committee reviews the Company’s environmental impact report on an annual basis and has an opportunity to provide feedback regarding the Company’s environmental goals and targets as presented by management.

**C1.1b**

**C1.1b** Provide further details on the board’s oversight of climate-related issues.

<table>
<thead>
<tr>
<th>Frequency with which climate-related issues are a scheduled agenda item</th>
<th>Governance mechanisms into which climate-related issues are integrated</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scheduled – some meetings</td>
<td>Reviewing and guiding risk management policies</td>
<td>Humana’s list of risk factors is updated as appropriate during the year in quarterly reports on Form 10-Q by our legal department and reviewed by the full Board of Directors each year in the Company’s Report on Form 10-K to ensure appropriate Board oversight. The Enterprise Risk Management team establishes</td>
</tr>
</tbody>
</table>
and manages the enterprise risk framework whereby the risk register is utilized to document identified risks, proactively monitor, measure and avoid risks, including any climate-related issues. Humana evaluates risks including, but not limited to, pricing, operational, strategic, regulatory, and financial market risks; climate change factors are integrated into this list depending on relevancy and impact, such as extreme weather events or environmental regulations. These risk factors are described in the section entitled “Item 1A. Risk Factors” in our Annual Report on Form 10-K for period ended December 31, 2020.

The Nominating, Governance & Sustainability Committee annually reviews the Company’s environmental impact report prior to publication of results. The Nominating, Governance & Sustainability Committee annually reviews management’s proposed goals and targets for the reporting year and may receive ad hoc updates from management as needed.

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

<table>
<thead>
<tr>
<th>Name of the position(s) and/or committee(s)</th>
<th>Responsibility</th>
<th>Frequency of reporting to the board on climate-related issues</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chief Risks Officer (CRO)</td>
<td>Both assessing and managing climate-related risks and opportunities</td>
<td>More frequently than quarterly</td>
</tr>
<tr>
<td>Other C-Suite Officer, please specify</td>
<td>Both assessing and managing climate-related risks and opportunities</td>
<td>As important matters arise</td>
</tr>
<tr>
<td>Chief Administrative Officer</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other C-Suite Officer, please specify</td>
<td>Both assessing and managing climate-related risks and opportunities</td>
<td>More frequently than quarterly</td>
</tr>
<tr>
<td>Chief Legal Officer</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other committee, please specify</td>
<td>Other, please specify Guides enterprise-level ESG framework, reporting and disclosures</td>
<td>As important matters arise</td>
</tr>
<tr>
<td>ESG Steering Committee</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

1) Chief Risk Officer (CRO)/Chief Legal Officer:
   i. Description of responsibilities: During the reporting period (January 1, 2020 – December 31, 2020), the Company’s CRO had primary executive management responsibility in this area; however, beginning in July 2021, the Company made organizational changes that resulted in elimination of the CRO position and such responsibilities transitioning to the purview of the Company’s CLO. The CRO/CLO are each members of Humana’s Executive Management Team, reporting directly to the CEO/President who is also a member of the Board of Directors. The CRO/CLO is responsible for managing the ERMC (Enterprise Risk Management Committee) and providing periodic updates to the Audit Committee of the Board of Directors. The CRO/CLO heads up the second line of defense risk management function, including Enterprise Compliance and the Enterprise Crisis Management and Business Resiliency teams. The CRO/CLO oversees the ERM framework on behalf of the Board of Directors, ensuring the framework is appropriately implemented across the three lines of defense functions. The framework considers assessment and monitoring of environmental risks that may be related to climate-related issues.
   ii. Rationale: Given that risks are evaluated at various operational levels includes pricing, operational, strategic, regulatory, and financial markets risks, the CRO/CLO encounters climate-related issues such as extreme weather events and environmental regulations that may contribute to those risks in the scope of the office’s regular responsibilities. Humana therefore considers the CRO/CLO office to inherently have the highest level of management for climate-related issues. The CRO/CLO applies the framework to risks identified by Humana’s first line of defense, consisting of business areas and operational teams across Humana, and is responsible for identifying, assessing, mitigating, monitoring, and managing risk within those respective areas.

2) Chief Administrative Officer (CAO):
   i. Description of responsibilities: The CAO reports directly to the CEO/President, who is also a member of the Board of Directors, and provides regular reports to the Board of Directors on Humana’s management progress and performance. The Chief Administrative Officer has oversight for Humana’s Enterprise Associate and Business Solutions team, and is responsible for day-to-day planning, coordination and implementation of Humana's operational environmental policies, including those around energy management and climate-change mitigation / adaptation. The Enterprise Associate and Business Solutions team also leads initiatives toward achieving environmental targets in addition to tracking / reporting progress and assessing feasibility toward setting new targets. Humana's day-to-day environmental and sustainability objectives are managed by our Environmental Sustainability Practice Leader. This position is appointed by the Head of Enterprise Associate and Business Solutions, who has direct responsibility for functions that directly address Humana’s enterprise energy consumption and carbon emissions inventory, specifically, facilities and real estate management, and aviation operations.
ii. Rationale: The CAO is assigned primary responsibility for Humana’s environmental-sustainability efforts due to the role’s position within the organizational structure, having oversight of Humana’s Enterprise Associate and Business Solutions team. The Enterprise Associate and Business Solutions team has the most exposure and influence over Humana’s environmental efforts given its management of Humana’s facilities, where most of our impacts occur.

3.) ESG Steering Committee:
   i. Description of responsibilities: The Executive Management Team has established an ESG Steering Committee, overseen by our CAO and CLO, to guide the integration of our ESG efforts with our long-term business strategy. The ESG Steering Committee is comprised of senior leaders representing each of the Company’s business lines and key enterprise-level ESG components.
   ii. Rationale: This ESG governance structure complements the long-standing responsibility of our Board and each of our Board committees in overseeing various aspects of the Company’s ESG-related risks and practices, as is illustrated on page 16 of the Company’s 2021 proxy statement.

**C1.3**

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

<table>
<thead>
<tr>
<th>Provide incentives for the management of climate-related issues</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Row 1 Yes</td>
<td></td>
</tr>
</tbody>
</table>

**C1.3a**

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

<table>
<thead>
<tr>
<th>Entitled to incentive</th>
<th>Type of incentive</th>
<th>Activity incentivized</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management group</td>
<td>Monetary reward</td>
<td>Emissions reduction target</td>
<td>Incentive compensation is available to eligible associates participating in the company’s Associate Incentive Plan (AIP). As a part of AIP, for associates who have annual goals related to emissions reductions or other related ESG performance goals, this would be considered as a part of their individual multiplier opportunity coupled with the overall plan that is based, in part, on annual financial results including cost savings and cost avoidance that result from efforts to manage energy consumption and</td>
</tr>
</tbody>
</table>
emissions that ultimately impact the company’s financial results.

<table>
<thead>
<tr>
<th>Environment/Sustainability manager</th>
<th>Monetary reward</th>
<th>Emissions reduction target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Humana's team of environmental-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>sustainability managers, which</td>
<td></td>
<td></td>
</tr>
<tr>
<td>includes individuals within Humana</td>
<td></td>
<td></td>
</tr>
<tr>
<td>'s Enterprise Associate and Business</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Solutions team, have key</td>
<td></td>
<td></td>
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<tr>
<td>performance indicators relative to</td>
<td></td>
<td></td>
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<tr>
<td>their execution on sustainability</td>
<td></td>
<td></td>
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<tr>
<td>program initiatives including</td>
<td></td>
<td></td>
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<tr>
<td>progress toward Humana's greenhouse</td>
<td></td>
<td></td>
</tr>
<tr>
<td>gas emissions and energy reduction</td>
<td></td>
<td></td>
</tr>
<tr>
<td>goals.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>All employees</th>
<th>Non-monetary reward</th>
<th>Behavior change related indicator</th>
</tr>
</thead>
<tbody>
<tr>
<td>Humana takes pride in engaging</td>
<td></td>
<td></td>
</tr>
<tr>
<td>all employees in sustainability,</td>
<td></td>
<td></td>
</tr>
<tr>
<td>and actively works to incentivize</td>
<td></td>
<td></td>
</tr>
<tr>
<td>employees who choose to learn</td>
<td></td>
<td></td>
</tr>
<tr>
<td>about and contribute to</td>
<td></td>
<td></td>
</tr>
<tr>
<td>environmental-sustainability</td>
<td></td>
<td></td>
</tr>
<tr>
<td>efforts. There are opportunities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>for employees to receive</td>
<td></td>
<td></td>
</tr>
<tr>
<td>recognition for their voluntary</td>
<td></td>
<td></td>
</tr>
<tr>
<td>contributions. Recognition may</td>
<td></td>
<td></td>
</tr>
<tr>
<td>include: paid time off to</td>
<td></td>
<td></td>
</tr>
<tr>
<td>volunteer (VTO); being featured</td>
<td></td>
<td></td>
</tr>
<tr>
<td>in internal articles and</td>
<td></td>
<td></td>
</tr>
<tr>
<td>publications; receiving a special</td>
<td></td>
<td></td>
</tr>
<tr>
<td>thanks and recognition (STAR)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>award for their efforts; and</td>
<td></td>
<td></td>
</tr>
<tr>
<td>participating in various onsite</td>
<td></td>
<td></td>
</tr>
<tr>
<td>environmental efforts. In</td>
<td></td>
<td></td>
</tr>
<tr>
<td>addition, employees can earn</td>
<td></td>
<td></td>
</tr>
<tr>
<td>rewards for completing certain</td>
<td></td>
<td></td>
</tr>
<tr>
<td>activities through our internal</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Working on Well-being (WOW)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>rewards program, which includes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>opportunities to engage in</td>
<td></td>
<td></td>
</tr>
<tr>
<td>sustainability actions. In 2020,</td>
<td></td>
<td></td>
</tr>
<tr>
<td>over 12,923 employees participated</td>
<td></td>
<td></td>
</tr>
<tr>
<td>across all our sustainability</td>
<td></td>
<td></td>
</tr>
<tr>
<td>activities and over 95 employees</td>
<td></td>
<td></td>
</tr>
<tr>
<td>tracked more than 660</td>
<td></td>
<td></td>
</tr>
<tr>
<td>environmental-related volunteer</td>
<td></td>
<td></td>
</tr>
<tr>
<td>hours via our Humana Together</td>
<td></td>
<td></td>
</tr>
<tr>
<td>volunteer network. We have</td>
<td></td>
<td></td>
</tr>
<tr>
<td>been making a concerted push to</td>
<td></td>
<td></td>
</tr>
<tr>
<td>improve our volunteer hour</td>
<td></td>
<td></td>
</tr>
<tr>
<td>tracking systems, add sustainability to existing events, and support opportunities such as encouraging employees to engage in parks since our sponsorship of the National Parks centennial anniversary.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

<table>
<thead>
<tr>
<th></th>
<th>From (years)</th>
<th>To (years)</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short-term</td>
<td>0</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Medium-term</td>
<td>3</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>Long-term</td>
<td>5</td>
<td>10</td>
<td></td>
</tr>
</tbody>
</table>

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

i. Definition: When identifying or assessing climate-related risks, substantive impact is often dependent on the business area affected. Business continuity processes use a 4 tier structure to evaluate thresholds (of criticality). The thresholds utilize specific criteria based on the risk’s impact to employees, member, brand, technology, and financials to differentiate between levels of criticality, ranging from an Incident, Significant Event and Crisis Event. These criteria inform response and reporting up to the Board level.

Humana’s materiality assessments also inform the definition of substantive strategic impact to our business. Core issues that achieve the highest ranking against indicators evaluating environmental and social impacts as well as civil society & NGO priorities pose the most shareholder, customer, and internal employee concern, and are therefore considered to be substantive in nature. Our second biennial materiality assessment was conducted in accordance with GRI stakeholder engagement process recommendations and referenced research by GRI and SASB about the most material topics for the healthcare industry. Core issues evaluated included, among other topics: energy consumption and emissions associated with our data centers and facilities; office and medical waste management; supply chain greenhouse gas emissions; and employee commute impacts. Once identified internally, these topics were scored to develop a final ranking that informed new priorities and aligned existing initiatives into a living roadmap that will be used to guide Humana’s future sustainability policies and management initiatives.

ii. Quantifiable indicator: The quantifiable indicators used to define substantive financial impact are based on the severity to which our financials, employees, customers, technology, reputation, and ability to meet compliance standards are impacted. We utilize a substantive
financial impact indicator of $100 million of P&L impact to identify “Crisis” level events, which pose the most risk.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

---

Value chain stage(s) covered
Direct operations

Risk management process
Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment
More than once a year

Time horizon(s) covered
Short-term
Medium-term
Long-term

Description of process

i. Humana’s Enterprise Risk Management (ERM) governance structure includes a three lines of defense model to delegate responsibility for critical risk management processes across the business functions and operational areas, as well as risk management, compliance, and audit teams. Humana’s first line of defense consists of business areas and operational teams across the Company, and is responsible for identifying, assessing, mitigating, monitoring, and managing risk and opportunities within their respective areas. The process for managing risks vs. opportunities is similar in that the same business owners evaluate potential impacts to their specific areas within Humana, whether it be reducing impacts of extreme weather-related events (Business Continuity team) or capitalizing on energy rebates for efficiency projects (Enterprise Associate and Business Solutions team). Subsequently, the risk owners that support identification and assessment of both risks and opportunities are inherently responsible for managing them as well and are empowered to pursue strategic solutions toward mitigating/capitalizing by making budget requests and elevating decisions to higher-level management as appropriate.

ii. Physical risk case study: Humana’s Safety and Security group, Environmental Health and Safety, Enterprise Crisis Management and Business Continuity teams continuously evaluate the potential impact of acute physical risks, such as extreme weather events. The Safety & Security Fusion Center provides 24x7 event monitoring to provide a safe and secure workplace for our employees. The Safety & Security Fusion Center also partners and shares real-time information with the Enterprise Critical Incident Response Team, Human Resources, Enterprise Associate and Business Solutions, Information Technology, Corporate Communications and other business services to ensure
information is available to respond to emergency events across the enterprise. Humana’s GoRiskPulse interactive tool provides access to real-time weather data to track potential events and is critical to our preparations in advance of hurricane season. These teams coordinate on identifying and assessing the risk to specific facilities, network dependencies, and our customers/employees. As risk owners, these teams also manage for the risk by developing emergency plans, training employees for quick response, strengthening our technologies, and reporting to higher-level management as appropriate. Should an event become “significant” where specific financial thresholds are met and/or access to care and critical operations are compromised, these teams also inform the Board of Directors with periodic updates through the duration and develop executive summaries with lessons learned, action items, and opportunities to mitigate. These teams continue managing for these types of events in a continuous feedback loop by training employees, developing programs such as our emergency response notification system and employee outreach tools, and undertaking collaborative business impact analyses to plan for future events with business leaders within Humana. Such processes were utilized in the most recent instance of a substantive extreme weather event, in 2018 during two storms, Florence and Michael. The teams worked together to assess risk, prepare for the storms, and coordinate a response including provision of supplies. After the events, the teams conducted a lessons learned evaluation, as is the case after every incident. The robustness of our approach was demonstrated by the smooth handling of response despite it occurring in the middle of a significant change in service providers.

iii. Transition risk case study: Humana’s Enterprise Associate and Business Solutions team has responsibility for assessing risk and opportunities related to transitional risks that may impact how we operate our facilities. One transition risk that has impacted Humana is the EPA’s more stringent refrigerant regulations are coming into effect. This team has identified the risk and, as risk owner, manages for the risk by evaluating the potential effect on how Humana manages our facilities, such as recordkeeping and disposal practices. In concert with Humana’s sustainability leaders, team of Humana individuals – alongside facility management vendors and consultancy partners – work to collectively identify and implement strategies to ensure compliance with the regulation. As appropriate, the team will report to upper-level management on necessary improvements, particularly those requiring capital, as well as progress toward compliance. To proactively manage this risk, the team has planned to voluntarily replace units with more efficient equipment that do not rely on R-22 at the data centers; completion is targeted at the end of 2021. We are also considering refrigerant reuse at other sites to help minimize impacts.

C2.2a

(C2.2a) Which risk types are considered in your organization’s climate-related risk assessments?

<table>
<thead>
<tr>
<th>Relevance &amp; inclusion</th>
<th>Please explain</th>
</tr>
</thead>
</table>

10
<table>
<thead>
<tr>
<th>Category</th>
<th>Relevance</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current</td>
<td>Relevant,</td>
<td>Current regulatory risks are consistently evaluated and may be informed by climate-related issues. For example, Humana is subject to various federal, state, and local laws and regulations relating to the protection of human health and the environment. If an environmental regulatory agency finds any of our facilities to be in violation of environmental laws, penalties and fines may be imposed for each day of violation and the affected facility could be forced to cease operations. Our Enterprise Associate and Business Solutions team is an example of one risk owner that would consider these regulatory risks as they affect the team’s daily operations and strategy for managing facilities.</td>
</tr>
<tr>
<td>regulation</td>
<td>always included</td>
<td></td>
</tr>
<tr>
<td>Emerging</td>
<td>Relevant,</td>
<td>Emerging regulatory risks are consistently evaluated and may be informed by climate-related issues. Humana is subject to various federal, state, and local laws and regulations relating to the protection of human health and the environment. Subsequently, Humana routinely reviews and monitors regulatory activity for emerging developments in law, including those that are climate-related, in order to assess potential impacts to its business and/or reporting practices. For example, Humana is currently monitoring Executive Order 14030 of May 20, 2021 (Climate-Related Financial Risk), as well as, on-going activity by the U.S. Securities and Exchange Commission regarding climate change disclosures. If an environmental regulatory agency finds any of our facilities to be in violation of environmental laws, penalties and fines may be imposed for each day of violation and the affected facility could be forced to cease operations. Our Enterprise Associate and Business Solutions team is an example of one risk owner that would consider these regulatory risks as they affect the team’s daily operations and strategy for managing facilities.</td>
</tr>
<tr>
<td>regulation</td>
<td>always included</td>
<td></td>
</tr>
<tr>
<td>Technology</td>
<td>Relevant,</td>
<td>For Humana, our ability to respond to several risks is informed by our technological abilities. For example, as our Business Continuity, Enterprise Resilience and Environment, Health and Safety teams develop plans to mitigate the impacts of extreme weather events, they must consider the technological resilience as well to ensure our employees can reliably access the necessary data to take care of our customers. This includes duplication of technologies to minimize downtime. Additionally, the Technology Committee of Humana’s Board of Directors works in conjunction with the Audit Committee, to receive, review and provide feedback on Humana’s ongoing assessment and plan to address IT risks including cyber security, business continuity and disaster recovery risks.</td>
</tr>
<tr>
<td></td>
<td>always included</td>
<td></td>
</tr>
<tr>
<td>Legal</td>
<td>Relevant,</td>
<td>Possible exposure to climate-related litigation is consistently evaluated by Humana. Humana is subject to various federal, state, and local laws and regulations relating to the protection of human health and the environment. Subsequently, Humana routinely reviews and monitors for possible activity for emerging developments in law, including those</td>
</tr>
<tr>
<td>Section</td>
<td>Relevance</td>
<td>Description</td>
</tr>
<tr>
<td>---------</td>
<td>-----------</td>
<td>-------------</td>
</tr>
<tr>
<td>Market</td>
<td>Relevant, always included</td>
<td>As a health and well-being company, the communities Humana serves may be directly and indirectly affected by climate-related issues. Natural disasters and crisis events can take a serious toll on health and well-being as people cope with the stress of rebuilding lives and communities. Our employees, customers and communities have dealt with wildfires, ice storms, floods, hurricanes, the pandemic, and building closures. After each event, Humana offered early prescription refills, suspended prior authorization requirements, and provided community-wide access to a crisis intervention hotline and counseling services. Some of our employees received assistance from Humana’s Helping Hands program, which provides financial support to qualified employees who face unexpected hardship from a tragic, isolated event. Since instituting the Helping Hands program, it provides us a foundation such that we are ready to respond similarly during a natural disaster. As our climate shifts and our customers’ needs shift in response, we are taking proactive measures to ensure their care is not interrupted.</td>
</tr>
<tr>
<td>Reputation</td>
<td>Relevant, always included</td>
<td>For Humana, the importance of responding to several risks is informed by potential reputational impacts. Of primary concern for Humana is to ensure the well-being of our employees and customers. For example, business areas such as Business Continuity and Enterprise Resilience must manage for crises, with a particular emphasis on IT to ensure customers’ information is protected. Humana also focuses on fast response to our customers and employees when dealing with crises, such as making sure customers can get prescriptions ahead of time and that employees can access supplies in the event of a hurricane disrupting operations. For Humana, our swift ability to respond to other risks enhances our reputation by demonstrating our commitment to well-being and enhancing customer and employee loyalty.</td>
</tr>
<tr>
<td>Acute physical</td>
<td>Relevant, always included</td>
<td>Operational risks are consistently evaluated and may be informed by climate-related issues. For example, Humana has business offices, data centers, and medical centers or other facilities that are located in areas prone to hurricanes, for which such events can cause disruption. Our Florida, Puerto Rico, and Texas operations are located in areas that are climate-related, in order to assess potential impacts to its business and/or reporting practices. For example, Humana is currently monitoring Executive Order 14030 of May 20, 2021 (Climate-Related Financial Risk), as well as, on-going activity by the U.S. Securities and Exchange Commission regarding climate change disclosures. If an environmental regulatory agency finds any of our facilities to be in violation of environmental laws, penalties and fines may be imposed for each day of violation and the affected facility could be forced to cease operations. Our General Counsel is an example of one risk owner that would consider these legal risks as they affect the team’s daily operations and strategy for managing facilities.</td>
</tr>
</tbody>
</table>
that often experience severe storms more frequently. Our Business Continuity team is an example of one risk owner that would consider these acute physical risks as they affect the team's daily operations and strategy to mitigate and manage extreme weather events.

| Chronic physical | Relevant, always included | Operational risks are consistently evaluated and may be informed by climate-related issues. For example, Humana has facilities that are located in areas prone to rising average temperatures. Increases in average temperature could result in more cooling degree days, in particular for our data centers, which could increase cooling loads at these and other locations. Our Enterprise Associate and Business Solutions team considers chronic physical risks when pursuing energy and emissions reduction projects/targets. |

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

<table>
<thead>
<tr>
<th>Identifier</th>
<th>Risk 1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Where in the value chain does the risk driver occur?</td>
<td>Direct operations</td>
</tr>
<tr>
<td>Risk type &amp; Primary climate-related risk driver</td>
<td>Emerging regulation</td>
</tr>
<tr>
<td></td>
<td>Mandates on and regulation of existing products and services</td>
</tr>
<tr>
<td>Primary potential financial impact</td>
<td>Increased indirect (operating) costs</td>
</tr>
<tr>
<td>Company-specific description</td>
<td>Humana’s portfolio of assets and associated supply chain may be impacted by the potential for fuel/energy taxes and related regulations. This may result in an increase in the direct and indirect operational costs. For example, Humana has significant operations in Florida, where state motor fuel and diesel fuel tax rates increased most recently, in 2019; this increase in tax rates results in increased costs to us. We have also seen proposed increases in tax rates in Kentucky, where our headquarters are located.</td>
</tr>
<tr>
<td>Time horizon</td>
<td></td>
</tr>
</tbody>
</table>
Medium-term

**Likelihood**
About as likely as not

**Magnitude of impact**
Low

**Are you able to provide a potential financial impact figure?**
Yes, a single figure estimate

**Potential financial impact figure (currency)**
2,200,000

**Potential financial impact figure – minimum (currency)**

**Potential financial impact figure – maximum (currency)**

**Explanation of financial impact figure**
The financial risks resulting from an increase in operational and capital costs due to climate change-related regulations are considered to have a low magnitude of impact because energy expenditures represent less than 0.1% of Humana’s total $10,052 million operating costs in 2020. For purposes of potential financial implications and costs of actions with respect to rising fuel/energy taxes, Humana has estimated up to 25% rise in the cost of energy in the next 5 years could be possible relative to this risk. Based on annual energy expenditure of about $8.8 million, this equates to an approximately $2.2 million increase in operating costs. Therefore, though operating expense increases due to energy taxes and regulations would have a material impact on budgetary costs, the overall operational cost impact for the portfolio would be minimal.

**Cost of response to risk**
173,000

**Description of response and explanation of cost calculation**
  i. Humana’s Enterprise Associate and Business Solutions team continuously evaluates short-term and long-term regulatory risks around energy and carbon. A combination of forecasted energy costs due to general commodity price pressures, taxes and regulations or other impact is evaluated by the team to manage evolving financial exposure to energy prices. To curb projected increases, the team works to budget for cost and environmental impact mitigation efforts such as energy efficiency projects to manage this risk. This resulted in the formulation of an aggressive energy and carbon reduction target for the portfolio in efforts to manage operating costs and reduce Humana’s environmental impacts. Toward this target, Humana initiated several large-scale LED lighting retrofit projects in, which in 2020 are projected to reduce annual energy consumption by 783,000 kWh and 378 mtons CO2e.
  
  ii. To counteract this anticipated increase in energy costs, Humana pursued major energy efficiency projects in 2020 with an investment of over $173,000.
Comment

------------------------------------------------------------------------------------------

Identifier
Risk 2

Where in the value chain does the risk driver occur?
Direct operations

Risk type & Primary climate-related risk driver
Chronic physical
Rising mean temperatures

Primary potential financial impact
Increased indirect (operating) costs

Company-specific description
Humana’s portfolio includes data centers, such as those in Louisville, KY and Simpsonville, KY, that are required to conduct operations to ensure provision of services to our customers. These centers are managed closely due to their higher energy load requirements vs. our standard office facilities. Increases in average temperature could result in more cooling degree days for these data centers, which could increase cooling loads at these and other locations.

Time horizon
Medium-term

Likelihood
Likely

Magnitude of impact
Low

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)
820,000

Potential financial impact figure – maximum (currency)
1,640,000

Explanation of financial impact figure
Any rise in average temperature that results in more cooling degree days throughout the year could increase cooling costs at Humana facilities, and in particular the company’s data centers. Humana has estimated the cost implications of rising data center energy
consumption due to an increase in cooling degree days. The calculated range above leverages assumptions from the US Climate Resilience Toolkit (July 2016), which provides a net energy cost increase from higher temperatures of 10-20%. This includes an assumption whereby annual energy price increases experienced in the next 10-15 years will be a result of increased cooling costs. This range is used as an approximation for increasing electric power costs for locations where energy information is available and excludes any sites where energy costs are included as part of the landlord lease, as Humana has no insight into energy costs at these locations. The potential aggregate estimated cost increase from 2030-2035 is $820,000-1,640,000, which is less than 0.2% of Humana’s $10,052 million operating costs in 2020.

Cost of response to risk
834,000

Description of response and explanation of cost calculation
i. Humana collaborates with internal and external partners to make joint decisions on data center projects to ensure the strategic use of funds that also provide sufficient returns in terms of energy efficiency. We have worked with our equipment partners, done extensive modelling of air flow and cooling loads, and are implementing optimization strategies to minimize the cost of cooling and reduce the temperature differential required, while maintaining the reliability and performance of our data center equipment. For example, our IT and Facilities Management teams collaborated to install new building management systems (BMS) at the data centers. These systems provide visibility into energy efficiency opportunities such as upgrades to lithium batteries and the addition of smart tiles to enhance the BMS system by monitoring air flows not just at the cabinet level, but also at the overall level. We have installed the Tridium system in the Louisville Data Center and are strategically allocating capital funds to pursue projects at the Simpsonville Data Center. As part of these efforts, in collaboration with Enterprise Associate and Business Solutions, IT, and our facilities management vendor, we have achieved Energy Star certification for both of our data centers.

ii. Cost of management: Humana continues to use modelling software and tools purchased prior to the reporting period to optimize air flow and cooling needs. In 2020, an HVAC Economizer Project commenced at our Waterside building, which is planned to save approximately 3,025 MWh and 1,395 mtons CO2e for a total investment of $834,000. Funding came from the HUM Enterprise Associate and Business Solutions’ Facilities Management team capital budget and the Facilities Management vendor managed the work.

Comment

-------------------------------------------------------------------------------

Identifier
Risk 3

Where in the value chain does the risk driver occur?
Direct operations
Risk type & Primary climate-related risk driver
Acute physical
Increased severity and frequency of extreme weather events such as cyclones and floods

Primary potential financial impact
Increased indirect (operating) costs

Company-specific description
Floods, tornados, hurricanes, ice storms, and wildfires are significant weather events most likely to impact Humana employees, facilities, suppliers, and our customers. These events can disrupt our business offices, data centers, and medical centers or other facilities. In particular, our Florida, Puerto Rico, and Texas operations are located in areas that often experience severe storms.

Changes in temperature and weather patterns across the US and the world can influence disease vectors and the spread of infectious diseases as well as the frequency and the severity of chronic illnesses. If this were to happen, it could lead to increased incidences of chronic illnesses and in the type of clinical services Humana will need to offer its customers. For example, the Fourth National Climate Assessment shows that climate change is increasing health risk such as: allergic illnesses, heat stress, the spread of food-borne, insect-born, and waterborne diseases. Extreme weather events impact vulnerable populations, often leading to fatalities. Finally, Humana’s premium pricing is sensitive to several factors that may be impacted by climate change, including public health epidemics or severe weather (e.g. hurricanes).

Time horizon
Short-term

Likelihood
Likely

Magnitude of impact
Low

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)
240,000

Potential financial impact figure – maximum (currency)
4,600,000

Explanation of financial impact figure
Significant weather events could disrupt regular operations and limiting accessibility for our employees and customers. However, as our data centers have disaster recovery
methods in place to manage for risks unrelated to climate change, the estimated financial implications of this service disruption are low. Hurricane Maria’s financial impacts of ~$4.6 million is a higher end benchmark, adding expenses from assisting employees with supplies, chartering airplanes, performing site surveys, security, IT and other third-party services, fuel use, etc. Other storms were less costly at ~$240,000 and is provided as the lower end benchmark.

Humana could also suffer a loss in market share due to lack of readiness or increased operational costs associated with more health-related claims being filed or impacts on premium pricing. We do not currently anticipate substantial bottom line impacts from these risks.

Cost of response to risk

0

Description of response and explanation of cost calculation

i. Humana’s business continuity program is in place to decrease potential business interruption due to significant weather events. For example, Humana’s data centers maintain two separate power inputs from different grids as well as a robust generator system. They are built on land not susceptible to flooding, with the secondary data center supporting disaster recovery of technical systems. Data center exterior walls were built to exceed tornado-level winds. Alternate/backup locations for medical centers located in Florida are also prioritized. Our work at home program enables staff to work remotely in instances of reduced accessibility/pandemic. A dedicated tool to track events is used to manage our response and communications, providing us with a readily available resource to understand any lessons learned. In terms of our services, senior level management may recommend changes in services and cost structures to reduce impacts from customer claims and health trends related to changes in climate. Results of partner dialogues and regional trending will inform future decisions around services offered to mitigate these impacts. We also continually review estimates of future payments relating to benefit claims costs for services incurred and make adjustments to our reserves where appropriate. However, these estimates have considerable inherent variability.

ii. Cost of management: Our data center specifications, Business Continuity Program, work at home program, and evaluation of services/premium pricing structures, are routine operations for Humana. There is $0 additional cost to manage significant weather events via these methods.

Comment

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes
C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

<table>
<thead>
<tr>
<th>Identifier</th>
<th>Opp1</th>
</tr>
</thead>
</table>

**Where in the value chain does the opportunity occur?**
- Direct operations

**Opportunity type**
- Energy source

**Primary climate-related opportunity driver**
- Use of supportive policy incentives

**Primary potential financial impact**
- Reduced indirect (operating) costs

**Company-specific description**

Financial incentives, grants, rebates or other financing models that help to encourage energy efficiency, conservation, or renewable energy all have the opportunity to greatly enhance Humana's environmental footprint and support our efforts to achieve environmental targets including reduction of emissions and waste diversion. In particular, Humana's commitment to high performance in our operations (including our facilities), means that we are extremely interested in pursuing local, state, regional, and federal financial incentives centered around efficiency. These are formalized in our facilities management vendor contracts.

**Time horizon**
- Short-term

**Likelihood**
- Very likely

**Magnitude of impact**
- Low

**Are you able to provide a potential financial impact figure?**
- Yes, a single figure estimate

**Potential financial impact figure (currency)**
- 14,000

**Potential financial impact figure – minimum (currency)**

**Potential financial impact figure – maximum (currency)**
Explanation of financial impact figure
Incentives, rebates, and tax credits approved in 2020 totaled over $14,000 for 25 energy efficiency projects.

Cost to realize opportunity
0

Strategy to realize opportunity and explanation of cost calculation
i. Humana has engaged our third-party facilities management vendors to seek and recover available rebates and incentives for energy efficiency and emissions reduction projects. By using a shared savings model, Humana incentivizes our vendors to research incentives and work with incentive administrators to secure financial support such as tax credits from government sources and privately funded incentives such as rebates from equipment vendors and utility companies. As an example of these efforts, in 2020, our facilities management vendors were able to implement 25 energy efficiency projects that utilized rebates with approved incentives totaling over $14,000. Additionally, we instituted specified sustainability requirements and expectations into our contracting process in 2018 to help select a new preferred vendor. These requirements and expectations are still in place today. The new vendor, is also charged with the same responsibilities.
ii. Cost to realize opportunity: As Humana’s facilities management vendors are responsible for identifying and pursuing rebates and incentives as part of routine operations, there is zero ($0) additional cost of management to pursue these opportunities.

Comment

---

Identifier
Opp2

Where in the value chain does the opportunity occur?
Upstream

Opportunity type
Resilience

Primary climate-related opportunity driver
Participation in renewable energy programs and adoption of energy-efficiency measures

Primary potential financial impact
Reduced indirect (operating) costs

Company-specific description
Humana strives to engage vendors that can support our progress toward achieving sustainability goals while saving on operational costs. For example, our current facilities
management vendor has specific sustainability requirements, such as attainment of a
2% decrease in greenhouse gas emissions in 2020 per agreed upon baseline emissions
and a 2.7% increase in the diversion rate in 2020 based on mutually agreed upon
baseline, formalized in our contract for services. This was an important consideration
when deciding on the winning bid.

**Time horizon**
Short-term

**Likelihood**
Very likely

**Magnitude of impact**
Low

**Are you able to provide a potential financial impact figure?**
Yes, a single figure estimate

**Potential financial impact figure (currency)**
168,000

**Potential financial impact figure – minimum (currency)**

**Potential financial impact figure – maximum (currency)**

**Explanation of financial impact figure**
The combined financial impact of many of our sustainable purchasing programs is not
quantified financially. As an example, however, the incentives, rebates, and tax credits
approved in 2020, which totaled over $14,000, and energy efficiency project
investments, which saved approximately $154,000, in total we’ve reduced operating
costs by $168,000 at least through these measures.

**Cost to realize opportunity**
0

**Strategy to realize opportunity and explanation of cost calculation**
i. Identifying appropriate vendors has contributed to utilizing rebates for energy projects
and increasing our recycling efforts, and is a focus of our procurement program whereby
suppliers must share progress regarding sustainable products during regular business
reviews, influencing our procurement decisions and translating to Humana employees
having the option of choosing sustainable options when making purchases. Humana
selected a new facilities management vendor in late 2018, for which their leadership in
facilitating energy efficient solutions and track toward sustainability initiatives was an
important evaluation criteria. Our vendor has worked with us to achieve Energy Star
certifications across 22 facilities, divert over 300 tons of waste through our West Chester
baler project, among other successes, including the decision to optimize the time during
the pandemic while occupancy of facilities was at a low to accelerate capital projects, for
which we hope to incur energy efficiencies from these projects in years to come.
ii. Cost to realize opportunity: As Humana’s procurement team undertakes sustainable purchasing as part of their routine operations, there is zero ($0) additional cost of management to pursue these opportunities.

Comment

---

**Identifier**
Opp3

**Where in the value chain does the opportunity occur?**
Downstream

**Opportunity type**
Products and services

**Primary climate-related opportunity driver**
Other, please specify
Reputational benefits from providing reliable services

**Primary potential financial impact**
Other, please specify
Increased revenues from customer loyalty

**Company-specific description**
Our employees, customers and communities dealt with wildfires, ice storms, floods, hurricanes, and building closures. After each event, Humana offered early prescription refills and free and suspended prior authorization requirements, as well as community-wide access to a crisis intervention hotline and counseling services. Some of our employees received assistance from Humana’s Helping Hands program, which provides financial support to qualified employees who face unexpected hardship from a tragic, isolated event. Humana’s strong focus on well-being and data security requires a swift response to crises, such as hurricanes or other extreme weather events. By strengthening our emergency response management systems, including member outreach and IT dependencies, customer loyalty is also continuously cultivated. Humana sees reliable service as a vital opportunity to our business.

**Time horizon**
Short-term

**Likelihood**
Likely

**Magnitude of impact**
Low

**Are you able to provide a potential financial impact figure?**
No, we do not have this figure
Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure
Providing reliable service does not represent a financial impact; since the opportunity represents maintenance of services for our current customers. Increased or decreased membership relative to the dependability of Humana’s services has not been quantified financially.

Cost to realize opportunity
0

Strategy to realize opportunity and explanation of cost calculation
i. Humana’s Safety and Security group, Environmental Health and Safety, Enterprise Resiliency and Business Continuity teams collaborate on identifying opportunities to strengthen our customers’ trust by developing emergency plans, training employees for quick response, strengthening our technologies, and developing tools to swiftly communicate with our customers. For example, Humana’s data centers maintain two separate power inputs from different grids as well as a robust generator system that can provide power for 3-5 days before requiring re-fueling, while fuel service is contracted for a priority refill if requested. Dual cooling systems are also in place. Data center exterior walls were built to exceed "tornado-level" winds of over 100 mph, and both data centers are built on land not susceptible to flooding. Humana maintains a secondary data center to support disaster recovery of technical systems. Humana also has a robust work at home program, allowing staff to work remotely should there be an instance of reduced accessibility/pandemic or other issue that may be caused by climate-related events. Our work at home program has been thoroughly tested during 2020 while staying steadfast in our commitment to the needs of our health plan customers and simplifying access to care, reducing financial barriers and addressing social determinants of health. Additionally, Humana expanded access to telehealth, including removing Medicare Advantage member responsibility for copays, deductibles or coinsurance for all telehealth services delivered by participating/in-network providers and accepting audio-only/telephone and audio-video visits for reimbursement to ensure consistency of health care services without interruption.

ii. Cost to realize opportunity: As Humana’s various emergency response teams undertake and coordinate on this work as part of their routine operations, there is zero ($0) additional cost of management to pursue these opportunities.

Comment
C3. Business Strategy

C3.1

(C3.1) Have climate-related risks and opportunities influenced your organization’s strategy and/or financial planning?

Yes

C3.1b

(C3.1b) Does your organization intend to publish a low-carbon transition plan in the next two years?

<table>
<thead>
<tr>
<th>Intention to publish a low-carbon transition plan</th>
<th>Intention to include the transition plan as a scheduled resolution item at Annual General Meetings (AGMs)</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, in the next two years</td>
<td>No, we do not intend to include it as a scheduled AGM resolution item</td>
<td></td>
</tr>
</tbody>
</table>

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

No, but we anticipate using qualitative and/or quantitative analysis in the next two years

C3.2b

(C3.2b) Why does your organization not use climate-related scenario analysis to inform its strategy?

Climate-related scenario analysis to inform Humana’s business strategy has not yet been utilized outside of applying physical IPPC RCP scenarios in the evaluation of a setting a science-based target. We support the TCFD recommendations and we will map our ESG disclosures to the TCFD framework in an external release prior to December 31, 2021. As part of this effort, we anticipate conducting a more thorough and intentional effort to identify and prioritize climate-related risks and opportunities across our portfolio as well as leveraging qualitative transition scenarios to consider how different possible climate futures and embedded assumptions may impact our long-term business strategy.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

<table>
<thead>
<tr>
<th>Have climate-related risks and opportunities influenced your strategy</th>
<th>Description of influence</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>strategy in this area?</td>
<td>Yes</td>
</tr>
<tr>
<td>--------------------------------</td>
<td>----------------------------------------------------------------------</td>
</tr>
</tbody>
</table>
| Products and services          | i. Description & time horizon: As a health and well-being company, the communities Humana serves may be directly and indirectly affected by climate-related issues. Natural disasters and crisis events can take a serious toll on health and well-being as people cope with the stress of rebuilding lives and communities. Our employees, customers and communities have dealt with wildfires, ice storms, floods, hurricanes, and building closures. After each event, Humana offered early prescription refills, suspended prior authorization requirements, and provided community-wide access to a crisis intervention hotline and counselling services. Some of our employees received assistance from Humana’s Helping Hands program, which provides financial support to qualified employees who face unexpected hardship from a tragic, isolated event. As our climate shifts and our customers’ needs shift in response, we are taking proactive measures to ensure their care is not interrupted. The time horizon of this influence is in the short-term.  
ii. Most substantial strategic decisions to date: Our customers’ have a growing need to have reliable access to early prescription refills prior to the more frequent and intense weather and precipitation events affecting our coastal service areas such as Florida, Puerto Rico, and Texas. Therefore, the Pharmacy Distribution team is establishing regional distribution hubs to ensure Humana’s distribution points are in closer proximity to customers where prescriptions need to be filled, particularly in the context of extreme weather events. Moreover, we have taken steps to engage the respective state governments, to request emergency approval for filling prescriptions in advance of extreme weather events. |
| Supply chain and/or value chain | Yes                                                                 |
|                                | i. Description & time horizon: Climate-related risks and opportunities have influenced our supply chain/value chain, with regard to identifying and engaging vendors who can support our progress toward achieving sustainability goals and reducing costs. Humana recognizes that its procurement practices have upstream and downstream impacts on GHG emissions, embodied carbon, energy consumption, air and water pollution, and waste generation. It is a focus of our procurement program whereby suppliers must share progress during business reviews regarding the use of sustainable products, influence our procurement decisions and translate to Humana employees the option of choosing sustainable alternatives when making purchases. The time horizon of this influence is in the short-term. |
ii. Most substantial strategic decisions to date: Humana developed a sustainability supplier scorecard and selected a facilities management vendor who can support our progress toward achieving environmental goals. The Sustainability Scorecard has been disseminated multiple times to collect information from key suppliers regarding their efforts to reduce the environmental impacts associated with their vendor engagement with Humana. For instance, we collect metrics such as whether the suppliers have environmental policies, management systems, supplier sustainability policies, hold green building certifications, among others. Humana invited 78 suppliers to participate in the survey in 2020. 21 of our suppliers responded for a rate of 27%. Those 21 suppliers made up approximately $800M in 2020 spend, which represented about 20% of our total spend in 2020. This initiative helped us understand the environmental impact of our vendor relationships and set the stage for more robust data collection; findings are reported in our CSR report updates to Humana leadership and stakeholders/shareholders. To facilitate progress on these targets, we have engaged our facilities management vendor with formalized expectations of their collaborative requirements to ensure attainment of our new targets. These expectations were included in the RFP when soliciting bids to elevate our sustainability progress; responding vendors then provided their expertise and recommendations to help us achieve our sustainability targets, which informed our final decision-making.

<table>
<thead>
<tr>
<th>Investment in R&amp;D</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>As Humana mainly offers health insurance and an integrated care delivery model, we consider development of these products and services to require general operating costs and do not report any investment toward developing our products in the 10-K as R&amp;D.</strong></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Operations</th>
<th>Yes</th>
</tr>
</thead>
<tbody>
<tr>
<td>i. Description &amp; time horizon: Physical climate-related risks and opportunities as described in 2.3a/2.4a have influenced our operations strategy, particularly with regard to implementing projects that support our progress toward achieving sustainability goals while saving on operational costs. Our Enterprise Associate and Business Solutions team works closely with vendors to identify projects, submit budget requests, and oversee progress toward our goals in the course of maintaining our facilities. The time horizon of this influence is in the short-term for annual efficiency measures, however also affect our capital investments in the longer-term.</td>
<td></td>
</tr>
</tbody>
</table>
Humana Inc. CDP Climate Change Questionnaire 2021

ii. Most substantial strategic decisions to date: Humana’s most substantial business decisions include setting emissions reduction and waste diversion targets in 2018 when our previous goal expired. To facilitate progress on these targets, we established formalized expectations of collaborative requirements to ensure attainment of our new targets with our facilities management vendor. These expectations were included in the RFP when soliciting bids in an effort to elevate our sustainability progress; responding vendors then provided their expertise and recommendations to help us achieve our sustainability targets, which informed our final decision-making. In addition, we continued our pursuit of renewable energy procurement to support an eventual science-based emissions reduction target. Humana has worked to understand the implications of a science-based target to our business by cultivating both internal and external relationships, setting the stage for robust future planning. Finally, we are continually pursuing space optimization at our facilities that are a strong contributor to our ability to reduce emissions.

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

<table>
<thead>
<tr>
<th>Financial planning elements that have been influenced</th>
<th>Description of influence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues, Indirect costs, Capital expenditures, Capital allocation, Access to capital, Assets, Liabilities</td>
<td>Description: Humana’s financial planning has been affected by climate-related risks and opportunities across many financial elements. In particular, the Enterprise Associate and Business Solutions team is working to drive operational efficiency across our portfolio at our offices, data centers and clinical locations. In doing so, we are reducing operational expenses and improving overall profitability. This is often accomplished through advocating and seeking access to capital through our annual budget, for which expenditures are allocated to raise funds for new, more efficient equipment, or repairs to existing infrastructure and equipment. As we do consider impacts of emerging regulations and investing in more efficient technology, there is a possibility for assets to become stranded, including less efficient fleet vehicles or equipment. i. Case study: The Sustainability team, comprised of staff within the Enterprise Associate and Business Solutions department and facilities management vendor, work collaboratively to plan for the financial requirements to achieve Humana’s environmental sustainability goals. We set challenging environmental targets and we continue to push for</td>
</tr>
</tbody>
</table>
energy projects where the return on investment makes sense. Sustainability champions meet every 6 weeks to collaborate opportunities and fill a pipeline of energy project ideas, which are reviewed during the annual budgeting process. Our annual budgeting process for both operating costs and capital allocation/expenditures is evaluated in the context of how they fit into our internal goals for annual reductions as well as our pursuit of EnergyStar certifications at the sites we own or lease and are single tenants. The teams work together to identify, plan, and prioritize projects that will make the most impact, as well as determine the potential cost. This information is also shared with our CSR team. The operating costs and capital allocation requests are then submitted each year for approval. The Sustainability team is working to expand our forecasting timeframes by collaborating with the infrastructure (comprised of staff within Enterprise Associate and Business Solutions and facilities management vendor) and project management teams to align the review with multi-year budget efforts with FM teams. With the ongoing pandemic during 2020 as a backdrop, Humana decided to reallocate project funding previously designated during the budgeting process to infrastructure projects originally slated for later in the year or future years. These projects’ timelines were escalated to make use of open building spaces while employees have been working from home. For example, we have upgraded the campus wide building management system at Humana Tower, for which the Hub will benefit from more efficient energy allocation and consumption.

ii. Time horizon: The time horizon of the influence on operating cost and capital allocation planning for energy projects is in the short-term.

C3.4a

(C3.4a) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).

N/A

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.
Target reference number
Abs 1

Year target was set
2018

Target coverage
Company-wide

Scope(s) (or Scope 3 category)
Scope 1+2 (location-based)

Base year
2017

Covered emissions in base year (metric tons CO2e)
89,840.69

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)
57

Target year
2022

Targeted reduction from base year (%)
10.5

Covered emissions in target year (metric tons CO2e) [auto-calculated]
80,407.41755

Covered emissions in reporting year (metric tons CO2e)
73,688.5

% of target achieved [auto-calculated]
171.225734077

Target status in reporting year
Underway

Is this a science-based target?
No, but we anticipate setting one in the next 2 years

Target ambition

Please explain (including target coverage)
To maintain the momentum achieved by our expired goal, Humana set a new emissions reduction target in 2018. By the end of 2022, Humana will achieve a 2.1% YOY decrease (cumulative 10.5%) in greenhouse gas emissions from 2017 baseline
emissions across our portfolio of owned and leased properties under direct Humana control. This goal utilizes the suggested annual reduction based on CDP's science-based target methodology.

While we exceeded the 2.1 percent YOY reduction in both 2018, 2019, and 2020 we plan to keep this target in place through 2022 to improve on this progress.

**C4.2**

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

Other climate-related target(s)

**C4.2b**

(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.

<table>
<thead>
<tr>
<th>Target reference number</th>
<th>Oth 1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year target was set</td>
<td>2018</td>
</tr>
<tr>
<td>Target coverage</td>
<td>Company-wide</td>
</tr>
<tr>
<td>Target type: absolute or intensity</td>
<td>Absolute</td>
</tr>
<tr>
<td>Target type: category &amp; Metric (target numerator if reporting an intensity target)</td>
<td>Waste management, Other, please specify Diversion rate (expressed as %)</td>
</tr>
<tr>
<td>Target denominator (intensity targets only)</td>
<td></td>
</tr>
<tr>
<td>Base year</td>
<td>2017</td>
</tr>
<tr>
<td>Figure or percentage in base year</td>
<td>40</td>
</tr>
<tr>
<td>Target year</td>
<td>2022</td>
</tr>
</tbody>
</table>
Figure or percentage in target year
60

Figure or percentage in reporting year
66.04

% of target achieved [auto-calculated]
130.2

Target status in reporting year
Underway

Is this target part of an emissions target?
No

Is this target part of an overarching initiative?
No, it's not part of an overarching initiative

Please explain (including target coverage)
In 2018, Humana set a third-generation bridge goal to achieve a 60 percent diversion rate of waste to landfill by the end of 2022, via reduction and recycling efforts at our portfolio sites where Humana and our vendors manage waste and recycling services. By the end of 2020, we achieved a 66% reduction, surpassing our goal.

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.
Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

<table>
<thead>
<tr>
<th>Number of initiatives</th>
<th>Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under investigation</td>
<td>0</td>
</tr>
<tr>
<td>To be implemented*</td>
<td>0</td>
</tr>
<tr>
<td>Implementation commenced*</td>
<td>1</td>
</tr>
<tr>
<td>Implemented*</td>
<td>11</td>
</tr>
<tr>
<td>Not to be implemented</td>
<td>0</td>
</tr>
</tbody>
</table>
### C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

<table>
<thead>
<tr>
<th>Initiative category &amp; Initiative type</th>
<th>Estimated annual CO2e savings (metric tonnes CO2e)</th>
<th>Scope(s)</th>
<th>Voluntary/Mandatory</th>
<th>Annual monetary savings (unit currency – as specified in C0.4)</th>
<th>Investment required (unit currency – as specified in C0.4)</th>
<th>Payback period</th>
<th>Estimated lifetime of the initiative</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy efficiency in buildings</td>
<td>377.95</td>
<td>Scope 2 (market-based)</td>
<td>Voluntary</td>
<td>82,904</td>
<td>172,818</td>
<td>1-3 years</td>
<td>16-20 years</td>
<td></td>
</tr>
<tr>
<td>Lighting</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Waste reduction and material circularity</td>
<td>0</td>
<td>Scope 3</td>
<td>Voluntary</td>
<td>70,939</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Investment required (unit currency – as specified in C0.4)
140,000

Payback period
1-3 years

Estimated lifetime of the initiative
16-20 years

Comment

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

<table>
<thead>
<tr>
<th>Method</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dedicated budget for energy efficiency</td>
<td>Humana has a dedicated budget for energy efficiency/energy conservation initiatives. This budget can be used for review, evaluation, implementation, and verification of greenhouse gas emissions reduction activities. The primary focus is on energy efficiency activities. Going forward, achievement of Humana's energy and GHG goals continues to be a significant motivator for financial investment in varied projects.</td>
</tr>
<tr>
<td>Employee engagement</td>
<td>Humana actively works to engage and empower all employees to address energy efficiency, emissions reductions, and improve the organization’s environmental footprint. Humana’s Environmental Sustainability Practice Lead and Enterprise Associate and Business Solutions team partner with other subject matter experts internally and externally to educate, engage and train employees to participate in environmentally and socially responsible activities at work and at home. Our environmental goals - addressing our material impacts including emissions (and therefore energy) and waste – are a primary driver for prioritizing these efforts. Several internal communication tools, including social media, shared site, and newsletters, are used to build awareness among our employees around sustainability and opportunities to engage. For example, employees can earn rewards for completing certain activities through our internal Working on Well-being (WOW) rewards program, which includes opportunities to engage in sustainability actions. In 2020, the Enterprise Associate and Business Solutions team held 15 different WOW live sessions over the course of the year, a Recycling 101 course and virtual Explore and Discover Activity. At our Waterside building, we held a ‘Ditch the Plastic Challenge’ to eliminate the use of bottled water and promote the use of reusable water bottles. We facilitated a ‘Recycle Art Challenge’ aligned with Make a Difference Day in October, where we challenged employees to create artwork from items they would have otherwise discarded. Additionally, in 2020, we launched a new composting 101 toolkit and created a video for our new hires to learn about our sustainability strategy and initiatives at Humana. From parking benefits to alternative transportation options to waste diversion, we continue to explore new ways we can reduce the commute burden</td>
</tr>
</tbody>
</table>
on our employees and the planet as well as engage employees in beneficial environmental activities in a way that makes sense for our business.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?

No

C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start
January 1, 2009

Base year end
December 31, 2009

Base year emissions (metric tons CO2e)
9,201

Comment

Scope 2 (location-based)

Base year start
January 1, 2009

Base year end
December 31, 2009

Base year emissions (metric tons CO2e)
119,158

Comment

Scope 2 (market-based)

Base year start
January 1, 2009

Base year end
December 31, 2009
Base year emissions (metric tons CO2e)

119,158

Comment

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.


C6. Emissions data

C6.1

(C6.1) What were your organization’s gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

10,837.71

Comment

C6.2

(C6.2) Describe your organization’s approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

C6.3

(C6.3) What were your organization’s gross global Scope 2 emissions in metric tons CO2e?

Reporting year
Scope 2, location-based
61,901.9

Scope 2, market-based (if applicable)
89,661.2

Comment

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?
No

C6.5

(C6.5) Account for your organization’s gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status
Relevant, calculated

Metric tonnes CO2e
439,823

Emissions calculation methodology
Spend data were classified into spend categories and then matched to emission factors (tCO2e/ million USD) from the Carnegie Mellon Economic Input-Output Life-Cycle Assessment (EIO-LCA) dataset. Data reported is based on 2019 spend data.

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain

Capital goods

Evaluation status
Relevant, calculated

Metric tonnes CO2e
27,835

Emissions calculation methodology
Spend data were classified into spend categories and then matched to emission factors (tCO2e/ million USD) from the Carnegie Mellon Economic Input-Output Life-Cycle Assessment (EIO-LCA) dataset. Data reported is based on 2019 spend data.

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

100

Please explain

**Fuel-and-energy-related activities (not included in Scope 1 or 2)**

<table>
<thead>
<tr>
<th>Evaluation status</th>
<th>Relevant, calculated</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Metric tonnes CO2e</strong></td>
<td>1,133.66</td>
</tr>
<tr>
<td><strong>Emissions calculation methodology</strong></td>
<td>Electricity and fuel activity data from Humana facilities were multiplied by well-to-tank (WTT) factors for fuels used in vehicles and stationary combustion, as well as in the generation of power by utilities, from which Humana procures electricity. Grid electricity consumption was also multiplied by factors representing transmission and distribution (T&amp;D) losses. T&amp;D and WTT emissions were added to determine final emissions.</td>
</tr>
<tr>
<td><strong>Percentage of emissions calculated using data obtained from suppliers or value chain partners</strong></td>
<td>100</td>
</tr>
<tr>
<td>Please explain</td>
<td></td>
</tr>
</tbody>
</table>

**Upstream transportation and distribution**

<table>
<thead>
<tr>
<th>Evaluation status</th>
<th>Relevant, calculated</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Metric tonnes CO2e</strong></td>
<td>52,715</td>
</tr>
<tr>
<td><strong>Emissions calculation methodology</strong></td>
<td>Spend data were classified into spend categories and then matched to emission factors (tCO2e/ million USD) from the Carnegie Mellon Economic Input-Output Life-Cycle Assessment (EIO-LCA) dataset. Data reported is based on 2019 spend data.</td>
</tr>
<tr>
<td><strong>Percentage of emissions calculated using data obtained from suppliers or value chain partners</strong></td>
<td>100</td>
</tr>
<tr>
<td>Please explain</td>
<td></td>
</tr>
</tbody>
</table>
Waste generated in operations

Evaluation status
Relevant, calculated

Metric tonnes CO2e
954.17

Emissions calculation methodology
Emissions associated with waste were calculated based on processing & transportation of waste generated in operations, using methodologies and emission factors from the EPA's Waste Reduction Model (WARM) and Base Carbone. This model bases its emissions calculations on a life-cycle analysis, including emissions from the long-term decomposition of waste in a landfill and upstream sources/sinks.

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain

Business travel

Evaluation status
Relevant, calculated

Metric tonnes CO2e
7,907.37

Emissions calculation methodology
Business travel activity data was multiplied by EPA-reported factors, reflecting emissions per mile travelled for air, rail, and vehicle travel associated with Humana' business operations.

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain

Employee commuting

Evaluation status
Relevant, calculated

Metric tonnes CO2e
143,958.64
Emissions calculation methodology
Anonymized HR data, including work and home zip codes of employees understood to be commuting to work every day was collected. A geocoding tool was leveraged to calculate the distance of the daily trip. Mileage that was either 0 or greater than 150 was excluded and those trips were replaced with the average trip mileage. It was assumed that each employee commuted 2 trips, 5 days per week over 48 weeks. Anonymized HR data representing the employees working from home, their employment category (full time/part time), zip code and anticipated working hours was collected. Leveraging the EcoAct working paper, emissions associated with the Heating, Cooling and Office Equipment were estimated based on the proportion of employees in the relevant eGRID regions.

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain

Upstream leased assets

Evaluation status
Not relevant, explanation provided

Please explain
This Scope 3 category does not meet any of the criteria (size, influence, risk, stakeholders, outsourcing, etc.) deemed as relevant under the WRI/WBCSD "Corporate Value Chain (Scope 3) Accounting & Reporting Standard" criteria of "sector guidance" as defined in Table 6.1 based on Humana's review of operations.

Downstream transportation and distribution

Evaluation status
Not relevant, explanation provided

Please explain
This Scope 3 category does not meet any of the criteria (size, influence, risk, stakeholders, outsourcing, etc.) deemed as relevant under the WRI/WBCSD "Corporate Value Chain (Scope 3) Accounting & Reporting Standard" criteria of "sector guidance" as defined in Table 6.1 based on Humana's review of operations.

Processing of sold products

Evaluation status
Not relevant, explanation provided

Please explain
This Scope 3 category does not meet any of the criteria (size, influence, risk, stakeholders, outsourcing, etc.) deemed as relevant under the WRI/WBCSD "Corporate
Value Chain (Scope 3) Accounting & Reporting Standard" criteria of "sector guidance" as defined in Table 6.1 based on Humana's review of operations.

Use of sold products

**Evaluation status**
Not relevant, explanation provided

**Please explain**
This Scope 3 category does not meet any of the criteria (size, influence, risk, stakeholders, outsourcing, etc.) deemed as relevant under the WRI/WBCSD Corporate Value Chain (Scope 3) Accounting & Reporting Standard" criteria of "sector guidance" as defined in Table 6.1 based on Humana's review of operations.

End of life treatment of sold products

**Evaluation status**
Not relevant, explanation provided

**Please explain**
This Scope 3 category does not meet any of the criteria (size, influence, risk, stakeholders, outsourcing, etc.) deemed as relevant under the WRI/WBCSD Corporate Value Chain (Scope 3) Accounting & Reporting Standard" criteria of "sector guidance" as defined in Table 6.1 based on Humana's review of operations.

Downstream leased assets

**Evaluation status**
Not relevant, explanation provided

**Please explain**
This Scope 3 category does not meet any of the criteria (size, influence, risk, stakeholders, outsourcing, etc.) deemed as relevant under the WRI/WBCSD Corporate Value Chain (Scope 3) Accounting & Reporting Standard" criteria of "sector guidance" as defined in Table 6.1 based on Humana's review of operations.

Franchises

**Evaluation status**
Not relevant, explanation provided

**Please explain**
This Scope 3 category does not meet any of the criteria (size, influence, risk, stakeholders, outsourcing, etc.) deemed as relevant under the WRI/WBCSD Corporate Value Chain (Scope 3) Accounting & Reporting Standard" criteria of "sector guidance" as defined in Table 6.1 based on Humana's review of operations.

Investments

**Evaluation status**
Not relevant, explanation provided
Please explain
Humana does not have significant investment income, relative to its operating income.

Other (upstream)

Evaluation status
Not evaluated

Please explain

Other (downstream)

Evaluation status
Not evaluated

Please explain

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?
Yes

C6.7a

(C6.7a) Provide the emissions from biogenic carbon relevant to your organization in metric tons CO2.

<table>
<thead>
<tr>
<th>CO2 emissions from biogenic carbon (metric tons CO2)</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Row 1 1.974</td>
<td></td>
</tr>
</tbody>
</table>

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure
0.0000009428

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)
72,739.61

Metric denominator
unit total revenue
Metric denominator: Unit total
77,155,000,000

Scope 2 figure used
Location-based

% change from previous year
28.08

Direction of change
Decreased

Reason for change
Humana’s aggregate Scope 1 and 2 GHG emissions decreased by 14% from 2019 to 2020, largely due to our operational response to the pandemic and need for our employees to shift to a remote work location. This shift in working locations allowed Humana to reduce energy consumption across our office locations through energy optimization efforts during 2020. Emissions reductions initiatives noted in C4.3b also contributed to the overall reduction. In particular, Humana implemented several LED lighting retrofits saving approximately 380 mtons CO2e. Revenues increased during the same time period, resulting in an overall decrease in this intensity metric.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?
Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

<table>
<thead>
<tr>
<th>Greenhouse gas</th>
<th>Scope 1 emissions (metric tons of CO2e)</th>
<th>GWP Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>CO2</td>
<td>10,682.82</td>
<td>IPCC Fifth Assessment Report (AR5 – 100 year)</td>
</tr>
<tr>
<td>CH4</td>
<td>6.79</td>
<td>IPCC Fifth Assessment Report (AR5 – 100 year)</td>
</tr>
<tr>
<td>N2O</td>
<td>8.42</td>
<td>IPCC Fifth Assessment Report (AR5 – 100 year)</td>
</tr>
<tr>
<td>HFCs</td>
<td>139.69</td>
<td>IPCC Fifth Assessment Report (AR5 – 100 year)</td>
</tr>
</tbody>
</table>
C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

<table>
<thead>
<tr>
<th>Country/Region</th>
<th>Scope 1 emissions (metric tons CO2e)</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States of America</td>
<td>10,599.63</td>
</tr>
<tr>
<td>Puerto Rico</td>
<td>238.08</td>
</tr>
</tbody>
</table>

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By activity

C7.3c

(C7.3c) Break down your total gross global Scope 1 emissions by business activity.

<table>
<thead>
<tr>
<th>Activity</th>
<th>Scope 1 emissions (metric tons CO2e)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vehicle Fleet</td>
<td>1,473.3</td>
</tr>
<tr>
<td>Offices</td>
<td>9,400.41</td>
</tr>
</tbody>
</table>

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

<table>
<thead>
<tr>
<th>Country/Region</th>
<th>Scope 2, location-based (metric tons CO2e)</th>
<th>Scope 2, market-based (metric tons CO2e)</th>
<th>Purchased and consumed electricity, heat, steam or cooling (MWh)</th>
<th>Purchased and consumed low-carbon electricity, heat, steam or cooling accounted for in Scope 2 market-based approach (MWh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Puerto Rico</td>
<td>1,418.47</td>
<td>1,418.47</td>
<td>2,026.57</td>
<td>0</td>
</tr>
<tr>
<td>United States of America</td>
<td>60,483.43</td>
<td>88,242.73</td>
<td>140,468.82</td>
<td>0</td>
</tr>
</tbody>
</table>

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By activity

C7.6c

(C7.6c) Break down your total gross global Scope 2 emissions by business activity.

<table>
<thead>
<tr>
<th>Activity</th>
<th>Scope 2, location-based (metric tons CO2e)</th>
<th>Scope 2, market-based (metric tons CO2e)</th>
</tr>
</thead>
</table>

43
C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

<table>
<thead>
<tr>
<th>Change in emissions (metric tons CO2e)</th>
<th>Direction of change</th>
<th>Emissions value (percentage)</th>
<th>Please explain calculation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Change in renewable energy consumption</td>
<td>0.74</td>
<td>Decreased</td>
<td>0.0009</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Humana increased our owned onsite renewable energy coverage by over 770 kWh, which avoided an additional 0.74 mtons CO2e. The site-specific location-based electric power emission factor was applied to the site-level RE volume in 2019 and 2020. Avoided emissions were then calculated as the difference between the site level totals. Compared to our total Scope 1 and Scope 2 emissions in the previous year of 85,059 tCO2e, we therefore arrived at -0.0009% through (-0.74/85,059) * 100 = -0.009% (i.e. a 0.0009% decrease in emissions).</td>
</tr>
<tr>
<td>Other emissions reduction activities</td>
<td>377.95</td>
<td>Decreased</td>
<td>0.4443</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Due to ‘other emissions reduction activities’ implemented during the year, in particular the 11 emissions reductions initiatives referenced in C4.3b, 378 metrics tonnes of CO2e were avoided. Compared to our total Scope 1 and Scope 2 emissions in the previous year of 85,059 tCO2e, we therefore arrived at -0.4443% through (-388/85,059) * 100 = -0.4443% (i.e. a 0.4443% decrease in emissions).</td>
</tr>
<tr>
<td>Mergers</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>---------</td>
<td>------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in output</td>
<td>11,940.69</td>
<td>Decreased</td>
<td>14.0381</td>
</tr>
</tbody>
</table>
| Due to our response to the pandemic, most of our employees worked from remote locations, for which the associated emissions were calculated in scope 3, 'employee commuting.' Given fewer employees, we were able to optimize our energy use and emissions across our offices in our real estate portfolio. Compared to our total Scope 1 and Scope 2 emissions in the previous year of 85,059 tCO2e, we therefore arrived at 14.0381% through `(11,940.69/85,059) * 100 = -14.0381%` (i.e. a 14.0381% decrease in emissions).

<table>
<thead>
<tr>
<th>C7.9b</th>
</tr>
</thead>
<tbody>
<tr>
<td>(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?</td>
</tr>
<tr>
<td>Location-based</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>C8. Energy</th>
</tr>
</thead>
<tbody>
<tr>
<td>C8.1</td>
</tr>
<tr>
<td>(C8.1) What percentage of your total operational spend in the reporting year was on energy?</td>
</tr>
<tr>
<td>More than 0% but less than or equal to 5%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>C8.2</th>
</tr>
</thead>
<tbody>
<tr>
<td>(C8.2) Select which energy-related activities your organization has undertaken.</td>
</tr>
<tr>
<td>Activity</td>
</tr>
<tr>
<td>-------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Consumption of fuel (excluding feedstocks)</td>
</tr>
<tr>
<td>Consumption of purchased or acquired electricity</td>
</tr>
<tr>
<td>Consumption of purchased or acquired heat</td>
</tr>
<tr>
<td>Consumption of purchased or acquired steam</td>
</tr>
<tr>
<td>Consumption of purchased or acquired cooling</td>
</tr>
<tr>
<td>Generation of electricity, heat, steam, or cooling</td>
</tr>
</tbody>
</table>

**C8.2a**

(C8.2a) Report your organization’s energy consumption totals (excluding feedstocks) in MWh.

<table>
<thead>
<tr>
<th>Activity</th>
<th>Heating value</th>
<th>MWh from renewable sources</th>
<th>MWh from non-renewable sources</th>
<th>Total (renewable and non-renewable) MWh</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumption of fuel (excluding feedstock)</td>
<td>HHV (higher heating value)</td>
<td>0</td>
<td>56,112.44</td>
<td>56,112.44</td>
</tr>
<tr>
<td>Consumption of purchased or acquired electricity</td>
<td>0</td>
<td>142,495.39</td>
<td>142,495.39</td>
<td></td>
</tr>
<tr>
<td>Consumption of self-generated non-fuel renewable energy</td>
<td>10.72</td>
<td></td>
<td>10.72</td>
<td></td>
</tr>
<tr>
<td>Total energy consumption</td>
<td>10.72</td>
<td>198,607.83</td>
<td>198,618.55</td>
<td></td>
</tr>
</tbody>
</table>

**C8.2b**

(C8.2b) Select the applications of your organization’s consumption of fuel.

<table>
<thead>
<tr>
<th>Application</th>
<th>Undertaken in Reporting Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumption of fuel for the generation of electricity</td>
<td>Yes</td>
</tr>
</tbody>
</table>
Consumption of fuel for the generation of heat | Yes
---|---
Consumption of fuel for the generation of steam | No
Consumption of fuel for the generation of cooling | No
Consumption of fuel for co-generation or tri-generation | No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

<table>
<thead>
<tr>
<th>Fuels (excluding feedstocks)</th>
<th>Propane Gas</th>
</tr>
</thead>
<tbody>
<tr>
<td>Heating value</td>
<td>HHV (higher heating value)</td>
</tr>
<tr>
<td>Total fuel MWh consumed by the organization</td>
<td>48.14</td>
</tr>
<tr>
<td>MWh fuel consumed for self-generation of electricity</td>
<td>0</td>
</tr>
<tr>
<td>MWh fuel consumed for self-generation of heat</td>
<td>48.14</td>
</tr>
<tr>
<td>Emission factor</td>
<td>63.113</td>
</tr>
<tr>
<td>Unit</td>
<td>kg CO2e per million Btu</td>
</tr>
</tbody>
</table>

Emissions factor source

Comment

Fuels (excluding feedstocks)
Diesel

**Heating value**

HHV (higher heating value)

**Total fuel MWh consumed by the organization**

2,908.2

**MWh fuel consumed for self-generation of electricity**

2,908.2

**MWh fuel consumed for self-generation of heat**

0

**Emission factor**

74.143

**Unit**

kg CO2e per million Btu

**Emissions factor source**


**Comment**

Stationary diesel

---

**Fuels (excluding feedstocks)**

Biodiesel

**Heating value**

HHV (higher heating value)

**Total fuel MWh consumed by the organization**

11.83

**MWh fuel consumed for self-generation of electricity**

0

**MWh fuel consumed for self-generation of heat**

11.83

**Emission factor**

7.9

**Unit**

kg CO2 per gallon
Emissions factor source
EPA, "Emission Factors for Greenhouse Gas Inventories", April 1, 2021

Comment

-------------------------------------------------------------

Fuels (excluding feedstocks)
Jet Kerosene

Heating value
HHV (higher heating value)

Total fuel MWh consumed by the organization
5,895.18

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
5,895.18

Emission factor
69.493

Unit
kg CO2e per million Btu

Emissions factor source
EPA, "Emission Factors for Greenhouse Gas Inventories," Table 1 Stationary Combustion Emission Factors, April 1, 2021

Comment

-------------------------------------------------------------

Fuels (excluding feedstocks)
Diesel

Heating value
HHV (higher heating value)

Total fuel MWh consumed by the organization
104.7

MWh fuel consumed for self-generation of electricity
MWh fuel consumed for self-generation of heat
104.7

Emission factor
73.96

Unit
kg CO2e per million Btu

Emissions factor source

Comment
Mobile diesel

Fuels (excluding feedstocks)
Natural Gas

Heating value
HHV (higher heating value)

Total fuel MWh consumed by the organization
47,954.39

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
47,954.39

Emission factor
53.115

Unit
kg CO2e per million Btu

Emissions factor source

Comment
### C8.2d

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

<table>
<thead>
<tr>
<th></th>
<th>Total Gross generation (MWh)</th>
<th>Generation that is consumed by the organization (MWh)</th>
<th>Gross generation from renewable sources (MWh)</th>
<th>Generation from renewable sources that is consumed by the organization (MWh)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Electricity</strong></td>
<td>10.72</td>
<td>10.72</td>
<td>10.72</td>
<td>10.72</td>
</tr>
<tr>
<td><strong>Heat</strong></td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Steam</strong></td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Cooling</strong></td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

### C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero emission factor in the market-based Scope 2 figure reported in C6.3.

**Sourcing method**

None (no purchases of low-carbon electricity, heat, steam or cooling)

**Low-carbon technology type**

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

**MWh consumed accounted for at a zero emission factor**

**Comment**

### C9. Additional metrics

**C9.1**

(C9.1) Provide any additional climate-related metrics relevant to your business.

<table>
<thead>
<tr>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Waste</td>
</tr>
</tbody>
</table>
Humana Inc.
CDP Climate Change Questionnaire 2021

Metric value
1,393.33

Metric numerator
Metric tons of diverted waste

Metric denominator (intensity metric only)
2109.95

% change from previous year
4.3

Direction of change
Decreased

Please explain
The amount of waste diverted to recycling from Humana facilities amounted to 66% of all waste.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

<table>
<thead>
<tr>
<th>Scope</th>
<th>Verification/assurance status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scope 1</td>
<td>Third-party verification or assurance process in place</td>
</tr>
<tr>
<td>Scope 2 (location-based or market-based)</td>
<td>Third-party verification or assurance process in place</td>
</tr>
<tr>
<td>Scope 3</td>
<td>Third-party verification or assurance process in place</td>
</tr>
</tbody>
</table>

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach  
Scope 2 location-based

Verification or assurance cycle in place  
Annual process

Status in the current reporting year  
Complete

Type of verification or assurance  
Limited assurance

Attach the statement

Humana Verification Letter_FY2020_Signed.pdf

Page/ section reference  
Pg 3

Relevant standard  
ISO14064-3

Proportion of reported emissions verified (%)  
100
Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
Humana Verification Letter_FY2020_Signed.pdf

Page/section reference
Pg 3

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category
Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
Humana Verification Letter_FY2020_Signed.pdf

Page/section reference
Pg 3

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100
Scope 3 category
Scope 3: Waste generated in operations

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement

Humana Verification Letter_FY2020_Signed.pdf

Page/section reference
Pg 3

Relevant standard

Proportion of reported emissions verified (%)
100

Scope 3 category
Scope 3: Employee commuting

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement

Humana Verification Letter_FY2020_Signed.pdf

Page/section reference
Pg 3

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)

**Scope 3 category**  
Scope 3: Business travel

**Verification or assurance cycle in place**  
Annual process

**Status in the current reporting year**  
Complete

**Type of verification or assurance**  
Limited assurance

**Attach the statement**

Humana Verification Letter_FY2020_Signed.pdf

**Page/section reference**  
Pg 3

**Relevant standard**  
ISO14064-3

**Proportion of reported emissions verified (%)**  
100

### C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?  
No, but we are actively considering verifying within the next two years

### C11. Carbon pricing

#### C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?  
No, and we do not anticipate being regulated in the next three years

#### C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?  
No
C11.3

(C11.3) Does your organization use an internal price on carbon?
No, and we do not currently anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?
Yes, our suppliers
Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

<table>
<thead>
<tr>
<th>Type of engagement</th>
<th>Details of engagement</th>
<th>% of suppliers by number</th>
<th>% total procurement spend (direct and indirect)</th>
<th>% of supplier-related Scope 3 emissions as reported in C6.5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Information collection (understanding supplier behavior)</td>
<td>Collect climate change and carbon information at least annually from suppliers</td>
<td>0.27</td>
<td>20</td>
<td></td>
</tr>
</tbody>
</table>

Rationale for the coverage of your engagement
Humana’s engagement with the suppliers is prioritized to reach a substantial amount and maximize coverage of procurement spend. Our goal is to engage suppliers that represent over 25% of spend or more.

Impact of engagement, including measures of success
i. Measures of success: Humana considers strong engagement by suppliers receiving our Supplier Self-Assessment Sustainability Scorecard as a measure of success. Our goal is to engage suppliers that represent over 25% of spend or more. From a qualitative perspective, we feel that expanding our supplier outreach helps set the stage for strategic integration in our sourcing strategy going forward.

ii. Impact of engagement according to measures of success: Our fourth release of the Supplier Self-Assessment Sustainability Scorecard engaged more suppliers than the previous year. For instance, we collect metrics such as whether the suppliers have
environmental policies, management systems, supplier sustainability policies, hold green building certifications, among others. Humana invited 78 suppliers to participate in the survey in 2020. 21 of our suppliers responded for a rate of 27%. Those 21 suppliers made up approximately $800M in 2020 spend, which represented about 20% of our total spend in 2020. The Scorecard requests are distributed via email and responses are collected through self-reporting of the suppliers. Pending our availability, we follow up through one-on-one engagement. Via the Scorecard, we collect information from key suppliers regarding their efforts to reduce the environmental impacts associated with their vendor engagement with Humana. This initiative helped us understand the environmental impact of our vendor relationships and set the stage for more robust data collection; findings are reported in our CSR report updates, internal scorecard, and to Humana leadership. We aim to expand this initiative in the future by engaging suppliers that represent the greatest impact. As our supply chain program evolves, implementation of the supplier scorecard process will be evaluated on its ability to support our efforts in meeting CDP expectations, assist with sourcing decisions, mitigate risk, and be used as a tracking tool for business reviews. We have strengthened our approach by initiating information requests for larger suppliers during the contract renewal or new vendor engagement process; this underscores our intention to maintain this practice for these suppliers on an annual basis.

Comment
% of supplier and % of spend are estimates, as numerators include suppliers that do not have spend associated with them.

Type of engagement
Innovation & collaboration (changing markets)

Details of engagement
Other, please specify
Collaboration to achieve Humana’s environmental goals

% of suppliers by number
0

% total procurement spend (direct and indirect)
0.03

% of supplier-related Scope 3 emissions as reported in C6.5
0

Rationale for the coverage of your engagement
Humana’s engagement with the suppliers listed in this row is limited to those where we pursued opportunities to reduce our waste or other environmental impacts, thereby supporting our progress toward our environmental targets.

Impact of engagement, including measures of success
i. Measure of success: We measure success based on participation and engagement from our value chain partners as well as their contribution toward our environmental
goals. Additionally, we have implemented specific KPIs for our facility management vendor to incentivize action toward our climate-related initiatives. These KPIs include: a reduction of – 2% in greenhouse gas emissions in 2020 per agreed upon baseline emissions and 2.7% increase in the diversion rate in 2020 based on mutually agreed upon baseline.

ii. Impact of engagement according to measures of success: Humana proactively works with our suppliers to identify opportunities to collaborate and improve our environmental sustainability. After setting new emissions reduction and waste diversion targets to ensure continued improvement in 2018 and beyond, we engaged a new facilities management vendor with formalized expectations of their collaborative requirements to ensure attainment of our new targets. These expectations were included in the RFP when soliciting bids in an effort called “Project Elevate” to elevate our sustainability progress; responding vendors then provided their expertise and recommendations to help us achieve our sustainability targets, which informed our final decision-making. This strategic engagement has continued through 2020, and has proven to be a vital component to achieving progress against our targets. Our vendor has worked with us to achieve Energy Star certifications across 22 facilities, divert over 300 tons of waste through our West Chester baler project, among other successes, including the decision to optimize the time during the pandemic while occupancy of facilities was at a low to accelerate capital projects, for which we hope to incur energy efficiencies from these projects in years to come.

Comment  
% of suppliers by number is <1%

**C12.1d**

**(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.**

Humana sees our value chain as an extension of our business. We proactively work to connect our suppliers and employees to identify opportunities to collaborate and improve our environmental sustainability. Our employees are therefore considered to be a vital partner in our value chain.

Humana has worked toward making overall employee engagement efforts more robust with the goal of embedding sustainability throughout our company. Our environmental goals - addressing our material impacts including emissions (and therefore energy) and waste – are a primary driver for prioritizing these efforts. Several internal communication tools, including social media, shared site, and newsletters, are used to build awareness among our employees around sustainability and opportunities to engage. For example, employees have a matching gift benefit in HumanaTogether that is often expanded or increased during certain disasters for certain organizations doing work to offer relief and employees can earn rewards for completing certain activities through our internal Working on Well-being (WOW) rewards program, which includes opportunities to engage in sustainability actions. In 2020, the Enterprise Associate and Business Solutions team held 15 different WOW live sessions over the course of the year, a Recycling 101 course and virtual Explore and Discover Activity. At our Waterside building, we
held a ‘Ditch the Plastic Challenge’ to eliminate the use of bottled water and promote the use of reusable water bottles. We facilitated a ‘Recycle Art Challenge’ aligned with Make a Difference Day in October, where we challenged employees to create artwork from items they would have otherwise discarded. Additionally, in 2020, we launched a new composting 101 toolkit and created a video for our new hires to learn about our sustainability strategy and initiatives at Humana. From parking benefits to alternative transportation options to waste diversion, we continue to explore new ways we can reduce the commute burden on our employees and the planet as well as engage employees in beneficial environmental activities in a way that makes sense for our business.

The Humana Foundation also creates an opportunity for engagement. We partner with organizations and send disaster relief funding to address the impacts of extreme weather-related events or other situations. Additionally, employees are empowered to encourage the organizations they support to apply for the Community Partners Program, launched in 2018. Organizations receiving funding support the health and well-being in the Louisville area, with some organizations having a focus on the natural environment, such as the Louisville Parks Foundation in 2020. These organizations are also supported through employee volunteer efforts.

Humana currently measures success based on participation and engagement from our value chain partners. Our employee engagement efforts are strategically vital to meeting our environmental goals.

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

Other

C12.3e

(C12.3e) Provide details of the other engagement activities that you undertake.

Humana believes in constructive engagement with the communities in which we operate. For example, the Louisville Sustainability Council (LSC) is a public private partnership that works collaboratively with Metro Louisville's Office of Sustainability to facilitate the achievement of Louisville’s sustainability goals. Humana is represented on the Board of Directors for LSC, demonstrating a recognition by Humana employees that community engagement represents a valuable opportunity to promote sustainability at our headquarters location. Our employee community reached Humana’s Associate Bold Goal by the end of 2018, reducing Unhealthy Days by 20% and giving employees 2.3 million more Healthy Days as a community. Upon reaching that milestone, an ambitious new goal was created to inspire everyone to go further: to achieve 500,000 more Healthy Days by the end of 2022. In addition to Healthy Days, our new Associate Bold Goal includes a team element: our target is for 90% of our teams to improve their well-being. Teaming up with community nonprofits, business leaders, local government officials and city councils, we joined in conversations and partnerships that required us to listen and learn. We came back to the drawing board time and time again to figure out more and better ways to impact health outcomes and support initiatives that were
important to sustaining communities. Those conversations led us to take a hard look at social
determinants of health to understand how we can best connect community members to the
necessary resources and support, building towards sustainable solutions. We have partnered
with AIR Louisville using technology, data analytics, and community collaboration to better
understand the environmental triggers of asthma that afflicts almost 13% of the population in
the city where we are headquartered. The intention of this program is to identify the causes of
asthma, which will then help our city leaders make smarter decisions about air quality. We’ve
embedded the Bold Goal approach into 16 communities across the country.

C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and
indirect activities that influence policy are consistent with your overall climate change
strategy?

In addition to oversight of the Corporate Social Responsibility program at Humana, the
company’s Government Affairs department leads all government relations and related policy
initiatives. Internal key stakeholders and/or subject matter experts are identified to provide
guidance on any such matters related to trade associations or policymakers in order to ensure
the alignment of the activities with Humana’s overall climate strategy. These include but are not
limited to participation in conferences, speaking engagements, surveys, and the release of
communications relating to environmental concerns.

C12.4

(C12.4) Have you published information about your organization’s response to climate
change and GHG emissions performance for this reporting year in places other than
in your CDP response? If so, please attach the publication(s).

Publication
In voluntary sustainability report

Status
Underway – previous year attached

Attach the document


Page/Section reference
44-46

Content elements
Strategy
Emission targets
Other metrics

Comment
C15. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C15.1

(C15.1) Provide details for the person that has signed off (approved) your CDP climate change response.

<table>
<thead>
<tr>
<th>Job title</th>
<th>Corresponding job category</th>
</tr>
</thead>
<tbody>
<tr>
<td>President and Chief Executive Officer</td>
<td>Chief Executive Officer (CEO)</td>
</tr>
</tbody>
</table>

SC. Supply chain module

SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

Humana Inc. is committed to helping our millions of medical and specialty customers achieve their best health. Our successful history in care delivery and health plan administration is helping us create a new kind of integrated care with the power to improve health and well-being and lower costs. Our efforts are leading to a better quality of life for people with Medicare, families, individuals, military service personnel, and communities at large.

To accomplish that, we support physicians and other health care professionals as they work to deliver the right care in the right place for their patients, our customers. Our range of clinical capabilities, resources and tools – such as in-home care, behavioral health, pharmacy services, data analytics and wellness solutions – combine to produce a simplified experience that makes health care easier to navigate and more effective.

More information regarding Humana is available to investors via the Investor Relations page of the company’s web site at [www.humana.com](http://www.humana.com), including copies of:

- Annual reports to stockholders
- Securities and Exchange Commission filings
- Most recent investor conference presentations
- Quarterly earnings news releases and conference calls
- Calendar of events
- Corporate Governance information
### SC0.1

(SC0.1) What is your company’s annual revenue for the stated reporting period?

<table>
<thead>
<tr>
<th>Row 1</th>
<th>Annual Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>77,155,000,000</td>
<td></td>
</tr>
</tbody>
</table>

### SC0.2

(SC0.2) Do you have an ISIN for your company that you would be willing to share with CDP?  
No

### SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

---------------------------------------------------------------

**Requesting member**  
U.S. General Services Administration - OMB ICR #3090-0319

**Scope of emissions**  
Scope 1

**Allocation level**  
Company wide

**Allocation level detail**

**Emissions in metric tonnes of CO2e**  
70.23

**Uncertainty (±%)**  
5

**Major sources of emissions**  
Vehicle fuel consumption, facility natural gas consumption

**Verified**  
Yes

**Allocation method**  
Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**
Humana conducted a comprehensive corporate inventory of greenhouse gas emissions associated with company operations. The company was able to obtain primary data for all scope 1 sources. The results of the inventory were reviewed and verified by a certified third party.

---

**Requesting member**
U.S. General Services Administration - OMB ICR #3090-0319

**Scope of emissions**
Scope 2

**Allocation level**
Company wide

**Allocation level detail**

**Emissions in metric tonnes of CO2e**
581.05

**Uncertainty (±%)**
5

**Major sources of emissions**
Purchased electricity consumption

**Verified**
Yes

**Allocation method**
Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**
Humana conducted a comprehensive corporate inventory of greenhouse gas emissions associated with company operations. The company was able to obtain primary data for all scope 2 sources. The results of the inventory were reviewed and verified by a certified third party.

---

**Requesting member**
U.S. General Services Administration - OMB ICR #3090-0319

**Scope of emissions**
Scope 3

**Allocation level**
Company wide

Allocation level detail

Emissions in metric tonnes of CO2e
4,369.95

Uncertainty (±%)
5

Major sources of emissions
Purchased goods and services, capital goods, fuel- and energy-related activities, upstream transportation and distribution, waste generated in operations, employee commute, and business travel.

Verified
No

Allocation method
Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made
Humana calculated scope 3 emissions for sources in which primary data was available or for which estimates could be completed using activity data. Not all emissions associated with the activities listed in column 5 were not verified.

SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

To allocate emissions, we have used our own (primary) data in answering question SC1.1. We have not relied on any published (secondary) data for the allocation.

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

<table>
<thead>
<tr>
<th>Allocation challenges</th>
<th>Please explain what would help you overcome these challenges</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer base is too large and diverse to accurately track emissions to the customer level</td>
<td>Due to the nature of Humana’s business, allocating GHG emissions associated with administration and management activities to specific customers is inherently difficult. While Humana is confident in the GHG emissions figures reported in section 1.1, more specific guidance on the scope of the GSA’s request would support Humana’s ability to improve its allocation process.</td>
</tr>
</tbody>
</table>
SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?
No

SC1.4b

(SC1.4b) Explain why you do not plan to develop capabilities to allocate emissions to your customers.
At this time, Humana does not have access to additional information that would allow the company to further develop its ability to allocate emissions to customers, or provide more granular figures for customer-specific activities.

SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?
No

SC4.1

(SC4.1) Are you providing product level data for your organization’s goods or services?
No, I am not providing data

Submit your response

In which language are you submitting your response?
English

Please confirm how your response should be handled by CDP

<table>
<thead>
<tr>
<th>I am submitting to</th>
<th>Public or Non-Public Submission</th>
<th>Are you ready to submit the additional Supply Chain questions?</th>
</tr>
</thead>
<tbody>
<tr>
<td>I am submitting my response</td>
<td>Investors, Customers</td>
<td>Public</td>
</tr>
</tbody>
</table>
Please confirm below
  I have read and accept the applicable Terms