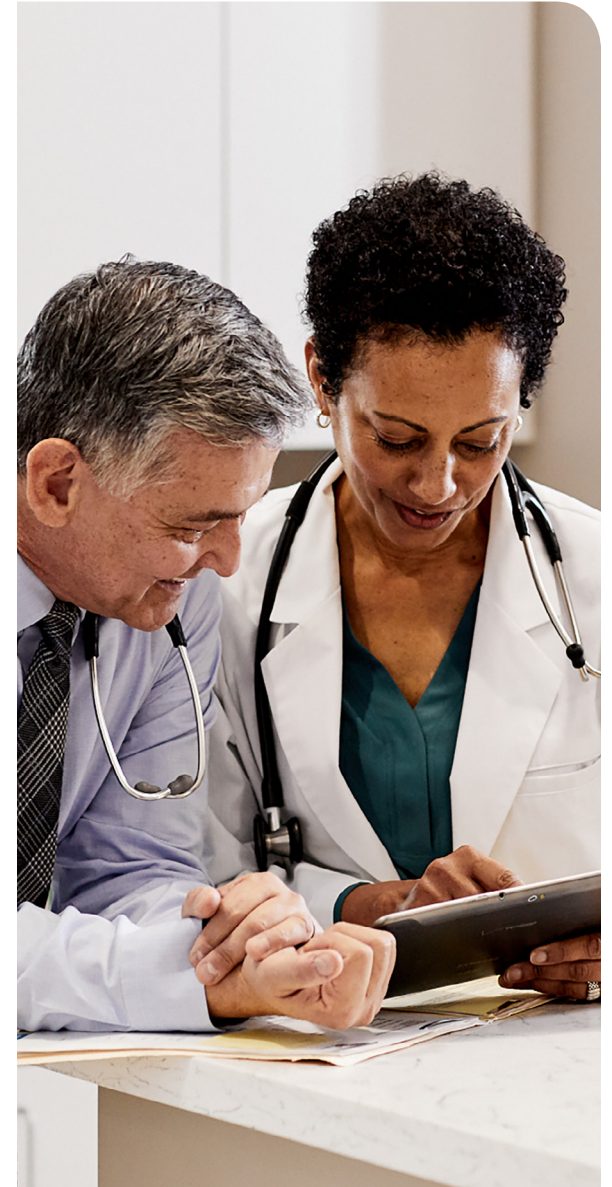


# Humana 2016-2017 Corporate Social Responsibility Report



**Humana.**

# Humana CSR

*Inspire Health* – it’s one of our Humana values, and highlights how we’re working to be a catalyst for health – for our employees, our members and our communities. At Humana, when we hear “Corporate Social Responsibility,” *inspiring health* is what comes to mind. We focus on “total-person” health (as opposed to just physical health), and strive for health equity, so **everyone** can be their best self.

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## HEALTHY PEOPLE

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# ■ Letter from ■ Bruce Broussard



At Humana, we have more than 16 million reasons to be the kind of company that shows we care about people. With more than 16 million members across the U.S. and Puerto Rico, we work every day to improve people's health and well-being. Helping people be healthier is what we do to make a positive impact on the lives we touch and the communities we serve.

We're pleased to share our 2016–2017 Corporate Social Responsibility Report. Since publishing our last report, we've made great progress in leveraging partnerships and innovative programs to create positive impacts for our communities, the environment and our business. Here are just

PRESIDENT & CHIEF  
EXECUTIVE OFFICER

a few examples of how our **Healthy People, Healthy Planet, Healthy Performance** Corporate Citizenship platform comes to life every day at Humana:

**Our Bold Goal**—to make the communities we serve 20 percent healthier by 2020—is making a real difference in people's lives. Since 2015, four of our original seven Bold Goal communities (Knoxville, Baton Rouge, New Orleans and San Antonio) have demonstrated improved Healthy Days and clinical outcomes due, in part, to strong relationships we have helped foster among physicians, patients and their communities.

**Our employees** rallied around the environmental goals we set in 2014 and have been able to reduce our greenhouse gas emissions by more than 6 percent and divert 40 percent of waste by using less and recycling more. Also, as of June 30, 2018, we achieved our goal to reduce energy consumption by five percent (compared to a 2013 baseline).

As part of our **inclusion and diversity** commitment, we have increased the number of employee-led network resource

groups (NRGs) to eight. Now, more than 25 percent of our employees participate in our NRGs and report higher scores in the areas of purpose and belonging in our well-being index.

Throughout this report, you'll find some of the best examples of work we're doing with communities across the country to make a measurable difference in helping people improve their health. That's what being a good corporate citizen means to us. We work with our employees, members and

communities so that everyone has a chance to achieve their best health and to lead a healthy life. Together with our partners, we are helping people experience more Healthy Days. And when we focus on the health of the people we serve, on the planet, and on our company's performance, we truly do well by doing good.

We recognize that our work is not done, but we're proud of the progress we've made and are pleased to share it with you. We welcome your feedback on how we're doing.

---

SINCERELY,

A handwritten signature in black ink, reading "Bruce Broussard". The signature is fluid and cursive, with the first name "Bruce" and last name "Broussard" clearly distinguishable.

**BRUCE BROUSSARD**  
PRESIDENT &  
CHIEF EXECUTIVE OFFICER





# About Humana

HEALTH & WELL-BEING ARE AT OUR CORE



Since the company's founding 57 years ago in Louisville, Kentucky, Humana has made it our mission to help people along their health and well-being journeys. Over time, as the health needs of people and communities have changed, we have expanded that mission and have begun to change the way people think about and relate to "healthcare." The definition—and our job—has grown, to look at people more holistically, knowing that their health and well-being go far beyond their physical status.

With an expanding perspective, we have branched out to take on new businesses, forged relationships with new partners, and touched people more deeply and broadly along their life paths.

## MEETING PEOPLE WHERE THEY ARE

We have moved to an integrated care approach to meet people where they are on their journey—helping them discover what's most important to them, providing resources and guidance so they can achieve their best health, and assisting them in managing an often unwieldy healthcare system.

With our proactive work in the communities we serve and the environment in which we all live, we know we are making a positive difference. Keeping health and well-being at the core of our mission has made it possible.

Humana is committed to helping our millions of medical and specialty members 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 healthcare professionals as they work to deliver the right care in the right place for their patients, our members. 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 healthcare easier to navigate and more effective.

SELECT ECONOMIC DATA	2017	2016
REVENUES	\$53.8B	\$54.4B
OPERATING COSTS	\$6.6B	\$7.2B
DIVIDENDS PAID	\$220M	\$177M
INTEREST PAYMENTS	\$216M	\$185M
PAYMENTS TO GOVERNMENT	\$1.5B	\$916M
COMMUNITY INVESTMENTS	\$15.7M	\$13.3M
EMPLOYEE WAGES & BENEFITS	\$4.4B	\$4.1B

Humana is a publicly traded Delaware corporation that is listed on the New York Stock Exchange and trades under the ticker symbol: HUM.

# Materiality



## KNOWING WHAT MATTERS MOST

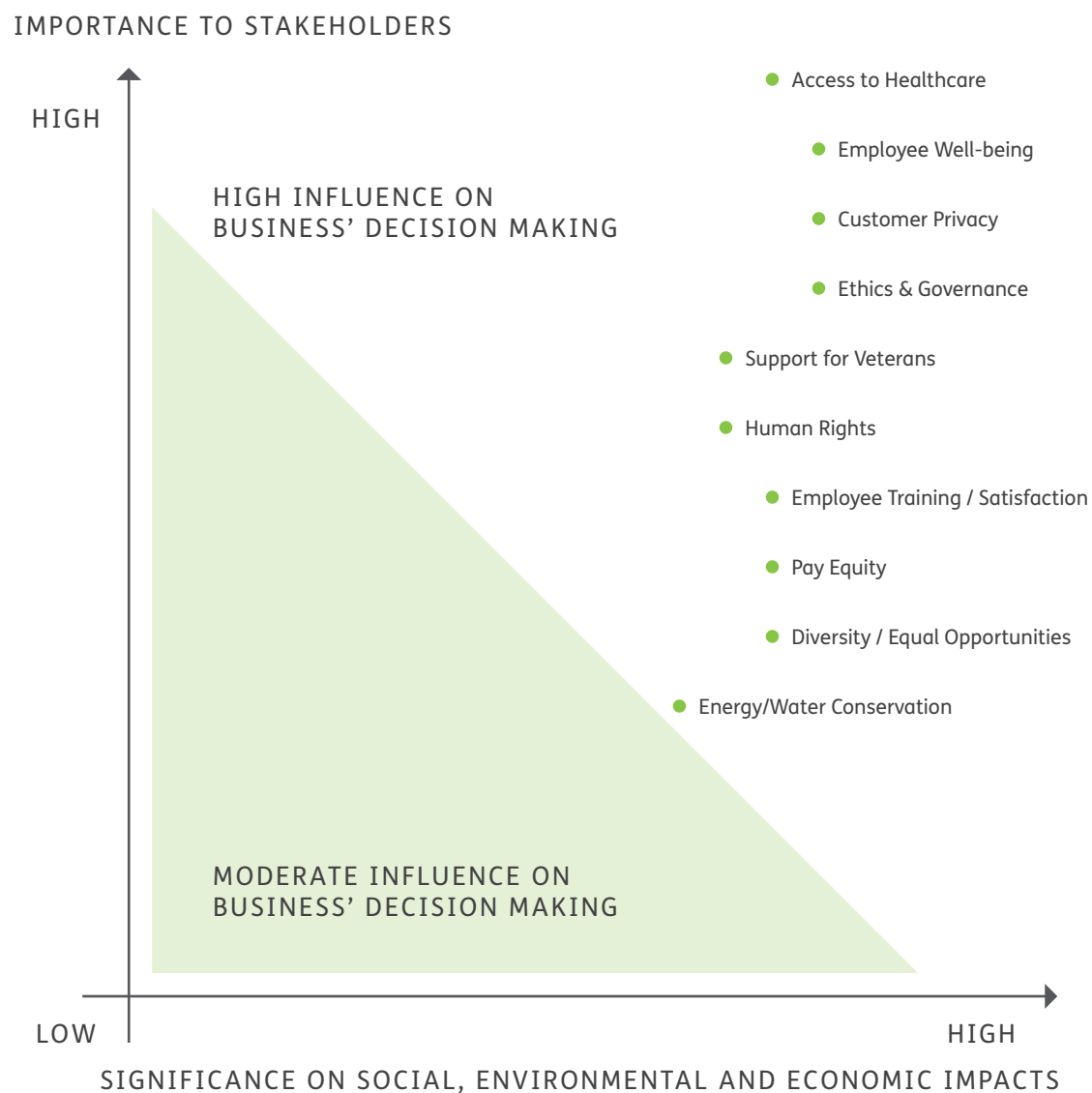
At Humana, we value our stakeholders—our employees, members, business partners, community partners and investors.

It's important to us to connect with various stakeholder groups to gain an understanding of which corporate responsibility issues have the greatest impact on how we operate as a business, our ability to manage risks, our opportunities to grow, and how we provide value to our employees, customers, investors and other stakeholders.

To that end, we regularly engage with our stakeholders—through internal and external communication, community meetings, surveys, email and social media—to have those conversations and to do quite a bit of listening on our end. That engagement with stakeholders has allowed us to better understand where we can have the greatest impacts.



The image below is representative of the topics that are most important to our stakeholders based on the results of Humana member and employee surveys and online panels.



Throughout this report we use the word “material” as defined by the Global Reporting Initiative and not as defined by the Securities and Exchange Commission or under securities laws.

The topics that Humana considers most material to our business rose to the top in employees’ and members’ survey responses. They also include those that our internal Corporate Citizenship Advisory Board indicated as corporate responsibility topics that most impact Humana’s business and corporate responsibility topics on which our business most has an impact.

**Our primary stakeholders include:**

- Members
- Employees
- Employer and government customers
- Non-governmental organizations and other community groups
- Healthcare professionals
- Stockholders and potential stockholders
- Suppliers and contractors

# Sustainable development goals

## CONTRIBUTING TO A BETTER WORLD



As a health and well-being company, we know there is a connection between people, their environments and their health. What happens in one community affects the next, and because of that connection, we are all responsible for our collective well-being.

At Humana, we know that we're part of a larger global community working to do well by doing good. That's why Humana has committed to take action on the **United Nations Sustainable Development Goals (UN SDGs)**. World leaders created and adopted these 17 goals at a 2015 summit to end poverty, protect the planet and ensure prosperity for all.

The United Nations called on governments, the private sector, civil society and individuals to work together to pursue these goals. Humana is honored to join them, becoming one of the first U.S. health insurers to do so.

After evaluating our business impact, our corporate responsibility efforts and our commitments to the UN SDGs, we identified three goals to which our company can most meaningfully contribute. These goals have the added benefit of aligning with our existing CSR pillars: **Healthy People, Healthy Planet and Healthy Performance.**

HEALTHY  
PEOPLE

# Goal 3

## GOOD HEALTH & WELL-BEING

The UN SDG to promote healthy lives and ensure well-being at all ages aligns with our Healthy People pillar. It calls for organizations to reduce deaths from chronic illness and cover essential health services, as well as substance abuse treatment.

Humana's purpose is to help people achieve their best health. Offering assistance and coverage for our members to access health services is what we do every day. In 2015, we announced our Bold Goal to make the communities we serve 20 percent healthier by 2020. We have since made it our mission to better understand what makes people healthy. We learned that good health is contagious, and that people's health is inextricably

linked to the health of their communities. That is why we're identifying social determinants of health in communities across the country and working with community leaders to not only treat chronic conditions but to make health more accessible.



Other Humana initiatives that align with this goal include:

- Our focus on promoting employee well-being
- Holistic care management under Humana At Home<sup>SM</sup> and in our value-based care agreements
- Promoting aging with optimism among our Medicare population
- Using technology to create innovative ways to make health easier through our Go365 program
- Humana Foundation community investments that promote health



# Goal 12

## RESPONSIBLE CONSUMPTION & PRODUCTION

HEALTHY  
PLANET

The UN SDG that calls for sustainable consumption and production patterns is one that we're already making strides toward through our environmental sustainability efforts.

As a services company, our greatest environmental sustainability opportunities lie within our workspaces and our employees' consumption habits. On our journey, we have made changes to our workspaces, increased flexible work arrangements, and encouraged employees to use fewer resources and reduce waste. Even small steps to create greener workplaces, when spread across our employee population, have had a significant impact on our environmental footprint.

Efforts aimed at achieving our environmental goals include:

- Reducing commuter miles
- Investing in LED technology in our workplaces
- Employee engagement programs that promote sustainability in the workplace, including “Bash the Trash” and “Dash for Trash”



HEALTHY  
PERFORMANCE

# Goal 8

## DECENT WORK & ECONOMIC GROWTH

This UN SDG promotes inclusive and sustainable economic growth, full and productive employment and decent work for all. Two of its main areas of focus are equality in the workplace and the protection of the rights and safety of all workers. This aligns with our inclusion and diversity commitments.

We have made good progress toward our inclusion and diversity goals, and our commitment to this area continues. Working with our Office of Inclusion & Diversity, we have put systems into place to make our workplaces more inclusive and to grow diverse leadership talent.

### Examples include:

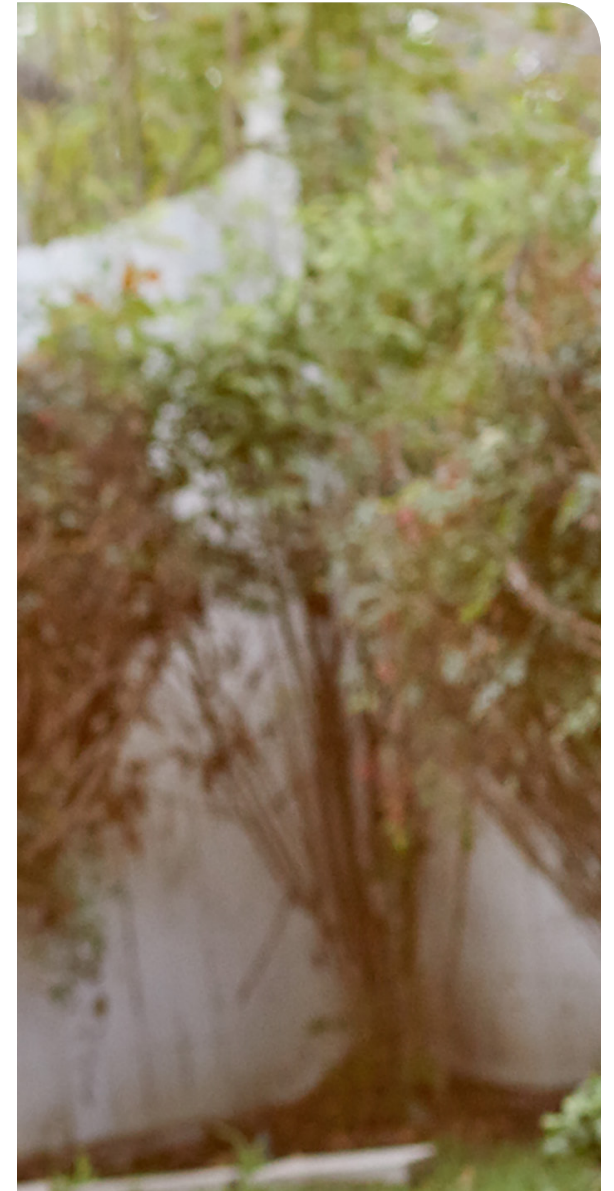
- Eight network resource groups (NRGs), including our newly launched group for employees living with disabilities
- Veterans hiring initiative
- Diversity among our more than 690 approved suppliers
- Professional development

### Walking the talk

Throughout this report, you will find examples of initiatives and programs we've put in place that will help us help the world achieve the UN SDGs for the benefit of all people around the world.



# Healthy People



Humana®



# Meeting people where they are

has been a perpetual quest for Humana, and over the past couple of years, we have expanded our definition of what that means.

By meeting people where they are, we aim to give them a world of reasons to trust and partner with us.

It's meeting people wherever they are on their health and well-being journey and, by providing education and resources, working to prevent sickness and disease before they happen.

It's meeting them at their doctors' offices and working with their physicians to leverage technology and share data analytics, emphasizing holistic rather than episodic care, and helping coordinate their healthcare for an easier experience.

It's meeting people in their homes—and helping to provide care there—as they manage multiple chronic conditions and medications, while being comforted by familiar people and surroundings.

It's meeting them in their communities—at our Humana Neighborhood Centers, Rock 'n' Roll Marathon events, or even food banks—as we coach and encourage good health choices, while striving to reduce social isolation and food insecurity, two significant determinants of health.

It's meeting people in times of crisis and need, offering help with financial assistance, disaster relief funds, volunteerism, and veterans' support initiatives.

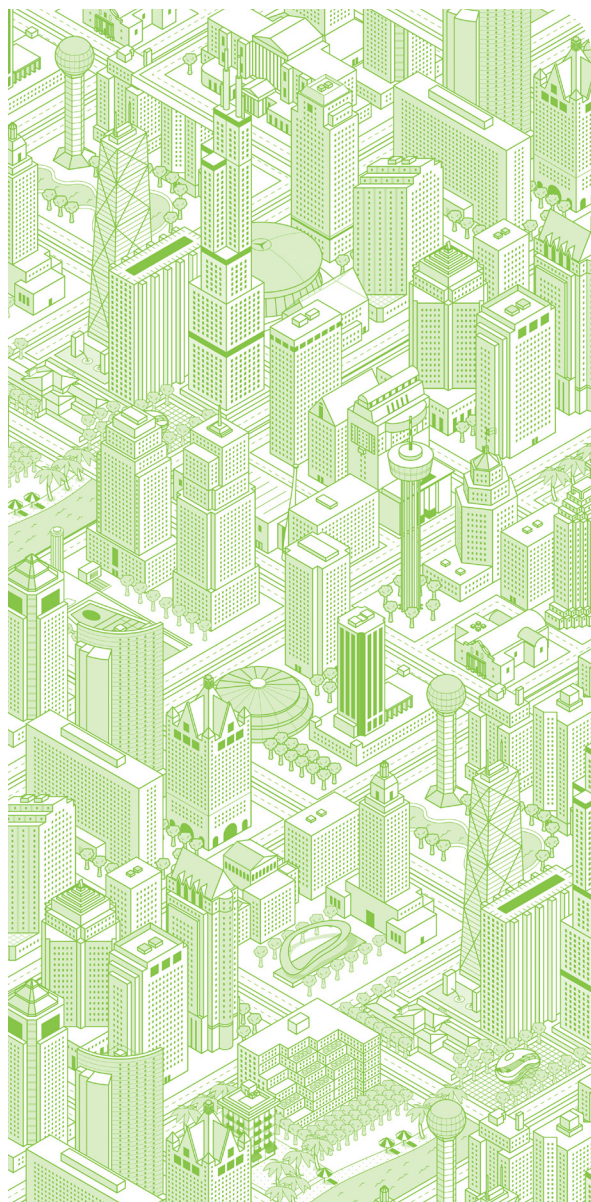
It's meeting them at their jobs and providing health and wellness programs and incentives that help to improve their health while keeping costs down.

And it's meeting our own employees—the heart of our company—with a mission, culture and values that help inspire them to take great care of the people we serve each day, while giving them the support they need to achieve their own best health and well-being.



# Our Bold Goal

MORE HEALTHY DAYS



We strive to help make the communities we serve 20 percent healthier by 2020 by making it easier for people to achieve their best health.

Since 2014, Humana has worked diligently with local physicians and healthcare professionals, nonprofit organizations and community partners toward a shared goal of making a positive difference in the health and well-being of others—one person, one community at a time. Together, we are tackling barriers to good health—including food insecurity, loneliness and social isolation (often referred to as **social determinants of health**)—we continue to focus on those things beyond the doctor’s office that impact everyday living.

We are working with community partners and physician practices to address barriers to health at a local level.



Social determinants of health are “conditions in the places where people live, learn, work and play (that) affect a wide range of health risks and outcomes.”

SOURCE: CENTERS FOR DISEASE CONTROL & PREVENTION

[WWW.CDC.GOV/SOCIALDETERMINANTS](http://WWW.CDC.GOV/SOCIALDETERMINANTS)

These health barriers have a significant impact on **Healthy Days**, our chosen health measure, created by the U.S. Centers for Disease Control and Prevention to assess the number of mentally and physically Unhealthy Days a person has over a 30-day period.

We are helping our members, employees and communities to have more Healthy Days by co-creating solutions at a local level. Through our community partnerships and clinical interventions, we are able to better support people where they are, help them make better health choices and to connect them with the resources they need to get healthy and stay healthy.



View our Bold Goal video, “Good Health is Hard,” from a town hall meeting in Tampa Bay, FL.



# Highlights of our progress



Knoxville, TN



Baton Rouge, LA



New Orleans, LA



San Antonio, TX

Since declaring our Bold Goal five years ago, we've implemented local population health strategies in several communities.

In 2017, four of our original seven Bold Goal communities—Knoxville, Tennessee; Baton Rouge and New Orleans, Louisiana; and San Antonio, Texas—improved Healthy Days among their senior populations.

Our other original communities—Louisville, Kentucky; Tampa Bay and Broward County, Florida—saw slight improvements in Healthy Days among Humana members living with chronic obstructive pulmonary disease (COPD), diabetes and depression.

Seniors living in our Bold Goal communities continue to outperform other communities we measure.

Knoxville saw a 5.4 percent improvement in Humana Medicare member Healthy Days, the largest increase of all of our Bold Goal communities, due in part to strong Humana, community and physician integration.

Florida Humana members and employees, in particular, were negatively impacted by 2017 hurricanes, confirming the correlation between our Healthy Days measurements and real-life events.

By the end of 2017, Humana employees improved our Healthy Days by 18 percent and continue to strive for our 20 percent healthier goal.

Attempting to make a greater impact and hone our measurement methods, we have:

- Expanded our clinical and community interventions around food insecurity, loneliness and social isolation.
- Moved toward measuring specific groups within the communities we serve—such as seniors, working-age, and lower-income adults—so that we can more easily track health trends and design more relevant interventions.



Broward Co., FL



Kansas City, MO



Louisville, KY



Milwaukee, WI



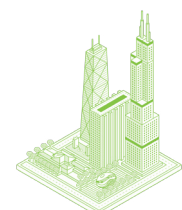
Richmond, VA



Tampa Bay, FL



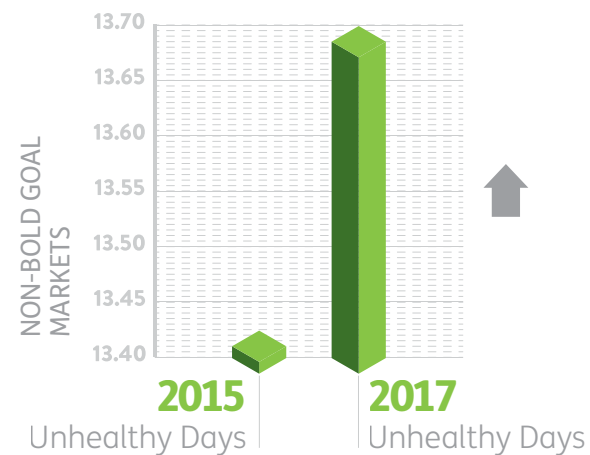
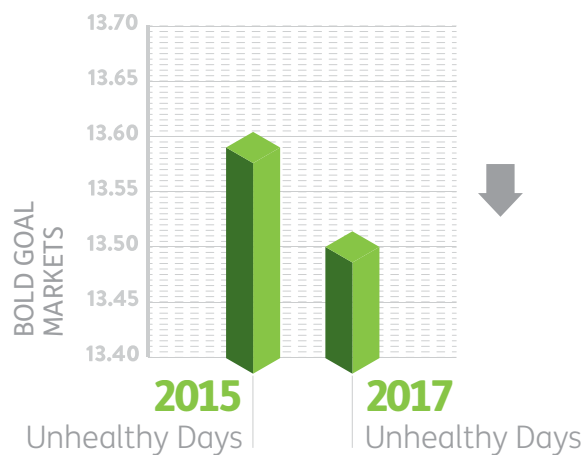
Jacksonville, FL



Chicago, IL



Humana's Bold Goal markets continue to outpace non-Bold Goal markets when it comes to Medicare members' Healthy Days and clinical outcomes trends.





# ■ Helping to combat ■ food insecurity

## OUR INCREASED EFFORTS TO COMBAT THE PROBLEM

For the past couple of years, as part of our Bold Goal, Humana has increased our efforts to combat the growing problem of food insecurity in the communities we serve.

Food insecurity is defined as not having reliable access to a sufficient quantity of affordable, nutritious food. When people are food-insecure, their health and well-being tend to decline.

Seniors, in particular, face unique challenges that put them at risk of food insecurity, like choosing between buying food and medicine or struggling to access food without reliable transportation.

As a result, Humana decided to partner with Feeding America to address this growing problem at both a clinical and community level.

If you are food insecure and a senior, you are more likely to have higher rates of chronic conditions and increased health struggles. According to Feeding America, you are also:

**50%**

More likely to be diabetic

**14%**

More likely to have high blood pressure

**60%**

More likely to have congestive heart failure or experience a heart attack

**30%**

More likely to report at least one limitation in activities of daily living

**3x**

More likely to suffer from depression

**2x**

More likely to have asthma





# A promising pilot

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In 2016, Feeding South Florida, Feeding America, Continucare Medical Centers and Humana teamed up for a four-week screening and referral pilot study in three Continucare clinics in Broward County, Florida. The pilot's objectives were to learn the following:

1. Would food insecurity screenings and an on-site referral fit well with the natural workflow of the practice?
2. Would patients be receptive to screenings and referral to a Feeding South Florida representative?
3. Would patients be open to learning more about how to navigate the food assistance system?
4. Is there a correlation between fewer Healthy Days and food insecurity?

---

After receiving positive results from the pilot, we expanded to a 12-month, randomized control trial with the same partners. Alongside Feeding America, we developed a physician-facing **food insecurity toolkit** for physicians to use with patients. It is our belief that this program will show that addressing food insecurity in a primary-care setting can have a positive impact on health, clinical and business outcomes.

**46 percent of patients** screened positive for food insecurity

People who screened positive for food insecurity experienced **2x more Unhealthy Days**

**Of the 46 percent** who screened positive, **86 percent** accepted referral to meet with an on-site Feeding South Florida representative and **94 percent** of patients who screened positive for food insecurity accepted an emergency food box from a Feeding South Florida representative

See how Humana and our partners are tackling food insecurity in:

Broward County

Tampa Bay, Florida

# Employee SNAP challenge

## SHINING A LIGHT ON FOOD INSECURITY

Food insecurity, in essence, is being uncertain about where and when you may get your next meal, and numbers are on the rise.

Currently, one in eight Americans is considered food-insecure and, as of January 2016, 45.4 million people were participating in SNAP

(Supplemental Nutritional Assistance Program) nationwide. In 2017, the average SNAP client received a monthly benefit of \$125.40, which equates to a budget of about \$4.12 per person per day.\*

In September 2017, we issued a companywide “SNAP challenge” to raise our employees’ awareness about those who may not have enough to eat to live a healthy, active life. The challenge was to live on the same daily food budget as a SNAP participant and document our experiences.

Humana employee Rebecca Grassau participated, and here is her story:

“The intellectual side of me was curious to see if I could do it, while the food-loving side of me cringed. I asked my daughter to join me. When she agreed, I experienced a feeling of relief that I wouldn’t have to do it alone, followed by even greater relief that I now had double the budget to work with—a grand total of \$8.40 a day.

We made it through the week, but it was very eye-opening. We learned the challenges of buying from the bulk section, using in-season veggies to

save costs, and getting meat from the discount bin. Portion control and carefully planned leftovers ensured that we had something to eat during every meal. My daughter said she felt anxious knowing that the supply of food was limited.

We ended the week with gratitude for what we have, along with a deeper understanding of how food insecurity impacts people’s lives. Ultimately, we had a newfound resolve to help where we can to fight hunger.”

\*Henry J. Kaiser Family Foundation, [www.kff.org/other/state-indicator/avg-monthly-snap-benefits](http://www.kff.org/other/state-indicator/avg-monthly-snap-benefits).

# ■ Helping to combat loneliness ■ & social isolation

FIGHTING THE  
GOOD FIGHT

Research shows that suffering from loneliness or social isolation can worsen a health condition and raise treatment costs, especially for seniors. To address these social determinants of health in a clinical setting, Humana is designing interventions to identify loneliness in our Medicare member population and screen and treat loneliness and social isolation at the community level.

If you are lonely or socially isolated and a senior, you are:

**26%**

More likely to die prematurely

**3.4x**

More likely to suffer depression

**2x**

More likely to suffer from Alzheimer's disease

Our methodology has included:

- Identifying risk factors in Humana Medicare membership
- Developing predictive models using the UCLA Loneliness Scale
- Designing a **toolkit** that helps members and their families understand the health impact of loneliness and social isolation and find resources for support and intervention

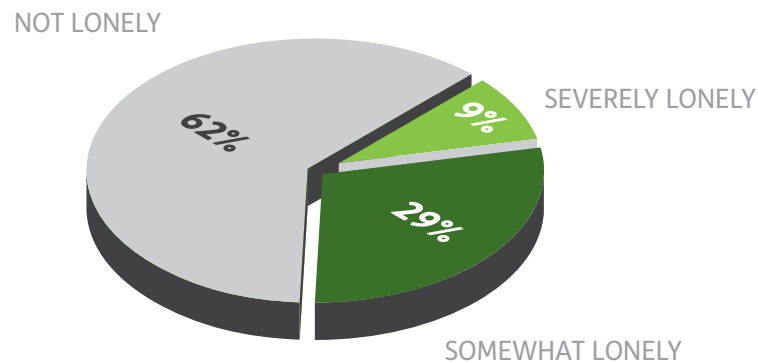
“One of the greatest collective challenges of aging is how loneliness and social isolation are having real and lasting physical and emotional impacts on older adults. Research has shown that lacking social connections can be comparable to smoking 15 cigarettes per day and is worse than obesity or a sedentary lifestyle.”

**KATHLEEN CAMERON**  
SENIOR DIRECTOR,  
CENTER FOR HEALTHY AGING,  
NATIONAL COUNCIL FOR HEALTHY AGING

We continue to use this approach throughout our business to make a positive difference with members who are most at risk for these health indicators.



In conjunction with our predictive model, we designed a toolkit with our wellness team that helps members and their families understand the health impact of loneliness and social isolation and find resources for support and intervention.



More than **10,000 Medicare members** responded to our initial survey, in which we asked them questions about loneliness.

Those who experienced loneliness had **2-3x more Unhealthy Days** than the average Medicare member.

Severely lonely members experienced up to **34.5 combined mentally and physically Unhealthy Days** per month.

**16.4 percent** engaged in Humana member assistance services.

**5,679 Medicare members** responded to pre- and post-surveys.





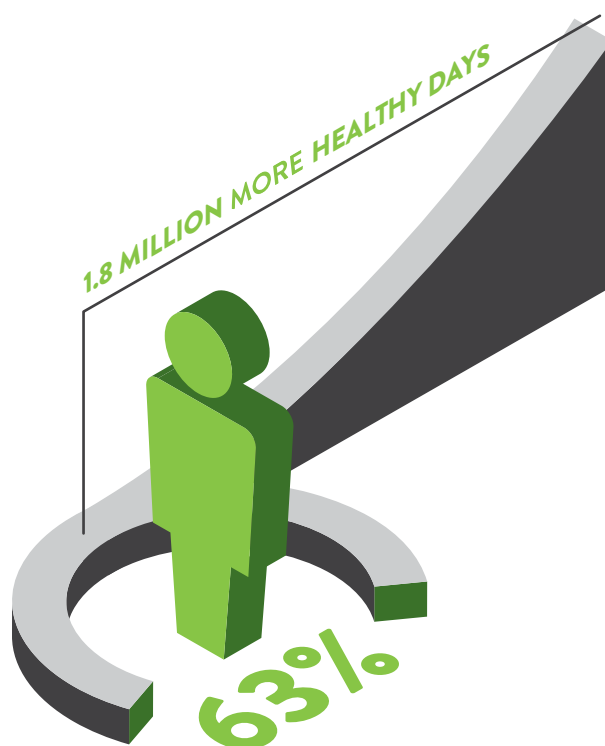
# Humana employees' Bold Goal

REPORTING FEWER  
UNHEALTHY DAYS

For Humana employees, our Bold Goal target date was the end of 2017, and we saw our health improve in a number of areas, including Healthy Days. We reported fewer Unhealthy Days,

down from 6.1 in 2012 to 5.0 in 2017. That means employees are 18 percent healthier which can correlate to Healthy Day-related healthcare cost-savings.

Those who were in our Bold Goal communities tended to have the highest engagement and retention rates of all.



## 1.8 Million

more Healthy Days  
accumulated by Humana  
employees since 2012

## 18%

improvement in Healthy Days

Despite aging five years,  
63 percent of employees  
reduced or maintained  
biometric health risks  
associated with chronic  
disease, reversing the  
expected trend.

Additionally, our employees  
with high levels of  
belonging experienced:

## 6x

fewer mentally Unhealthy Days

## 3x

less stress

## 3x

less missed work

## Less

likely to look for another job

## More

engaged at work



While we fell 2 percent shy of our original Healthy Days goal, we are still significantly healthier than we would have otherwise been. In addition, we have learned a ton about employee health and created numerous supports system and programs to help garner success.

For example, Humana offers a variety of experiences that help employees overcome the barriers to healthier days, including lifestyle-change assistance, on-site fitness center access in some locations, volunteerism support, and our 100 Day Dash, during which teams of employees are encouraged to take more steps throughout the day.

We will continue to move forward on our quest for better health and are inspired by the positive changes we're making. We plan to set new goals and establish more partnerships as we strive for 20 percent better health.

To read more about what's happening in our Bold Goal communities, read our 2018 Bold Goal Progress Report.





## ■ Member health ■ & well-being



### PUTTING PEOPLE AT THE CENTER OF OUR BUSINESS

Humana's roots are in care delivery, with an early history of owning nursing homes and then hospitals. This was the foundation from which we built our business and our evolving strategy over the past 50-plus years.

While we have branched out to other areas in healthcare, including health benefits management and pharmacy services, we have always put people at the center of our business. As we continue to broaden our mission and help people—and their communities—on their journey toward health and well-being, we are more prepared than ever to integrate and optimize all the essential facets of healthcare to create a better experience.

# ■ Relationships with doctors, nurses and other care providers lead to team approach to care

An aging population and growing rate of chronic disease are creating an unaffordable, unsustainable and unsatisfactory healthcare system. The most significant barriers to people being more engaged in their health are often related to processes that don't work well. To achieve a simpler, more effective healthcare experience, care processes and platforms must be integrated. Supporting physicians is key.

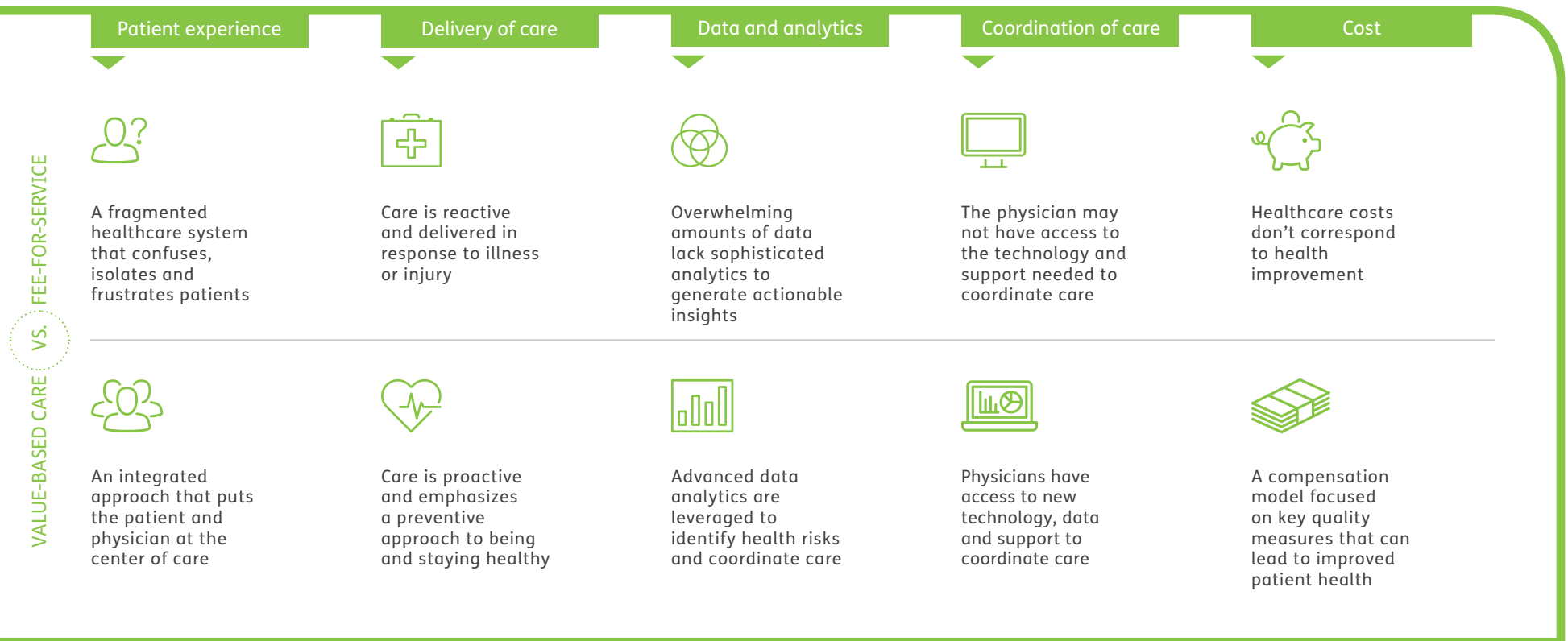


“Integrated care is the opposite of sick care. We are advancing from a fee-for-service model, where no one really takes responsibility for a patient’s health, to a model that gives physicians and other healthcare providers incentives and tools to help people be healthy.”

**BRUCE BROUSSARD**  
HUMANA PRESIDENT AND CEO

In essence, integrated care—often called value-based or accountable care—is a proactive and preventive approach to treating patients. Patients see the physician and their staff more often, and the practice coordinates all services and tracks health outcomes for optimal results. Consequently, patients are getting more screenings—for breast and colorectal cancer, as an example—and have better management of their blood pressure and blood sugar. Physicians are reimbursed not for how many services they perform, but by how well their patients fare in their care. The results are better health outcomes, higher satisfaction and lower overall healthcare costs.

# Value-based care at a glance



While sounding simple, it requires enhancements in infrastructure as well as patient, payer and provider engagement to achieve higher quality care at lower costs. All of these are essential to making integrated care as impactful as it can be.

We've been working hard to **meet and support physicians** and their practices where they are on their journeys from episodic to value-based care. Through Humana's care delivery assets, joint ventures and provider alliances, we are increasingly becoming part of the care delivery system. Working with our physicians with the common goal of better care, we're seeing notable results.



# ■ All roads lead to ■ value-based care

CARE AND VALUE  
DELIVERED TOGETHER

Humana has more than 1,000 value-based relationships, including joint ventures and alliances. As such, 51,000\* primary care physicians provide care to more than 1.9 million\* Humana individual Medicare Advantage (MA) members and approximately 130,000 commercial members in 43 states and Puerto Rico. These provider practices run the gamut from adult and pediatric primary care to specialist care. Many centers have physicians and specialists under one roof, provide transportation to and from the centers, and fill prescriptions on the spot. Regardless of the model, the overarching results show undeniable improvements.

*\*Figures as of 3/31/18*



## Bringing practices into the Humana fold

Humana's affiliated clinics typically result from a full acquisition of a provider's practice, bringing it under Humana's framework through vertical integration. We've seen hospital admissions and costs decline for members visiting these centers. Among Humana members receiving their care at these practices, Humana's 2017 internal data showed a decline of 1.4 percent in hospital admissions when compared to 2016, with a claims savings of \$1.6 million (the cost avoidance of these admissions).

## Sharing ownership, returns and risks

Joint venture clinics tend to result when Humana takes an equity stake in a care delivery asset with the type of shared influence and collaboration that is characteristic of a dually owned common enterprise. One of our joint ventures, JenCare Neighborhood Medical Centers, provides a strong example of how a joint venture collaborative partnership can work well. Since 2011, when Humana joined forces to form JenCare, the Centers have shown significant growth and improved clinical outcomes for the people who need it most—those with chronic conditions. Satisfaction has grown and JenCare’s Medicare patients spend nearly 40 percent fewer days in the hospital than the national average as of 2017.

Examples of the patient benefits of the Centers and contributing factors to improved health include:

- Transportation to and from their locations at no additional charge
- Increased doctor/patient one-on-one time
- Patient care conferences among primary care doctors and the care team

## Building strong, long-term partnerships

Humana’s Alliance Partnerships are characterized by rich collaboration and engagement with best-in-class care providers. These alliances are a portable, flexible business model (allowing speed to market) and include

a consultative approach in supporting physicians to offer the best care for their patients. While contract-based rather than equity-based, these alliances are highly committed, multi-year relationships. Many of Humana’s Alliance Partners operate in clinic environments, serve a Medicare-age population and establish exclusive solutions for Humana’s Medicare Advantage members.

In these value-based arrangements, physicians run their business autonomously, and Humana supports them with the tools, resources and marketing to grow their practice and enhance patient-centered care. In this scenario, Humana’s members win—with improved care, better health outcomes and reduced costs.

See how Humana provides data and tools that play a vital role in JenCare’s success as a value-based provider.

# Value-based arrangements

Physicians in Humana value-based arrangements are seeing better patient health outcomes and lower costs than traditional fee-for-service models.

64.9 percent of Humana's individual Medicare Advantage (MA) members are treated by physicians in Humana MA value-based agreements. These physicians who practice value-based care are achieving higher rates of preventive screenings, medication adherence and management of chronic conditions as measured by HEDIS in addition to lower inpatient hospital admission, emergency department visits per year, and total healthcare costs.

Humana MA members affiliated with physicians in value-based care agreements experienced better outcomes compared to those in fee-for-service settings:

Provider Healthcare Effectiveness Data & Information Set (HEDIS®) scores	▲	26%
Preventive screenings for breast cancer	▲	8%
Preventive screenings for colorectal cancer	▲	13%
Inpatient hospital admissions per 1,000	▼	6%
Emergency department visits per 1,000	▼	7%
Total healthcare costs*	▼	15%

SOURCE: HUMANA DATA, 2016

\*COMPARING HUMANA MEMBERS AFFILIATED WITH PHYSICIANS IN VALUE-BASED CARE AGREEMENTS TO THOSE IN ORIGINAL MEDICARE FEE-FOR-SERVICE SETTINGS



In addition to tracking progress on metrics, physicians are seeing progress in their patients' blood pressure control, diabetes care/ blood sugar management, and medication adherence. Since more than six in 10 Medicare beneficiaries are living with more than one chronic condition and require medication, effective management of such conditions is crucial.

Another helpful measure of quality comes from the Centers for Medicare & Medicaid Services (CMS), which deploys a 5-Star rating system that effectively rates a health plan's MA programs based on 53 quality measures within eight categories. Each measure falls into member-centric categories that include a focus on areas such as managing long-term conditions, preventive care,

member experiences with drug plans, and customer service/plan responsiveness. Health plans are awarded a number of stars ranging from 1 (poor compliance) to 5 (excellent compliance), which are aligned with their achievements within the categories evaluated.

Humana's latest results, released in October 2017, show that we have 2.4 million,\* or approximately 74 percent, of our Humana MA members are in plans rated 4 stars or greater. Additionally, we received a 4.5-star rating for five MA contracts offered in eight states.

“Based on our experience, the value-based care model helps physicians spend more time with their patients, which builds stronger relationships. The result is a bond of trust, which serves as the foundation for changing unhealthy behaviors and addressing social determinants of health. As we’ve seen at Humana, supporting physicians with actionable data gives them a deeper understanding of their patients—and that can result in more preventive care, which leads to better chronic condition management.”

ROY BEVERIDGE, M.D.  
HUMANA CHIEF MEDICAL OFFICER

Meredith Williams, M.D., MBA, Humana's Lead Medical Director, Senior Markets, interviews three physicians about the advantages of value-based care.

For more information on these efforts, please read Humana's Value-based Care Report.

\*Data as of 7/31/17.

# Bringing care home

HUMANA AT HOME



According to multiple national studies, 15 to 20 percent of patients discharged from hospitals are readmitted within 30 days. A report by the [Dartmouth Atlas Project](#) concludes that many readmissions are “caused by inadequate discharge planning, poor care coordination between hospital and community clinicians, and/or the lack of effective longitudinal community-based care.”

Some readmissions can’t be helped, of course, but many can and should be prevented. In fact, according to a 2015 report from the [Center for Health Information and Analysis](#), this is one of the biggest problems the U.S. healthcare system faces, with the annual cost of unnecessary

readmissions at \$17 billion for Medicare patients alone.

## Easing the transition

For the past few years, [Humana At Home](#) has focused on finding ways to better manage transitions from a hospital or skilled nursing facility to home, so fewer of our members are caught in that “revolving door” of diminished health and increased costs.

The Humana At Home mission is to help our most vulnerable members with medical and functional challenges remain safe and independent at home. We provide care management by nurses and social workers for up to 30 days after a patient is discharged from a hospital or other facility where he

or she has needed skilled nursing care. Services can help members:

- Make an easier transition to home within 48 hours of a hospital or skilled nursing facility discharge
- Understand their doctor's advice
- Get to medical appointments
- Coordinate with their healthcare team
- Find transportation, meals and other resources when they need them
- Learn about and find ways to afford their medicine
- Find options to help with their finances

### Helping people with chronic conditions

While we help with members' transitions from the hospital to home, Humana At Home also helps people keep their diabetes, congestive heart failure, and other common chronic conditions under control while decreasing the need for emergency care.

Through health assessments and predictive modeling, Humana reaches out to eligible members

who may benefit from long-term, in-home care at no extra cost to them. Then multidisciplinary teams evaluate the needs of individual members, create care plans and connect them to the resources and services they need.

The Humana At Home teams include care managers who stay in touch by phone; nurses and social workers who visit in person; and community health educators who find and connect members to local community and social services.

Humana At home works with

**7,000**  
care managers and  
**3,000**  
nurse practitioners.

In 2017, Humana At Home served nearly

**1 million**  
members who have  
chronic conditions and/or  
functional limitations.



# Data analytics

## DRIVES POSITIVE DIFFERENCES IN DIABETES OUTCOMES

INTERVIEW WITH  
VINAY CHIGULURI

Vinay Chiguluri, a Humana Data Scientist in Clinical Analytics, has a passion for creating meaningful reports and deriving actionable insights. He has collaborated with various clinicians across Humana to translate clinical evidence and inferences to algorithms based on medical, pharmacy and lab claims. These algorithms allow us to build models and identify appropriate clinical and behavioral interventions to make a positive impact on our members' health.

VINAY CHIGULURI  
HUMANA DATA SCIENTIST

His partnership has been particularly valuable in helping members manage diabetes. As an example, Vinay provided significant thought leadership on the classification and coding of diabetes, prediabetes and metabolic syndrome. He was also crucial to the project teams for the Omada Diabetes Prevention Program (DPP) and metabolic syndrome pilots, providing strategic direction and helping to identify members most

appropriate for these programs. Many of his findings have been published externally in conferences and peer-reviewed journals.

His published results were later referenced by Humana policy leaders when making comments to CMS for revisions to payment policies and advocating for remote versions of the DPP to be covered under Medicare.

[View Vinay's interview from Humana Perfect Experience.](#)

## Home care leads to better chronic condition care

Humana At Home provides services to almost 1 million chronically ill and disabled people and helps them live independently at home longer, even when faced with medical, functional and behavioral challenges. Those with chronic conditions who receive these services live longer and go to the hospital less often than those who don't. In addition, **our data**

shows that after six months in our chronic care program, hospital admissions for our members dropped 44 percent compared to admissions prior to management.

These factors make a notable difference to our members' health and quality of life. Humana At Home MA members, in particular, have significant advantages when compared to their counterparts who are not receiving such services.

We take pride in the health and well-being successes of our Humana At Home services and know that they are one of the most differentiating factors helping our members achieve their best health in the most cost-effective ways.

## Improvement in activities of daily living

After six months' enrollment in Humana At Home, patients report less pain, fewer falls, better medication adherence, and not feeling as sad and depressed as before.

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**Decrease in hospitalizations** for those at highest risk for frequent admissions

▼ **44%**

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**Decrease in hospital readmissions** resulting from our 30-day transitions care management service

▼ **32%**

Humana At Home member Donald Hatch celebrates his 90th birthday.



# Go365

GIVING SOME EXTRA MOTIVATION

ENGAGING MEMBERS  
EVERY DAY

While good health is its own reward, Humana gives our members extra incentives to work toward their goals.

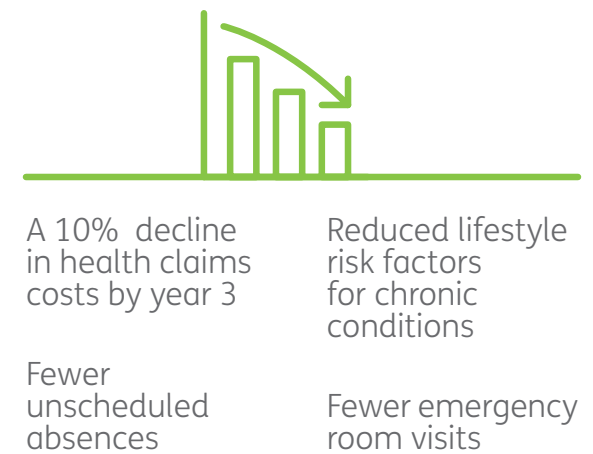
Go365 is Humana's wellness and rewards program, accredited by the National Committee for Quality Assurance (NCQA), serving more than 4.9 million of our members nationwide. By integrating rewards with health, Go365 provides personalized tools and support to help our members live healthier lives and reduce their healthcare costs.

The overarching goal of Go365 is to motivate our members toward a lifetime of well-being, and our assistance runs the gamut from helping them make small changes to daily routines to eliminating high-risk habits, such as smoking.

Members can earn rewards for preventive screenings, exercising, and dental and vision exams, just to name a few. Plus client companies whose employees are members also benefit through their staff's increased productivity, fewer sick days, and lower medical claims.

2017 Perfect Experience winner helps employer group customer engage their employees in healthy activities: Humana employee Tina Zoeller worked with Banyan Air Service to increase its Go365 employee engagement, which is now at 94 percent. Through a campaign asking employees to take photos of themselves doing healthy activities (e.g., biometric screenings, walks/runs, boot camps and yoga), Zoeller helped Banyan Air employees make positive changes for themselves and their workplace.

The advantages of being a part of a wellness program—for both companies and people—are well-proven. Productivity losses related to personal and family health problems cost U.S. employers \$226 billion annually. Humana's three-year impact study showed that employees who were engaged in a wellness and rewards program had:





# Humana Neighborhood Centers

WHEN FUN & FITNESS ARE  
JUST AROUND THE CORNER

Open to the public, Humana Neighborhood Centers help people engage in health in a fun and holistic way. They provide health and wellness education, healthy cooking classes, computer and technology classes, walking clubs, and social events. Visitors can even learn how to use their smartphone or tablet and how to manage or prevent chronic health conditions, such as diabetes.

Additionally, Humana members can access on-site customer service and SilverSneakers® fitness program exercise classes. Customer Care specialists and licensed sales agents are also available to help people find a

doctor or answer any health or prescription drug plan questions. All they have to do is stop in—no appointment necessary.

Most recently, our staff has begun to focus on social determinants of health, specifically food insecurity and social isolation. For example, our health educators help those who qualify sign up for SNAP benefits and connect to other community resources in their area. They also teach classes about healthy cooking on a budget. And our monthly birthday celebrations and charity crafting initiatives help bring folks together reconnecting with each other and those in need in their communities.

“These centers help us achieve our goals because they help us meet our customers in the communities where they live. They are easy to get to, and there is always friendly staff ready to assist with any questions. Similarly, they help us stay up to date on our customer needs, even as it relates to customer service. If there are issues popping up, the sooner we know about them, the quicker we can provide resolution.”

JEFF FERNANDEZ  
SENIOR VICE PRESIDENT OF  
MEDICARE WEST/MARKETPOINT



## Humana has 48 Humana Neighborhood Centers.

In 2017, we had more than 60,000 unique visitors and more than 400,000 total annual visits.

Based on our 2017 data analysis, we found that members who visit a Humana Neighborhood Center have better health engagement than members who have not visited but are similar in demographics and health status.

For example, visitors are more likely to take preventive steps for their overall health by getting their flu vaccinations and completing breast and colorectal screenings. In many of our centers, we have also observed that visitors have more adequate care of diabetes than members who have not visited.

## Charity crafting and companionship

One way that our Humana Neighborhood Centers address social isolation is through our charity crafting initiatives. In Mesa, Arizona, and the western region, our centers' charity crafters participated in the American Heart Association's "Little Hats, Big Hearts" campaign, bonding with each other while creating tiny red hats to be used for premature babies. Over the course of eight weeks, our crafters made 300 hats. We continue to look for charitable projects such as this to engage our members with each other, addressing their social isolation and need for purposeful giving.

## Meet the 95-year-old Zumba Queen

Many of our locations have devoted groups of members who attend **SilverSneakers** classes together. They form a community of friends, becoming and staying healthy together. One of our members in Louisiana is especially inspiring.

Each Monday, 95-year-old Metairie resident Margaret Masters eagerly waits for Zumba class to start. Despite being the oldest participant in the class at the Humana Neighborhood Center, Margaret can dance circles around the 30+ others in the room, including some friends who are in their 80s. Her nickname is Queen—after the Abba hit song "Dancing Queen"—and the class goes quiet as everyone waits for her solo when "Fireball" by Pitbull comes on, as that's one of her favorite songs.

Margaret certainly hasn't let her age slow her down or define her. In addition to doing Zumba at the center, she participates in other exercise classes, is involved in a weekly sewing group, and is active on social media. Her doctors say she's an anomaly as she's in excellent health. She credits her longevity to eating healthy and being active, "even if you don't go fast."

At a Humana Neighborhood Center in Mesa, Arizona, the Humana's Charity Crafters group brings members together in support of local cancer patients and each other, as members establish strong social bonds.



# ■ Employee health ■ & well-being

## HAPPIER AND HEALTHIER EMPLOYEES



At Humana, our commitment to health and well-being begins in the workplace with our more than 40,000 employees. We care about their day-to-day lives, always focused on their needs as whole people. We strive to create experiences that support and encourage their physical and emotional health, along with their social, financial and purposeful pursuits. And since our employees face the same challenges as everyone else, they also help us—as a company—better understand how to help and inspire people along their own individual health and well-being journeys.



# Our values

WE LIVE THIS  
EVERY DAY

In life—and at work—our values help define and guide all of us at Humana. Our organizational values contribute to the health and well-being culture we have and aspire to keep. As Bruce Broussard, our President and CEO, succinctly puts it, “Our values serve as our commitment to each other and provide guardrails for how we show up in our behaviors, decisions and actions.”



## Cultivate uniqueness

Appreciate individual uniqueness, creating an environment where everyone can fully be themselves, reflecting all of us and the communities we serve



## Rethink routine

Work and learn together, transforming the norm to strengthen operational excellence and outcomes



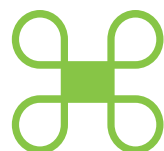
## Inspire health

Care for the whole person—emotionally, physically and spiritually, building inspired communities where health and well-being prosper



## Thrive together

Collaborate openly, building positive relationships to achieve strong, sustainable results for us and the people we serve



## Pioneer simplicity

Take personal accountability, working together to create simple, personalized, quality experiences



# Employee well-being

BE THE BEST ME.  
BE THE BEST WE.

**“Be the best me. Be the best we.”**

It is one of Humana’s internal mantras, rooted in the simple idea that people matter. While it takes one person to spark an idea that can change lives, we know that it takes many people to channel it into a movement—and that’s what we’re doing.

As we continue to rally around a common purpose, showing that we care not only for ourselves but for each other and the communities we serve, we’ve built momentum toward making a difference in our own lives and all lives we touch. While each of us may define well-being in our own way, at Humana we’re learning how the dimensions of purpose, health, belonging and security are important for everyone.



Purpose



Health



Belonging



Security

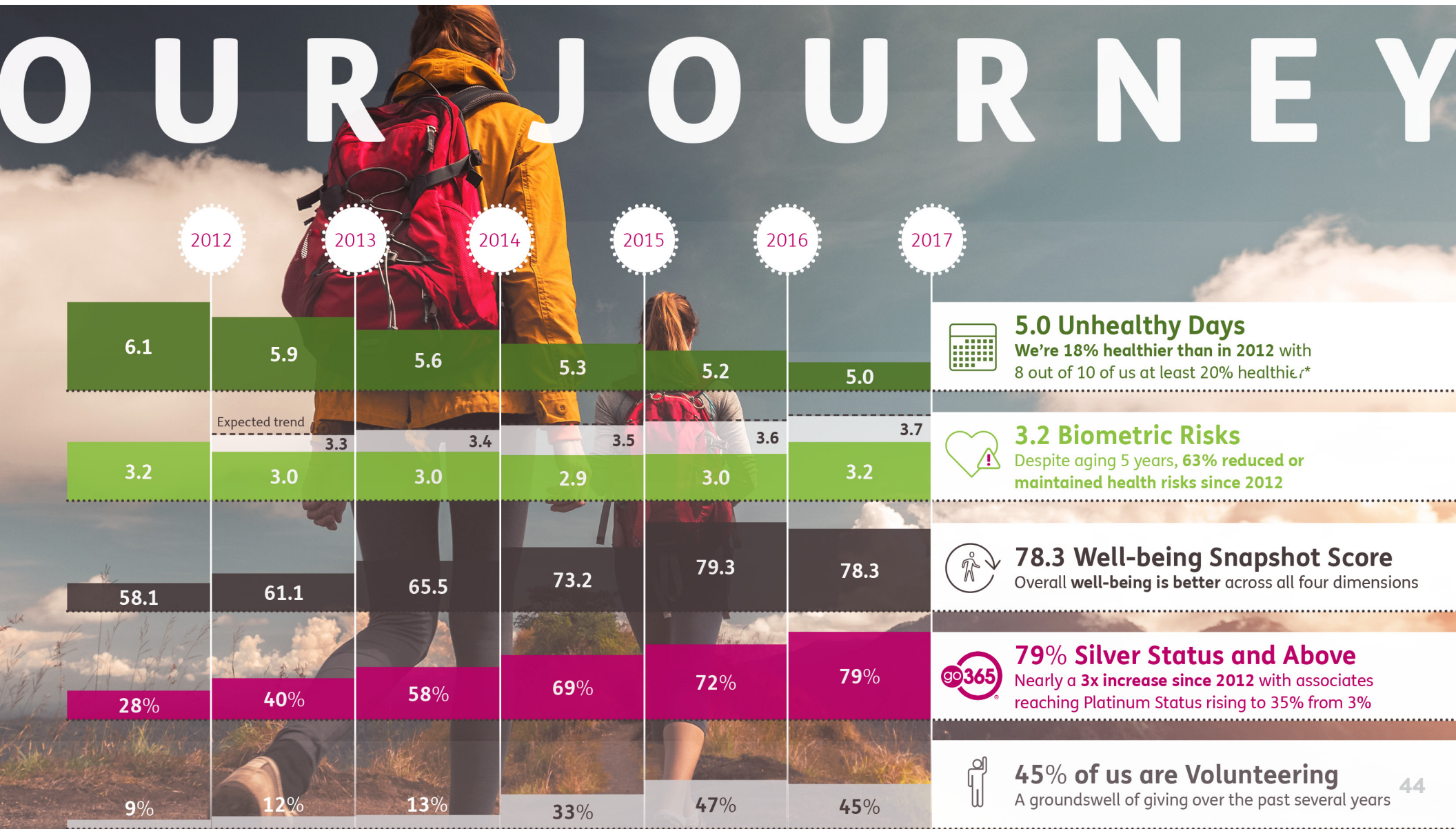
Humana employee Wilma Cordova Rosado shares how Humana helped her during her transition from 11 years in Florida back home to Puerto Rico; how we helped her improve her health and well-being; and how Humana assisted her during Hurricane Maria.

Although we may face challenges, we are making strides in improving our well-being. **We saw particularly good results in these areas:**

- Our overall well-being across the four dimensions has improved more than 25 percent.
- We’ve gained 1.8 million more **Healthy Days** since 2012.
- 63 percent of us have either reduced or maintained our biometric health risks.
- Volunteerism expanded, growing from fewer than 10 percent of employees to 45 percent who volunteer and report the activity so that we can track it.



We've also discovered insights along the way that will help us better understand our well-being. For instance, we've found that emotional health factors are responsible for most of our Unhealthy Days each month, and that those of us with a high sense of belonging have six times fewer mentally Unhealthy Days. When we experience caring leaders and an environment with compassion and empathy, Unhealthy Days are 60 percent lower.



## Purpose

As a group, we continue to live with purpose, which means we're finding meaning in what we do each day. More of us used our Volunteer Time Off (VTO) in 2017, and we logged more than 375,000 volunteer hours. We are also close to meeting our goal of 50 percent of us participating in such activities through the Humana Volunteer Network.

## Health

Achieving or maintaining overall good health can be a challenge, given competing demands for our time and dollars. The environment we've created at Humana helps us along, with both a culture and programs that encourage us to make healthier choices. Experiences like the 100 Day Dash, new biking programs in our three largest locations, on-site biometrics, and our Diabetes Prevention Program are raising our awareness of healthier

lifestyles and making it easier to take better care of ourselves.

In addition, we are making ongoing workplace fitness center improvements—in programming, facilities and equipment—to make it easier for our employees to stay in shape. And we are continuing to update our workspaces to accommodate different work styles, including alternative wellness furniture (e.g., sit-to-stand desks, walking stations, meditation and fitness rooms).

## Belonging

Meaningful relationships and emotional connectivity heavily influence our overall health and well-being. Therefore, we measure how well our employees feel included at work. We are pleased to report that our Inclusion Index is at nearly 77 percent, thanks in part to our leaders and Well-being Champions who have set the tone and facilitated interactions.

Further developing our NRGs has also enhanced our overall feeling of belonging. In 2017, we grew our NRG participation to 28.9 percent, positively impacting thousands of people in and outside of Humana.

## Security

Feeling secure is about having peace of mind about our basic needs. It can relate to how safe we feel in our environment or our financial stability. We've found that participating in our 401(k) plan is one of the most important things we can do, and about two out of three of us are getting the most out of Humana's matching contribution. We're also learning how to make better financial choices with Schwab Advice Services. As a result, our overall sense of security has improved nearly 30 points since 2012.



Another way we can feel more secure is by knowing that we have the ability to manage our work-life balance. Humana has continued to support more flexible work arrangements—from flex time to remote accommodations—to help us in that vain. We were even recognized with a 2017 Flex time award and named to FlexJobs’ annual list of the Top 100 Companies to Watch for Remote Jobs.

While we have not hit the mark on all of our employee well-being goals, we’ve made great progress and are committed to weaving well-being into our employees’ lives whenever we have the opportunity to do so.



Hear Humana employee Lisa Baird discuss how Humana helped improve her well-being through financial security.



# Dashing for better health

WE CHALLENGE OURSELVES, TOO

For 100 days each year, Humana employees across the country participate in the 100 Day Dash, challenging ourselves and each other in some friendly competition. Donning our Fitbits and other fitness tracking devices, we form teams, participate in more organized walking/running events, and encourage each other to take more steps each day, whether it's through "walking work meetings" or post-work jaunts through our home neighborhoods.

While our Dash has been a way for us to thrive together while engaging in healthy activities, in 2017, it also became about making a difference through Feeding America, a network of food banks fighting against hunger in communities nationwide.

As a result of our efforts, Feeding America received a \$16,000 grant from the Humana Foundation in recognition of our Dashers' more than 16 billion steps.

Our 2017 Dash was notable for other reasons, too. We achieved:

- Our highest-ever step count at 16 billion steps—600 million more steps than 2016
- Our largest number of Dashers with 23,021 participants
- A 30 percent increase in new Dashers (6,890), who had not participated before



Employee well-being is the load-bearing wall of Humana's culture. Hear the story of Chris Buchner, Humana employee and Well-being Champion.

What's Your Health Lifestyle? 100 Day Dash for better health.

## ■ Man's best ■ “healthy” friend

### OUR FOUR-LEGGED FAMILY MEMBER



Dog lovers are everywhere and at Humana, they frequently convene in the self-titled group on our internal social network.

Topics run the gamut, but many focus on how dogs bring tangible benefits to us in the form of better health and well-being.

“From saving family members in times of crisis to helping manage mental and physical illness, our dogs are such important partners in our lives,” says Humana employee Sarah Stephens. “They help us gain better health, safety, a purpose to life, and a sense of belonging.”

That insight inspired Sarah and her colleagues to compile many of

their stories in a book, titled, *The Dogs of Humana: How Employees of a Well-Being Company, With Their Canine Companions, Take the Journey Towards Happier and Healthier Lives.*

As she wrote the book, Sarah says one thing stood out above all: “The Dog Lovers group is a great example of how we are connecting through a common interest of our canine friends. But the human interpersonal interaction itself—to talk about our dogs—is just as much of a contributor to our well-being as our dogs themselves.”

All proceeds from the sale of this book will be given to dog rescue operations within the U.S.



# Employee benefits

BEYOND THE  
BASICS OF WORK

Listening is vital to all healthy relationships. In 2017, our employees told us what matters most to them, resulting in refreshed employee benefits. Our benefits now include:

## Personal holidays

Two new days to recognize Humana's diversity and provide employees with increased flexibility related to when they want time away from work

## Well-being time

Weekly well-being time for all employees, enabling at least 30 minutes during each work week to invest in being our best

## Caregiver leave

New paid caregiver leave of up to two weeks per year to help us care for a loved one facing a serious illness

## Parental leave

Expanded from four to six weeks, in recognition of the importance of family

## Student loans

Working with CommonBond to help our employees manage student debt by lowering payments and paying off debt more quickly

## Charitable giving

Providing our employees with up to \$200 of company-matched funds when charities align with our Bold Goal work, up from the previous \$100

Working parent and Humana employee Amanda Melcher-Magee discusses her return to work after maternity leave and how Humana helped with her overall well-being and her transition back to the office.





# Volunteerism



Volunteerism is a tangible way we impact the health and well-being of the communities we serve, and it is personally meaningful to our employees. At Humana, every employee is encouraged to be an active contributor to our communities' well-being, and we've created resources and experiences, such as our annual VTO benefit (one day of paid time off for volunteering), to make it easier to do so.

In 2016 and 2017, Humana employees tracked more than 855,000 hours in Humana's Volunteer Network, a tool for identifying volunteer opportunities and tracking engagement. We are close to meeting our new goal of 50 percent of employees participating

## GIVING BACK

in (and tracking) volunteer activities, and volunteerism at Humana continues to blossom as a way for employees to help others along their health and well-being journey:

- Since initial volunteer tracking began, participation has grown from less than 10 percent to 45 percent.
- In 2017, employees using the Humana Volunteer Network to track hours logged an average of 18.4 hours per employee.
- Humana employees are increasingly aligning volunteer time and skills with our Bold Goal priorities.

Humana employee Dan Crompton talks about how he used his VTO to give back.

## Skills-based volunteerism

Humana employees volunteer for many reasons.

**We volunteer because we care about the mission of nonprofit organizations and seeing a direct impact.**

**We're motivated by opportunities we believe will be fun.**

**We may want to build new skills through the experience: a growing trend among those who are seeking opportunities to advance their career, develop or refine capabilities, and meet colleagues.**

To respond to this growing area of interest, and in line with making volunteering easier, we now feature skills-based volunteer opportunities on our Humana Volunteer Network.

## Humana saw nationwide success during National Volunteer Month

During April 2017, Humana employees everywhere had the opportunity to make a positive impact on the well-being of our communities and actively support our Bold Goal priority of fighting food insecurity. Participating employees were given the supplies to make healthy snack packs to be donated to those in need. Here's what we accomplished together that month:

- 29,000+ volunteer hours tracked in the Humana Volunteer Network
- 10,000 volunteering employees
- 1,900+ nonprofit organizations served
- 40+ Humana office locations (with 6,670 employee volunteers), created more than 16,000 snack packs



**ANDREW THAI**, HUMANA EMPLOYEE VOLUNTEERING WITH HIS TEAM AT THE DAILY LUNCH PROGRAM AT THE CATHEDRAL OF THE ASSUMPTION IN LOUISVILLE, KENTUCKY



**ANITA SEVCIK (LEFT)**, HUMANA EMPLOYEE VOLUNTEERING WITH HER SON (RIGHT) ON BEHALF OF THE GREEN BAY ANIMAL RESCUE, THE ORGANIZATION WHERE SHE DONATED HER HUMANA FOUNDATION GRANT

## “Make a Difference Day” celebration

Humana observed “Make a Difference Day” with a celebration from October 22–November 4, 2017. During the two-week celebration, employees were encouraged to use their VTO hours by volunteering in a way that best fulfilled their personal sense of purpose and belonging.

Many groups chose to spend their time fighting food insecurity and social isolation.



LOUISVILLE DARE TO CARE FOOD BANK

### In Louisville, KY

Employees used funds to purchase pumpkins and apples to add to the regular monthly distribution at the two Humana-facilitated **Dare to Care** mobile food pantries.



SAN ANTONIO MCCI/DELEON CENTER FOOD BANK

### In San Antonio

Employees served approximately 110 needs-based seniors at the **MCCI / DeLeon Center**—Food Bank Distribution.

During Humana’s “Make a Difference Day” celebration, we succeeded in several ways, as evidenced by:

- Approximately 10,500 volunteer hours tracked by more than 2,400 employees
- 900+ nonprofit organizations served throughout the country
- 90+ team-based volunteer experiences logged
- 11 new user guides created (ideas and templated instructions for on-site volunteer experiences)



# ■ Recognizing ■ our volunteers

VOLUNTEERS MAKE  
A DIFFERENCE

Whether it was completed during personal time or as a team-building activity, we're proud of and recognize our employees' efforts to give back to our communities. We acknowledge these activities in many ways, including:

**Humana's Dollars 4 Doers drawings**, in which two winners each quarter can designate a \$4,000 grant from the Humana Foundation to the nonprofit organization where each volunteers.

**Humana's Volunteer of the Year Award**, an annual \$10,000 grant from the Humana Foundation, given to the relevant nonprofit organization, on behalf of the nominated and award-winning employee who has logged 150+ hours on our Humana Volunteer Network that year.

**The Spirit of Philanthropy Award**, an annual \$25,000 grant from the Humana Foundation, given to the relevant nonprofit organization, on behalf of the nominated and award-winning department or group of employees who display exceptional commitment to the community through volunteerism.



# Supporting veterans

THEY SERVE.  
WE SUPPORT.



Through TRICARE, the federal military healthcare program, Humana Military provides care to approximately 6 million people throughout 32 states. TRICARE beneficiaries include active-duty and retired military from every branch of the US military, as well as their families.

Humana Military serves TRICARE beneficiaries in partnership with the Defense Health Agency (DHA), TRICARE's program manager, and the military services through 23 military hospitals and more than 200 clinics. We're honored to be in a position to support veterans and their families through those services, Humana employee volunteerism and other programs.

## History and recognition for military support

Humana's history in supporting the military and veterans is a long-standing one:

Since 1996, Humana has administered the Department of Defense's TRICARE healthcare program for active-duty military, retirees and their family members living in multiple TRICARE regions.

Since 2011, Humana has committed to an annual veterans' hiring initiative and has surpassed our hiring goals each year. We currently employ more than 2,500 veterans and military spouses, and 2017 was our best year yet for hiring veterans, exceeding our hire goal by 40 percent (648 veterans

and their spouses). Since the initiative started, we have hired:

- 3,958 veterans and their spouses
- 334 disabled veterans/wounded warriors

Since 2015, we have provided our Humana employees with a network resource group, **SALUTE**, to prepare and support military veterans, spouses and wounded warriors as they transition to and work in the corporate world.

Some of our most recent awards, acknowledging our military commitment include:

Humana was on-site at the 2017 VFW Convention in New Orleans to engage with veterans on healthcare education and screenings.

- Top Veteran-Friendly Company Award, U.S. Veteran's Magazine's Annual Best of the Best (2017)
- Top 10 Gold-Level Military-Friendly Employer Award, Victory Media (2017)
- Top 10 Best for Vets Employer Award, Military Times (2011-2017)
- Most Valuable Employers Award, Recruit Military (2011-2017)
- Top 100 Military-Friendly Employer Award, Victory Media (2017)
- Military Friendly Spouse Employer, GI Jobs (2017)
- Military Friendly Brands, GI Jobs (2017)

## Supporting military- and veterans-focused organizations and events

Each year, Humana offers support by lending time and dollars for military- and veterans-focused organizations and events. Recent beneficiary organizations include:

**Folds of Honor (FOH)** provides scholarships to families of wounded and fallen service members. More than 1 million families have been affected by Iraq and Afghanistan. Of those, 87 percent do not qualify for federal education assistance. FOH steps in to fill this void. To date, FOH has awarded more than 13,000 scholarships.

**Military Warriors Support Foundation** is a nonprofit organization with a mission to provide support and programs that facilitate a smooth and successful transition for our nation's combat-wounded heroes and Gold Star families. Its programs focus on



housing and home ownership, employment, recreational activities and transportation assistance. As part of their “Homes 4 Wounded Heroes” program, Military Warriors Support Foundation awards mortgage-free homes to combat-wounded heroes injured while in service to our country. The homes are for families who have severe and/or unique circumstances due to their injuries received while serving our country. In addition to the home, the families will receive three years of family and financial mentoring. Humana Military’s support focuses on the family and financial mentoring component.

**Survivors Day at the Races** is a once-a-year November event, in which hundreds of families who have lost loved ones in service to their country gather together at Churchill Downs in Louisville, Kentucky, for a luncheon. In 2017, the Kentucky National Guard and

Humana Military hosted this eighth annual event to bring families from around the country together for an afternoon of lighthearted fun, live music and horse racing at the historic race track.

**Broward Navy Days Fleet Week** is a week in which thousands of Navy sailors arrive at Port Everglades to enjoy South Florida’s hospitality. While many of these service men and women enjoy shore leave, residents are also invited to tour the visiting Navy and Coast Guard ships. Humana Military supported the events that week.

Other organizations that received support from Humana Military during 2016 and 2017 were the Wounded Warrior Amputee Football Team; the Henry M. Jackson Foundation for the Advancement of Military Medicine Heroes of Military Medicine Awards; the Tri An Foundation Inc.; the Music City Bowl; the

Bowman Field Aviation & Military Heritage Festival; the Navy Seal Foundation; the Louisville Armed Forces Committee; and the Military Officers Association of America.

“We have the distinct honor of supporting the healthcare needs of millions of active and retired military members and their families in partnership with the Department of Defense. We are passionate about improving the lives entrusted to our care, and we support many other worthy organizations that share our passion and support the military community.”

**MATT PAYNTER**  
VICE PRESIDENT, STRATEGY  
HUMANA MILITARY

# Season of giving

## TOY DRIVE OFFERS CHILDREN SOMETHING TO SMILE ABOUT

For more than a decade, Humana Military employees have given toys to less fortunate children during the holidays through the U.S. Marine Corps Reserve's national program, **Toys for Tots**.

Each October, the big donation bins appear in the lobbies of Humana Military's office locations and, by December, every bin overflows with new toys for boys and girls of all ages. In addition to truckloads of toys, employees donated nearly \$6,000 of their own money to the organization in 2017. Since 2005, Humana Military employees have raised more than \$250,000 for the program.



## Sponsoring healthy organizations & events

WE GET BEHIND  
GETTING AHEAD



**Healthy communities inspire health and wellness.** That's why Humana is proud to sponsor and partner with so many great organizations around the country. These sponsorships bolster our ability to achieve our Bold Goal and reach people of all ages in all walks of life, as they try to achieve their best health.

**National Senior Games**  
Humana values exercise and an athlete's commitment to success at any age. For more than a decade, we have saluted athletes who compete in the **National Senior Games**, the nation's largest multisport event for people age 50 and older. Since 2007, we have been a presenting sponsor of the Games, which takes place every two years.

The National Senior Games has a 30-year history, with more than 12,000 athletes competing in 19 different sports during the most recent games.

Since 2013, our sponsorship has included recognizing **Humana Game Changers**, athletes who exemplify healthy aging and provide encouragement, motivation and inspiration for all seniors. These athletes demonstrate how regular physical activity can positively impact overall health and inspire others to pursue a healthy lifestyle—no matter their age or athletic ability.

Watch highlights of some of the best moments of the most recent National Senior Games, featuring our 15 Humana Game Changers.



### Rock ‘n’ Roll Marathon Series

For more than 20 years, the **Rock ‘n’ Roll Marathon Series** has engaged communities in more running events than any other running series in the U.S. Supporting active lifestyles with fun, energizing events set to music, the Series also has a track record of helping people raise money for their favorite charities (\$310 million recorded to date).

Seeing a great opportunity to partner with an organization that supports healthy living and charitable giving, Humana began teaming up to sponsor events in 2014. Our alliance has positively impacted employees, members and partners in several communities—San Antonio, Chicago, Dallas, New Orleans and Virginia Beach, among others.

Most recently, the partnership produced the **Tune Up Run Series**, 5K running events completely free

to any participant and designed to appeal to a wide range of fitness levels, from people entering their first race to accomplished athletes. These events were offered in non-Rock ‘n’ Roll Series venues, to impact people in more places, like Atlanta, South Florida, Tampa, Baton Rouge and Knoxville.

### Recent title sponsorship highlights have included:

**Humana Rock ‘n’ Roll San Antonio, December 2017:** This event offered a full- and half-marathon, 10K, 5K, relay, and “kids rock” distance to more than 25,000 runners, walkers and nearly 300 Humana employees.

**Humana Rock ‘n’ Roll Raleigh, April 2017:** A new addition to our race calendar, Raleigh offered full- and half-marathons as well as a 5K to more than 8,500 participants. [View highlights of the most recent race here.](#)

**Humana Rock ‘n’ Roll Chicago, July 2016:** This event annually attracts more than 20,000 participants for its half-marathon, 10K and 5K races. [View highlights of our successful event.](#)

### Kathrine Switzer partnership for health

An ideal brand ambassador for Humana, Kathrine Switzer has been inspiring runners of all ages for more than 50 years since breaking the gender barrier at the 1967 Boston Marathon by becoming the first woman to officially run in the historic race. At 70, Switzer has never slowed down and now continues to inspire us with a message that you’re never too old to stay active. Since her first appearance with us at the Humana Rock ‘n’ Roll Chicago event in 2016, she has helped Humana inspire wellness and encourage others to find their reasons to get and stay healthy.



“The Rock ‘n’ Roll Series is a great concept that makes healthy things fun, and fun things healthy. Achieving one’s best health can sometimes be challenging, but when the element of fun is involved, it can help make wellness a way of life, and this partnership helps us inspire more people to get up, get out and get active.”

**JENNIFER BAZANTE**

HUMANA SENIOR VICE PRESIDENT OF  
BRAND AND ACQUISITION MARKETING

Outside of the Rock ‘n’ Roll partnership, Switzer served as the keynote speaker at the Celebration of Athletes, encouraging thousands of athletes to continue to age with optimism.

### Humana + Parks = Health

As a National Park Foundation premier partner for the Find Your Park movement and the official healthcare sponsor of the National Park Service Centennial, Humana helped the National Park Service celebrate its 100th anniversary in 2016 by encouraging people to enjoy America’s 400+ national parks.

The partnership was a perfect fit for our company, says Bruce Broussard, Humana’s President and CEO. “National parks are great resources offering a

As part of Humana’s Find Your Park campaign we created a variety of virtual reality videos to showcase the natural wonders of many parks and spark interest to visit them (or any park) in person.

range of healthy experiences for people of all ages, and they represent a simple way to enjoy being healthy and active.”

### Park Rx program

As part of Humana’s partnership with the National Park Foundation the same year, we worked with MetCare to pilot Park Rx, a program that provides physicians with the option to write prescriptions to their patients for spending time in local parks. MetCare patients in South Florida who participated in the Park Rx program received a written prescription to visit nearby green spaces or parks and participate in an activity tailored to their individual needs.

“When people hear the word ‘prescription,’ they usually think of pills, but there are so many ways people can improve their health without medication,” says Yogi Hernandez Suarez, M.D., Conviva Care Solutions VP of Clinical Innovation.



Dr. Suarez continues,  
“We wanted this program  
to show people that being  
outside can improve their  
physical and mental health.”

As part of the Park Rx program,  
a clinical study assessed  
whether providing a Park  
Rx increases how patients  
utilize the parks and how  
it impacts their health.

Researchers used the Centers for  
Disease Control and Prevention’s  
“Healthy Days” measures to  
evaluate the patients’ outcomes  
over a period of one year.

Preliminary findings showed that  
those who reported zero park  
visits also reported 4.2 more  
physically Unhealthy Days than  
those who reported going to the  
park one to five times/month.



“Through their support, Humana is creating opportunities  
for people to see how parks and healthy living go hand in  
hand, underscoring how parks are relevant to their lives,”  
said Will Shafroth, President and CEO of the National Park  
Foundation. “Our work with Humana is a great example  
of the important role that public-private partnerships  
play in inspiring more people to find their park.”





# Community investment

## THROUGH THE HUMANA FOUNDATION



The Humana Foundation (the “Foundation,”) based in Louisville, Kentucky, was established in 1981 as the philanthropic arm of Humana.

The Foundation co-creates communities where leadership, culture and systems work to improve and sustain positive health outcomes. As the Foundation’s strategy continues to evolve, we will focus more on social determinants of health in hopes of giving people more Healthy Days. Social determinants of health are the conditions under which people are born, grow, live, work and age that impact overall health and well-being.

Walter Woods, Chief Executive Officer of the Humana Foundation, explains that the Foundation

## BUILDING COMMUNITY HEALTH

identifies partner organizations at the local, regional and national level “because joining forces with like-minded entities can result in more impactful, broad-based and sustainable change.” To that end, the Foundation will offer longer-term investments, recognizing that the type of change sought will likely take years to achieve, in partnership with others.

Since 1975, Humana and the Humana Foundation have provided \$286 million to worthwhile initiatives around the country and overseas. In 2016 and 2017, the Foundation invested \$13.3 million and \$15.7 million in communities across the United States.

**The Humana Foundation's community investments make a difference.** The Foundation is shifting its focus to co-creating communities where leadership, culture and systems work to improve and sustain positive health outcomes for their residents by focusing on social determinants of health—such as asset and financial security, food security, and social connection. A number of current grantees already have programs that align with its new strategy. Nonprofit organizations received more than \$4.8 million and \$6.5 million in health-related grants from the Humana Foundation in 2016 and 2017. **Examples of that community investment include:**

#### **Knoxville—Knox County Community Action Committee**

**The Congregate Health and Nutrition Education Program (CHNEP)** is an evidence-based program focused on addressing food insecurity and social isolation in older adults. The program aims to increase the number of older adults receiving nutritious meals, health/wellness education and depression/isolation screening and programming. CHNEP targets older adults with disabilities living in low-income housing by providing a nutritious hot meal each day in a communal area of housing complexes for ease of transportation. During the meal and gathering,

participants are screened for social isolation using the Healthy IDEAS (Identifying Depression, Empowering Activities for Seniors) program.

“Serving the senior population for the past 20 years, I have found myself very frustrated not having enough funding to just provide lunch meals to seniors in our community. I have found that hunger and isolation are two of the greatest challenges of the aging population to date. I am so thankful for the Humana Foundation for not only helping us to provide hot nutritious food but also helping to expand our platform to educate and motivate this group. I am thrilled when I see individuals, who would otherwise be alone in their apartments, dining with friends and learning important health information in a relaxed and familiar environment. This grant has taken a basic program and made it so much more!”

**JUDITH PELOT, SENIOR NUTRITION PROGRAM MANAGER**

**Healthy IDEAS** is a scientific disease self-management program specifically designed for isolated older adults to detect and reduce the severity of depression symptoms—particularly found in those with chronic health conditions and functional limitations. It is known to improve their quality of life by:

- Screening for symptoms of depression and assessing their severity
- Educating them and any caregivers about depression
- Linking them to primary care and mental health providers
- Empowering them to manage their depression through a behavioral activation approach that encourages involvement in meaningful activities

## ElderServe

The Humana Foundation's support of **ElderServe** has helped to advance two programs that promote social connectivity among older adults, the Friendly Visitor program and TeleCare.

**The Friendly Visitor program** matches volunteers with socially isolated older adults with the goal of increasing social interaction and decreasing depression and loneliness. Activities may include shopping, playing games,

taking a walk, going to a movie or restaurant, or simply sharing stories. Volunteers are also trained to identify and report signs of distress or abuse.

**ElderServe's TeleCare program** offers participants the opportunity to receive phone calls every weekday from caring volunteers. The program provides a reliable means of contact for older adults and offers opportunities for companionship and socialization that they might not otherwise receive.

"Our Friendly Visitor Program creates long-lasting relationships that are capable of bringing generations together. We all have a need to feel connected, be a part of something greater than ourselves, and to be cared about. This program, as well as TeleCare, provides a solution to the growing need in our community to combat social isolation."

**MEGAN CARPENTER**  
VOLUNTEER SERVICES MANAGER, ELDERSERVE

Susan Long, CAC Office on Aging Director, speaks about the impact of the grant from Humana Foundation.



## Tampa Metropolitan YMCA

In 2017, the Humana Foundation supported **Tampa Metropolitan YMCA's Veggie Van**, a mobile marketplace distributing low-cost produce in targeted areas of Tampa Bay that are categorized as food deserts or food swamps—a place where unhealthy foods are more readily available than healthy foods—by the Department of Agriculture. The Veggie Van stops at community hubs such as schools, churches or nonprofit organizations in Hillsborough and Pasco counties.

The program is community-driven, with participants requesting foods, shopping for their food (**instead of being given bags of pre-selected produce**), paying for food, and giving regular feedback to a nutritionist.

Clients purchase food at biweekly stops at a reduced price, and **SNAP** payments are accepted. A bilingual nutritionist assists clients with questions and referrals to social services, and clients have the opportunity to engage in cooking demonstrations and learn new recipes.

“They can supply you with things you really need and at such a low price. It’s unbelievable. You get more than your money’s worth. It’s worth it, I’m telling you. Don’t pass it up. I can see now where I wasn’t buying the vegetables I truly needed because I couldn’t afford it. But now, like wow, I’m baking more potatoes and eating more salads with radishes and tomatoes. You can’t beat this. It’s a good nutritional meal. You can make a meal out of all of it to go along with the things you do have. It’s a blessing, truly a blessing.”

VEGGIE VAN PARTICIPANT

## Working together for disaster relief

In 2016 and 2017, the U.S. was plagued with hurricane and flooding disasters, and the Humana Foundation donated \$2 million to disaster relief efforts across the country and in Puerto Rico.

In 2016, **in response to Hurricane Matthew**, the Foundation donated \$115,000 to three nonprofit organizations that provided support to those affected in Florida and North Carolina. In southeastern Louisiana, where flooding wreaked havoc the same year, the Foundation donated to two nonprofit organizations that provided support to those affected and matched employee gifts up to \$25,000.

While providing funds for short- and long-term relief efforts is a considerable help to communities in need, Humana also focuses on

our internal processes that make it easier for our members to achieve their best health, especially during trying times. For example, in Louisiana, Humana launched a series of disaster relief efforts assisting our employees, members and their communities after the August 2016 flooding.

**We took the following steps to make it easier for people to manage their health:**

**Humana health plan members in Louisiana** with prescriptions were able to obtain early refills of their medications without authorization from their physicians or Humana.

**Humana members who lived in the disaster area** and contacted Humana could receive automatic authorization for medical services that normally require preauthorization.

**We opened our toll-free Employee Assistance Program (EAP) hotline** beyond Humana Louisiana employees and members to include the community, providing free, confidential assistance to anyone who needed help and support in coping with the disaster and its aftermath.

When hurricanes **Harvey, Irma** and **Maria** hit Texas, Florida and Puerto Rico in 2017, Humana and the Foundation provided similar support.

**“Humana had more than 16,000 employees in the paths of Hurricanes Harvey and Irma. In the Human Resources Shared Solutions Guidance Center (HRSSGC), which includes our HR4U team, employees stepped up to help out,”** explained Keri Cundiff, a Frontline Supervisor. **“Not only did we do well-being reach-outs to employees, but we extended our hours of operation to 24/7 for the week during Hurricane Irma. HRSSGC and HR4U employees**

**willingly volunteered and sacrificed time away from their families, evenings and weekends to enable us to ensure their fellow employees in the impacted areas were safe.”**

In Puerto Rico, the effects of Hurricane Maria were devastating, and Humana extended our support once again. Humana employee, Joel Morales, gives us his **firsthand account** of how he and his family weathered the storm and how support from the company and his Humana colleagues made a fundamental difference.

William Fleming, Humana’s Segment President, Healthcare Services, and other Humana employees, explain how the last two years of devastating natural disasters helped Humana learn how to be better **crisis-prepared** so that we can provide meaningful and quick support to those who need it most.

## Supporting our colleagues in Puerto Rico

In the fall of 2017, Hurricane Maria struck Puerto Rico and devastated the island's power grid, communications and infrastructure for the 3.4 million residents.

Humana has 800 employees living in Puerto Rico, mostly in the San Juan area. It was a top priority to ensure that our teammates were safe after the storm. Humana sent roving patrols to the employees' homes to make sure everyone was OK, and hundreds of employees came to Humana's primary office location in San Juan, which had grid power and water-filtration systems that they used to take clean water home with them. Humana also rented a cargo plane to deliver 70,000 water

bottles, thousands of "ready to eat" meals, and other supplies, such as fans and batteries.

In addition to our employees, Humana has approximately 125,700 health plan members in Puerto Rico. Outreach efforts were difficult, given the downed phone and power lines; however, our employees, equally affected, worked on a community aid program to bring nonperishable food, health clinics, water and entertainment to communities in need. More than 150,000 people benefited from this initiative, which included educational ads about how to cope, sponsorship of special programs broadcast in public places to entertain people without power, and distribution of signs to police officers directing traffic.

Bruno Piquin, Regional President of Administration for CarePlus, who led Humana's emergency response effort said at the time, "The full recovery will take a long time. But our employees have been eager to help people as they themselves are working to recover. Some of them had significant damage to their own homes; their kids were out of school for a significant amount of time; and it's estimated that it could be months before power is restored to the entire island. We all appreciate how Humana delivered supplies and how our employees have been showing their support for everyone. It means a lot."



# Disaster relief funding

2016-2017

## 2016-2017 DISASTER RELIEF FUNDING

ORGANIZATION.....	AMOUNT
AMERICAN RED CROSS (HURRICANES IRMA, HARVEY AND MARIA) .....	\$1,580,000
FEEDING AMERICA – HURRICANE IRMA (FEEDING, NORTHEAST FLORIDA, FEEDING SOUTH FLORIDA, FEEDING TAMPA BAY) .....	\$119,000
AMERICAN RED CROSS — JACKSONVILLE/NORTH CAROLINA (HURRICANE MATTHEW) .....	\$60,000
MENTAL HEALTH ASSOCIATION OF CENTRAL FLORIDA — ORLANDO (NIGHTCLUB SHOOTING).....	\$50,000
ZEBRA COALITION — ORLANDO (NIGHTCLUB SHOOTING) .....	\$50,000
NORTH CAROLINA COMMUNITY FOUNDATION (HURRICANE MATTHEW) .....	\$40,000
UNITED WAY OF GREENBRIER COUNTY — WEST VIRGINIA (FLOOD RELIEF) .....	\$35,000
AMERICAN RED CROSS — LOUISIANA (FLOOD RELIEF).....	\$25,000
AMERICAN RED CROSS — TEXAS (FLOOD RELIEF) .....	\$25,000
CAPITAL AREA UNITED WAY — LOUISIANA (FLOOD RELIEF) .....	\$25,000
COMMUNITY FOUNDATION OF NORTHEAST FLORIDA (HURRICANE MATTHEW) .....	\$25,000
UNITED WAY OF SOUTHERN WEST VIRGINIA (FLOOD RELIEF) .....	\$25,000
<b>TOTAL .....</b>	<b>\$2,059,000</b>

# Healthy Planet



Humana®

# Doing our part to help protect our environment

We work together at Humana every day to keep our environmental footprint in check. The better we do at protecting the health of our environments, the better we can do at positively supporting people on their health journeys.

At Humana, we know that a strategic focus on environmental sustainability is critical to fulfilling our mission of helping people achieve lifelong well-being. Humana is a corporate leader in this area, and we continually explore ways to operate in more responsible and sustainable ways.

We regularly take on new goals to stretch ourselves in areas such as energy consumption, greenhouse gas emissions and waste reduction. We engage our employees and business partners to join us in our quest to contribute to a Healthy Planet and are proud of the enthusiasm with which we've been met despite the challenges we sometimes face.

While the journey is not always easy, we know it is an imperative—for our business and collective conscience as a good corporate citizen.



# Making strides in environmental sustainability

In 2014, we announced environmental goals to achieve a 5 percent reduction in annual energy consumption from our 2013 baseline consumption, 5 percent decrease in greenhouse gas emissions from our 2013 baseline emissions, and 40 percent waste diversion rate of waste-to-landfill through reduction and recycling efforts by the end of 2015.

These goals proved challenging, so in 2015, we extended our target achievement date to the end of 2017. Over the course of four years, we invested more than \$5.2 million in building efficiency improvements, optimized our building occupancy rate, and implemented new energy-efficient processes and recycling standards.

## 2017 HUMANA HEALTHY PLANET GOALS

### Energy Reduction



5% reduction in annual energy consumption from 2013's baseline consumption across our portfolio of owned and leased properties under vendor management

GOAL: -5%  
ACTUAL: -5.3%

### GHG Emissions Reduction



5% decrease in greenhouse gas emissions from 2013's baseline emissions across our portfolio of owned and leased properties under vendor management

GOAL: -5%  
ACTUAL: -6.5%

### Waste Diversion



40% diversion rate of waste to landfill, via reduction and recycling efforts at our portfolio of sites where Humana and its vendors manage waste and recycling services

GOAL: 40%  
ACTUAL: 41%

As we continued working to reduce our energy consumption into 2018, we're excited about the positive results we've seen. As of June 30, 2018, we surpassed our goal, achieving a 5.3 percent reduction in energy consumption. Our greenhouse gas emissions were reduced by 6.5 percent by end of 2017, and our recycling efforts yielded a 40 percent waste diversion rate.

Because of our efforts, we eliminated more than 12,000 MWh of energy consumption and 8,900+ tons of carbon dioxide from our portfolio—equivalent to the annual impact of more than 900 households. Had we not set such ambitious goals, we may have witnessed an increase in energy consumption and associated emissions of nearly 10 percent. More than 2,100 tons of waste would've

been discarded to landfills versus being repurposed and reused in a variety of ways, equivalent to the annual waste produced of almost 800 households.

Equally rewarding was seeing our employees not only become more active in adapting to a cleaner, greener future but also working with them to proactively embrace it.

## HEALTHY PLANET GOALS: LOOKING TO THE FUTURE

Looking ahead, we have set new emissions (which includes energy) and waste goals that will continue to push us as a company and our employees as active participants in being responsible stewards of the environment. By December 31, 2022, we aim to achieve the following:



# ■ Reducing greenhouse ■ gas emissions



Humana continues to evolve the ways we work, striving to create an adaptable workplace that enables us to achieve our business goals while also allowing us to be our best.

To that end, the number of employees who are participating in alternative work arrangements continues to grow. Today, our work-at-home and mobile populations represent more than 40 percent of our workforce. With this trend, we're able to optimize and align our real estate with the way employees work and eliminate thousands of commuter miles each week.



## KEEPING IT CLEAN

**FREE RIDES** TO ALL HUMANA EMPLOYEES WHO WORK IN THE LOUISVILLE AREA



Providing easy access to alternative transportation is also a priority. Humana partners with **Transit Authority of River City (TARC)**—greater Louisville's public transportation system—to offer free rides to all Humana employees who work in the Louisville area. From parking benefits to alternative transportation options, we continue to explore new ways we can reduce the commute burden on our employees and on the planet in a way that makes sense for our business.



## ■ Tackling energy consumption



Humana's Green Bay building earned the 2017 ENERGY STAR® certification: The label represents proven, verified superior energy performance over a 12-month period.

Humana established light-emitting diode (LED) lighting technology as a design standard for new construction and renovations. We also set out to replace existing lighting in 50 Humana facilities with LED technology. We even replaced lighting in one of our downtown Louisville parking garages and were recognized by the Metro Office of Sustainability and the Louisville Energy Alliance with the Kilowatt Crackdown award.

LED lamps use about half as much energy as comparable fluorescent tube lamps (CFL), which means considerable savings for Humana. The replacement lamps are projected to save more than \$900,000 per year. In addition to energy savings, LEDs have a much

longer life expectancy, which means lower maintenance costs. Because fluorescent lamps contain mercury, a potential hazard if broken apart, all fluorescent lamps that we've removed are being recycled by a certified vendor. In the end, installing LED technology is a win-win for our company and our planet.

Data centers, in particular, are significant energy users, given the tremendous amount of cooling it takes to keep servers at the optimal temperature. Several projects were completed to temper the usage while still being sensitive to operations. More efforts like these are planned in the future to keep up with growth.

Over the past couple of years, Humana has worked with our design standards team, as well as our engineering and equipment partners, to do extensive modeling of air flow and cooling loads in our facilities. We 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. In fact, the installation of high-efficiency motors and variable frequency drives (VFDs) in our data centers has resulted in energy efficiency while also prolonging the life and reliability of the systems.

Data centers weren't the only sites that underwent upgrades. Many of our downtown Louisville and owned facilities received upgrades to the building mechanical systems (e.g., HVAC systems, boilers), allowing the facilities

management (FM) team to provide better heating and cooling to our employees while reducing energy usage. In conjunction with those efforts, our FM team:

- Retro-commissioned sites
- Reviewed set points, schedules and calibrations to ensure all systems were running optimally
- Looked at employee schedules, adjusting facility temperatures to reflect their on-site hours

We also partnered with a local electric company to participate in a Demand Response Program. On high-energy-use days, Humana curbs our electricity usage by turning off common areas and exterior lighting as well as adjusting back-of-the-house systems and asking employees to reduce any unnecessary power consumption—such as turning off desk lamps. Not only does this

program reduce demand on the regional electrical grid, but it also raises our employees' awareness of sensible energy consumption. Many employees have taken advantage of similar programs in their homes, reporting that they don't even notice the change and enjoy the small credit they receive every month on their invoices.

Humana's design standards team, architect and engineering consultants, and facilities team collaborated to develop a comprehensive set of design standards for office and clinical operations to ensure consistency, energy efficiency and sustainable practices across new builds and renovations in 2016. Overall, our facility portfolio efforts have resulted in more than \$1.8 million in cost-savings, 65,000 MMBtu in energy reduction, and nearly 11,000 mt CO<sub>2</sub>e GHG reduction. And that's equal to the greenhouse gas emissions of 2,355 passenger vehicles driven for one year.

## ■ Reducing ■ waste



### Implementing shared recycling and waste bins

One way we surpassed our waste-diversion goal was by replacing individual trash bins with shared recycle and waste bins. The Shared Bin Program is Humana's green standard for recycling and waste management and makes it easier for us to do our part by featuring single-stream recycling and collection bins. Not only do we get a few more steps in our day by taking waste to these bins, but it makes us more aware of the amount of waste we are creating.

### Feeding people, not landfills

Our food service vendor, **Sodexo**, partners with the **Dare to Care** food bank in Louisville to donate

extra and/or expiring food items, helping to eliminate waste and feed the hungry. Twice a week, Sodexo chefs package the unsold or expiring food items at the end of the day for a Dare to Care food representative, who picks it up and serves it to a Dare to Care food center that evening.

### Composting

Sodexo also operates a composting program at three of our on-site cafés. Through this program, local companies transport food waste to a facility where it's compacted and composted and then put back into products sold locally, such as fertilizer and soil. A Louisville area farmer receives food scraps from our downtown café and will soon



be ready to provide compost for our new raised bed gardens. The herbs will be used in our Louisville cafés. Sodexo also saves used coffee grounds for our employees who are avid gardeners.

### EcoBoxes



Sodexo has made use of EcoBoxes (reusable green plastic lunch boxes), which have contributed to a decrease in waste. With the recent addition of EcoBox pick-up locations around our facilities, usability has increased from 2 percent to 30 percent.



# ■ Engaging employees to ■ make a difference



Our employees are the heart of our sustainability efforts. We've tapped into their enthusiasm through a variety of activities, including our Bash the Trash and Dash for Trash programs.

## Bash the Trash

Bash the Trash was a recycling contest that encouraged employees to reuse materials and minimize consumption. Nine of our larger Humana offices across the U.S. competed to see which facility had the largest increase in its waste diversion rate by the end of 2017. The goal was to divert 40 percent of our landfill waste by increasing recycling efforts.

Our Green Bay facility came out on top with a significant diversion



ARTWORK CREATED BY HUMANA EMPLOYEES FOR THEIR BREAKROOM TO KEEP RECYCLING IN THE FOREFRONT

rate of 43 percent. Overall, we exceeded our goal and diverted 41 percent of waste from going to a landfill. Employees led the way during the contest, bringing awareness to recycling and encouraging their co-workers to do more. From an Earth Day adventure trail to recycled artwork in breakrooms to events where employees traded surplus office supplies, their ingenuity enabled us to reach beyond our goal.



## Dash for Trash

In addition to Bash the Trash, Humana also launched Dash for Trash, another activity aimed at raising awareness for recycling while increasing our daily steps. Dash for Trash was held in conjunction with Humana's annual employee step challenge, the 100 Day Dash.

We offered Dash for Trash kits—which contained trash bags, gloves and sanitizing wipes—to employees who were inspired to pick up trash while on their walks.





# Healthy Performance



Humana®

# An investment that pays off in more ways than one

We know the importance of investing in our employees and partners so that they have optimal resources and support to do their best work. It also means that our internal culture must evolve and be in sync with our business so that we can fully accomplish our goals.

Humana recognizes the role that corporate responsibility plays in creating a sustainable organization. This is especially important in the ever-changing, fast-paced industry in which we work. We know the importance of investing in our employees and partners so that they have optimal resources and support to do their best work. It also means that our internal culture must evolve and be in sync with our business so that we can fully accomplish our goals.

Humana takes seriously our commitment to develop our talented employees so that they can learn and lead with compassion. Through an inclusive and diverse culture, we embrace all people and their ideas so that we benefit from their guidance and also reflect the varied populations we serve.

Healthcare providers—from doctors to nurses to their support staffs—are vital partners who also receive our ongoing respect and support. We continue to add provider programs and engagement opportunities as top priorities in growing our business and our ability to understand and improve healthcare and health systems. We realize the increasing importance

of this partnership with healthcare professionals who provide a unique and crucial perspective and touchpoint with people in every community.

Likewise, our suppliers and other business partners help to give us an integral business advantage, especially when we support those who share our approach to sustainable business practices. In choosing partners who reflect our employee and member populations—as well as our company vision, mission and culture—we know we are positioning ourselves for success.

None of this would be possible were it not for a solid stance in matters of ethics and compliance so that we are well-equipped to make the right decisions at the right time and in the right way. We expect much of those with whom we work, and we continue to build an internal framework that allows us to operate under the best ethical, legal and risk-management principles. And while accolades aren't the reason we're committed to being a good corporate citizen, we are appreciative of the awards and recognition we've received.

## Investing in our employees

OUR EMPLOYEES  
ARE HUMANA



Humana's mission is only as strong as the people we work with. Our employees make our success possible, so we make sure they have the resources and support they need to be strong leaders and contributors.

We invest in all of our employees by contributing to their well-being, their sense of inclusion, and to their career development.



# ■ Workforce talent ■ & leadership development

Humana offers programs and experiences designed to enhance our employees' competencies and build their future at Humana by taking advantage of:

- Internal and external learning events
- Tuition assistance
- Service awards
- Inclusion and diversity training and educational programs
- Career cultivation resources and events
- Mentorships
- **Degrees Work** program

In 2017, we registered more than 10,000 people for our career cultivation events and on-site events.

More specifically, these include employee and leader programs, workshops and classes such as:

## **BOLD GOAL MARKET LEADERSHIP DEVELOPMENT**

Professional and leadership development opportunities with nonprofit and community organizations as a key to advance our Bold Goal of helping every community we serve become 20 percent healthier by 2020

## **BUSINESS ACUMEN**

Builds financial and business literacy to learn how Humana achieves success and to make decisions that positively impact key company performance metrics

## **CHANGE LEADERSHIP**

Prepares leaders to recognize how change is affecting them and how they can adapt to change by utilizing a set of strategies, skills and tools to manage and accelerate the change process

## **COMMUNITY INVOLVEMENT**

Various initiatives in the communities we serve that provide volunteer-based development opportunities for employees

## **CREATING AN INCLUSIVE CULTURE—EMPLOYMENT LAW FOR LEADERS**

A vendor-led learning experience for mid-level leaders that addresses essential employment law content that enables leaders to do the right things, the right way, for the right reasons

## **DEVELOPMENT ACCELERATION PROGRAM (DAP)**

Cultivates diverse professionals through senior leader and thought-leadership exposure, using cross-functional teams to solve an assigned business unit-sponsored problem

## **ENGAGING WITH HUMANA (EMPLOYEE ONBOARDING)**

Provides useful information about Humana (organization, history, and values), new employee must-dos, and Humana benefits and services

## **EXECUTIVE COACHING**

One-on-one and small group development focused on inquiry, neuroscience and self-reflection; coaching goals aligned to business impact and performance

### EXECUTIVE INCLUSION & DIVERSITY COUNCIL

A group of senior-level leaders committed to creating and promoting an inclusive and diverse work environment, meeting quarterly to address key issues

### EXECUTIVE ONBOARDING

Personalized support and services to accelerate connections to people and processes, while enriching their understanding of our business model and how we deliver our value proposition to consumers in the marketplace; also training on values and behavioral anchors

### EXECUTIVE SITE EXPERIENCES

Provides up-close opportunities to deepen consumer and business insights through visits that highlight our capabilities and how they contribute to our enterprise goal and strategy

### FIT 4 CHANGE

A course that helps employees cultivate change readiness by developing their personal resilience and organizational agility

### HARVARD MANAGEMENTOR

A premier on-demand learning and performance support resource for leadership and management skill development that includes regularly updated topics, videos and practical tools

### HELLO (HUMANA LEADERSHIP ORIENTATION)

A virtual orientation experience for new people leaders that focuses on leader expectations, with respect to talent practices, culture and employment law

### HUMANA CULTURE WORKSHOP

An in-person workshop designed to give employees ideas and insights about how they can be at their best more often to help create a healthier culture

### HUMANA LEADERS ASSESSMENT

A portfolio of assessments including customer multi-rater feedback on Humana's values, personality inventory, and critical thinking/decision making

### LEADERSHIP ESSENTIALS

Blended learning experience for leaders to develop the fundamentals of leadership, with a focus on interpersonal effectiveness, leading positively, business acumen and talent development

### LOCAL INCLUSION & DIVERSITY (I&D) COUNCILS

Councils that help put Humana's I&D strategy in place at Humana locations across the country by acting as change agents to build a more inclusive environment

### NETWORK RESOURCE GROUP (NRG) LEADERSHIP DEVELOPMENT

Expands the leadership skills of Humana's NRG leaders by providing

them hands-on leadership experience, networking with Humana executives and leaders, and the opportunity to work on projects that support Humana's strategy and business goals

### PHYSICIAN EXECUTIVE DEVELOPMENT PROGRAM

A two-phased experience clarifying the role of "physician leaders of leaders" to better understand how insights generated about consumers, population health capabilities and digital connectivity can support trend-bending efforts; also shows how their medical leadership fits within an evolving business model and how they can build skills in the areas of facilitating agreement, sharing an inspiring vision, coaching and celebrating accomplishment

### PHYSICIAN LEADERSHIP DEVELOPMENT PROGRAM

A blended learning experience to develop fundamental leadership capabilities of our physician participants, leveraging the core curriculum of Leadership Essentials, Harvard ManageMentor materials and one AAPL course per month for CME credit

### SKILLSOFT (LEADERSHIP ADVANTAGE)

Provides leadership learning tracks that use top business executives and industry experts in a variety of formats including videos, presentations and book summaries



# Degrees Work



Degrees Work is a program that works directly with companies and organizations to encourage their employees to return to college and complete a degree.

As one of Louisville's largest employers, Humana was among the first companies to offer it to our employees, starting in 2017.

The program includes offering college coaching to employees in the Louisville area, providing one-on-one support in helping them find and enroll in a flexible degree program that matches their lifestyle, finances and career goals; find ways to pay for college; and ensure they receive credit for prior learning, including credit transfers.

“Degrees Work helped me create an individualized plan that met all of my needs, and then some. I was informed of scholarship opportunities and ways to earn credits for my prior training and PMP certification, and I ultimately had a cheerleader to walk me through the process of reenrolling in college.”

**ELIZABETH PRIDDY**  
A DEGREES WORK  
PARTICIPANT AND HUMANA  
SENIOR PROJECT MANAGER





# Compensation

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Humana's pay philosophy is designed to motivate and reward our associates for their skill development, demonstration of our values and performance.

This may include base pay, incentive pay, overtime and other supplemental pay, and recognition awards. However, we know that associate needs and preferences change over time, which is why we pay attention to our associates' opinions and feedback. Our most recent Associate (Employee) Preferences Survey influenced updates to the benefits we experience together and the ways in which we're compensated.

Below are two important changes in this area:

With the introduction of our Associate Incentive Plan in 2018, all full and part-time associates now participate in an incentive program at a minimum of four percent of base salary, based on company and individual performance.

We increased our minimum hourly wage to \$15 for full and part-time associates in the continental U.S.

Being stronger together, and in our individual lives, is what these changes are designed to enable. We will continue to monitor our employee needs so that we remain in touch with what matters most.



# I&D

## INCLUSION & DIVERSITY

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While there is strength in numbers, Humana also recognizes there is strength in inclusion and diversity (I&D). Our employees' unique experiences, characteristics, backgrounds and beliefs allow us to better connect with our diverse members and communities, attract and retain top talent, and drive the innovative thinking that gives us a competitive edge in the marketplace.

Our strategy has both internal and external focus:

### Our workforce

The Humana workforce should reflect the diversity of the communities we serve. By recognizing the potential in all employees, we will retain the best talent and be an employer of choice.

### Culture of inclusion

Based on the foundation of our values, an inclusive culture encourages and rewards the right behaviors, instills personal accountability, and empowers speaking up.

### Healthier communities

To make it easier for people to achieve their best health, we must leverage employee and consumer insights to create personalized experiences.

### External partnerships

We will partner with diverse suppliers, providers and other stakeholders to keep our commitment at the forefront of all we do.

We strive to create an inclusive culture that enables us to do meaningful work in an

environment where our employees feel welcome and safe to be their true selves and contribute their full talents. Over the past two years, we have amplified our commitment in many ways, perhaps most notably with the creation of a **Chief Inclusion & Diversity Officer** role, taken on by **Maria Hughes**, who says:

“We thrive as a team because we are committed to making sure all employees feel valued, engaged and supported so they can do their best work. We have a purpose-driven, inclusive culture at Humana that’s inspired by and reflects the wide variety of communities in which we work. Our diverse backgrounds and unique experiences fuel innovation and business success.”

Maria also says having someone in a role like hers can help drive the I&D initiatives Humana wants to execute, as well as make a business case when new opportunities present themselves.

### Partnering to teach and strategize

Humana has a multi-person team devoted to I&D initiatives. Many are Certified Diversity Professionals and have completed training in numerous areas and strive to connect with internal partners to offer hands-on consulting and co-create strategies and business solutions.

### Community integration

Because we believe we are more powerful together than alone, Humana has organized various network resource groups and partnered with our communities to support the tenets and best practices of I&D.

### Network Resource Groups

Network resource groups (NRGs) are voluntary organizations open to all Humana employees. With membership equal to more than 20 percent of the our employee population, NRGs provide personal, experience-based forums for exchanging ideas, building community, and driving measurable business outcomes. All NRGs are employee-led and -driven. Our current NRGs include:

#### IMPACT

African-American NRG

#### HAPI

Asian-Pacific Islanders NRG

#### UNIDOS

Hispanic NRG

#### PRIDE

LGBTQ NRG

#### CAREGIVERS NRG

#### SALUTE

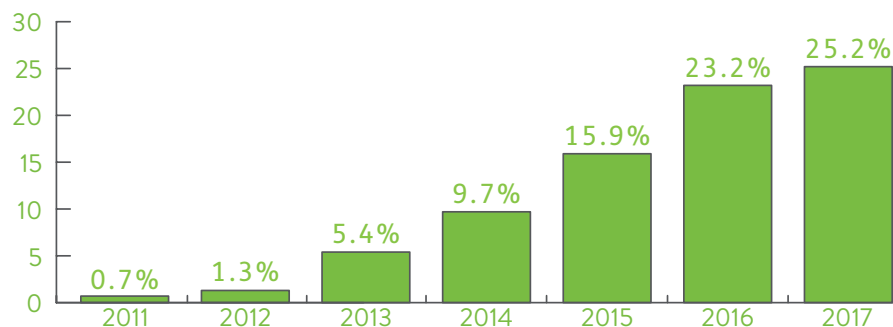
Veterans NRG

#### WOMEN'S NRG

#### ACCESS

Disability NRG  
(launched in 2017)

### NRG MEMBERSHIP



Percentage of Humana's total employee population as of mid-year 2017



## Humana's newest NRG—ACCESS—for those with disabilities and their allies

In October 2017, Humana launched our newest NRG, ACCESS, for people living with disabilities and their allies. The group's mission is to advocate for the inclusion of those impacted by disabilities within Humana and the members we serve by challenging the status quo and breaking down barriers. The hope is to equip people with the resources to succeed and live healthy, happy lives, with specific objectives such as:

- Bridging gaps in communication between employees
- Providing leadership support with disability-related topics
- Breaking down myths and building awareness within the workplace, marketplace and community
- Providing career-building opportunities to the employee population

Kelly Reitz, ACCESS Co-Chair and Provider Audit Professional, has been a quadrilateral amputee since the age of 1 and has a personal tie to the NRG. She explains, “When I began with Humana, as I had done with all jobs, I tried very hard to not reflect any weakness being an amputee. I grew up not knowing other amputees or many other disabled people, and I find that support is needed in so many aspects of our lives. Having the support within your job is a huge way to build up the community and to give back to your employees. There are many gaps and myths we need to squash, and many resources we can provide as an NRG.”



## Inclusion & Diversity Executive Council

Chaired by our President and CEO, Bruce Broussard, the Council's purpose includes setting companywide I&D goals, providing a forum to prioritize and advance initiatives, and integrating I&D into the fabric of the organization. Focal points include hiring, developing and retaining an inclusive and diverse workforce and improving transparency and accountability to sustain outcomes.

## Community Outreach

Humana pursues several multicultural initiatives in the communities where employees live, including the following:

**Black Achievers** is a YMCA program that enhances the educational, personal and career development of local African-American youth in grades 8-12. It connects them with more than 200 adult volunteers, including

Humana employees, to help them establish and pursue their career and educational goals. This ongoing 39-year partnership, in both Louisville and, most recently, Cincinnati, also awards students with scholarships (**via the Humana Foundation**) and summer internships. Adult achievers are selected each year and honored in an annual celebration.

## Habitat for Humanity

Since 2003, more than 900 Humana employees have helped build homes in Louisville for low-income families through our partnership with Habitat for Humanity.

**Project BUILD (Business United in Leadership Development)** is a Lincoln Foundation-sponsored program that introduces high school juniors and seniors to business through visits to local corporations and sessions with their leaders. Each summer,

students participate in a business program that offers college-level business classes and advice from local corporate leaders on such topics as creating a professional action plan, diversity in the workforce and business protocol.

## Hispanic Association on Corporate Responsibility (HACR)

is one of the most influential advocacy organizations representing 14 national Hispanic organizations in the U.S. and Puerto Rico. Its mission is to advance the inclusion of Hispanics in Corporate America at a level commensurate with their economic contributions, and its CSR focus includes employment, procurement, philanthropy and governance. Humana participates in its Corporate Inclusion Index and has gone from a score of 50 in 2012 to 75 in 2016.

## Humana partnerships include:

- 100 Black Men of Louisville
- 828 Foundation
- Asia Institute
- Business Diversity Network
- Business Professional Women of River City
- The Consortium for Graduate Study in Management
- Executive Leadership Council
- Greater Louisville International Professionals
- Hispanic Association for Corporate Responsibility
- Hispanic Latino Business Council
- Integrating Women Leaders Foundation
- International Women's Media Foundation
- Just Fund Kentucky
- Kentuckiana Gay Pride
- Kentucky Center for African-American Heritage
- Kentucky Human Rights Commission
- Leadership Louisville Foundation
- Louisville Central Community Center
- Louisville's Urban League
- Management Leadership for Tomorrow
- National Minority Supplier Diversity Council
- PROSPANICA
- St. Pete/Tampa Gay Pride

**Caregiver Voices** was launched by Humana's Caregiver NRG in 2017 and provides insights and suggestions, via focus groups or meetings, when our business units ask for opinions about caregivers. Last year, the group worked with the Workplace Voluntary Benefits area to give their thoughts about a potential new caregiver benefit under consideration. Current work includes providing Humana's Innovation team with counsel on caregiving of those with congestive heart failure.





# ■ Humana volunteers ■ raise the roof

## Humana volunteers raise the roof of Habitat for Humanity house

In 2017, a family of four traveled to Kentucky from the northeastern African country Eritrea with the hope of someday achieving the American dream: owning a home and offering their children a better life.

Thanks to **Metro Louisville's Habitat for Humanity** and the help of more than 100 Humana volunteers, the family of Abdulkadir Ibrahim Mohamed and Maryan Mustafa Hussein has a new home in Louisville, Kentucky.

**"We are so thankful to all of you,"**

Abdulkadir, said at the ground blessing ceremony. Though the application process is extensive, he said he wanted to apply to Habitat for Humanity's homeownership program to give his children, Semira, then 18 months, and Sunir, then 8 months, a better life.

Traditionally, Humana's Office of Inclusion & Diversity helps gather volunteers for the Raise the Roof event when employees transform a concrete slab into a weather-proof home in just three days.

**Habitat's mission** and Humana's Bold Goal seem to go hand-in-hand, given that well-being includes security, and homeownership helps fill that need.



HOMEOWNERS WITH SOME OF HUMANA'S  
EMPLOYEE VOLUNTEERS

For more information, read Humana's 2016-2017 Inclusion & Diversity Annual Report

# ■ Ethics & compliance



Humana's ethics and compliance programs provide guidance and monitoring for our business.

Doing so helps Humana meet legal and regulatory requirements and comply with our high ethical standards. **Our compliance organization:**

- Provides practical guidance for complying with legal and regulatory requirements
- Works with our operational partners to monitor and develop proactive controls around compliance
- Manages Humana's relationships with regulatory agencies
- Maintaining our code of conduct (**Ethics Every Day**) and effectively communicating that code to all employees
- Creating and providing oversight of our annual Ethics and Compliance Training process
- Maintaining organizational policies, procedures and guidelines to support our code of conduct

Compliance plays a key role in inspiring a culture of ethics and compliance and fosters the message that all employees are accountable for operating in an ethical and compliant manner every day. Humana integrates ethics and compliance into our culture by:

- Supporting a variety of processes and tools to allow employees to address questions, concerns and alleged violations of Humana policies

Humana's full executive team, compliance officers and other senior leaders comprise our Corporate Compliance Committee. The committee provides regular reports to our CEO and the Audit Committee of the Board of Directors through the committee chair, the Chief Compliance Officer.

Humana has many resources and protections in place to address the risks associated with operating our business. This collection of initiatives safeguards against corruption, as well as ethics and compliance violations. They are also designed to keep our members' data secure and private.

### Ethics Help Line

Humana's 24-hour confidential Ethics Help Line serves as a resource for employees who become aware of a potential violation. Among other things, the Ethics Help Line can provide clarification about or be used to report a suspected violation of a Humana policy or a federal, state or local law or regulation. Trained, non-Humana employees receive all calls, and callers can remain anonymous. Employees can also report a concern **(anonymously, if desired)** by using the Ethics Help Line web reporting site at [ethicshelpline.com](https://ethicshelpline.com).

### Anti-corruption policy

Humana conducts business in accordance with the Foreign Corrupt Practices Act (**FCPA**) of 1977 and all amendments implemented since its inception, and any other anti-bribery or related laws of countries where Humana is doing business.

Humana's Anti-Corruption Compliance Officer has general oversight responsibility for Humana's Anti-Corruption Program and monitors compliance with the anti-corruption policy.

### Privacy Office

The role of the Privacy Office is to safeguard protected information while ensuring it is available to those who need it and have a right to know. Humana's strategy and actions are consistent with federal and state laws, rules and regulations. In addition, we oversee activities related to the development, implementation, maintenance of, and compliance with Humana's privacy policies and procedures that support the safeguarding of protected information. This includes responsibility for enforcing policies and practices that help balance the business with consumer privacy interests, as well as conducting formal breach



notifications whenever breach incidents result in actual or likely exposures of information.

### Complaint hotlines

Humana maintains several points of intake for allegations including—but not limited to—fraud, ethics violations, employee misconduct and compliance violations. Examples of these points of intake include the

Ethics Help Line and email; our human resources HR4U hotline and email; Special Investigations Unit referral line and email; and the Board of Directors hotline.

### Enterprise Investigations Consortium

The Enterprise Investigations Consortium (EIC) facilitates collaboration among groups that perform an investigative

function throughout the company and manage potential allegations of corruption in all of its forms. The EIC is comprised of nine investigative groups and nine support groups that conduct investigations that involve, but are not limited to, fraud, waste, abuse, criminal activity, ethics and compliance concerns, physical threats and information security breaches.



# ■ Supporting doctors & other ■ healthcare providers



Every day, Humana focuses on and makes progress in helping our members achieve better health and well-being. However, our progress is a result of the physicians, clinicians, and other healthcare providers who treat our members with care. And for those in value-based agreements with Humana, progress is even greater. Regardless of the arrangement a practice has with us, we meet them where they are to assist in coordinating care or supplying data and analytics that physicians can use and act on in the care of their patients. We are listening to physicians and clinicians, and, as a result, we are infusing clinical thinking into our business strategy.

Below are some ways in which we engage physicians, work toward mutually beneficial goals, and build our businesses,

all while keeping people—our members, their patients—at the center of everything we do.

## Executive Physician Immersion Program

As Humana continues to transition to an integrated healthcare company, it is important to bring a clinical perspective to teams throughout the company. As such, we must also foster the development of new leaders working to improve population health. To meet these needs, the Office of the Chief Medical Officer developed the Executive Physician Immersion Program.

The two-year program gives physicians a comprehensive and detailed understanding of Humana. They rotate through work assignments in key business areas, including marketing, innovation,



strategy, contracting, clinical care services, and market operations, and also take part in formal educational programming and direct mentorship from Humana executives. Candidates for the program must have already demonstrated significant investment in both clinical skills and business acumen, as well as possess a secondary degree, such as an M.B.A., M.P.H. or J.D. Members of this program receive high-level company exposure throughout their first year, followed by deep operational responsibilities in various lines of business the second year. The goals are to bring

in talented physicians; give them a solid foundation in our core business; and create opportunities for the next generation of physician leaders to grow and learn while providing meaningful contributions to teams throughout Humana.

### Value-based Care Executive Forum

Humana partnered with physician practices across the U.S. to establish a Value-based Care Executive Forum, with participants coming together six times in 2016–2017. During their meetings, they shared their challenges in moving to value-based

care (a focus and reimbursement based on the quality of care) and how they are overcoming them. This Forum allows physician leaders to compare notes, best practices and progress using a panel-discussion format. Humana moderates and guides the conversations among two to four physician or business leaders from large physician organizations and accountable care organizations within our provider network. Topics have included physician incentives, care coordination, patient engagement and data-sharing.

### Ethics Committee

Guided and monitored by Duke University, Humana's Ethics Committee is composed of senior Humana leaders who are presented with hypothetical ethical scenarios by Duke Bioethics students. Dr. Peter Ubel, Professor of Duke's Bioethics department, facilitates each discussion on a quarterly basis.

“Developing the next generation of physician leaders within Humana is more important than ever as we aim to redefine healthcare. As we deepen our clinical capabilities and work to simplify and integrate the healthcare experience, it's essential that our efforts are grounded in the perspective and expertise of physicians. In fact, infusing clinical expertise in our organization has been a game-changer in moving the organization from an insurance mindset to one centered around health.”

**BRUCE BROUSSARD**  
HUMANA PRESIDENT & CEO

Dr. Roy Beveridge, Humana's Chief Medical Officer, explains the importance of our Executive Physician Immersion Program.



### The Ethics Committee's objectives are threefold:

- 1 Provide consultation on ethical issues using diverse perspectives
- 2 Identify ethical hot spots, anticipate future concerns or threats, and yield practical advice
- 3 Provide guidance and recommendations for developing or revising policies

### Clinical Quality Metrics Alignment (CQMA) program

According to a 2015 survey conducted by the American Academy of Family Physicians and sponsored by Humana, 61 percent of family physicians receive payment from seven or more health plans, which can lead to excessive, inconsistent and overlapping quality reporting requirements. These requirements may contribute to the fact that 49 percent of U.S.

physicians meet the standard definition of professional burnout.

To help reduce the administrative burden on physician practices, which spend more than \$15 billion annually on quality reporting, Humana's CQMA program collected 1,116 quality metrics from 29 different data sources across the company and vetted these metrics for duplicates, inconsistencies and clinical relevance. Following extensive refinement and analysis, which included input from physician stakeholders, we consolidated the 1,116 metrics previously used into a set of 208 key quality metrics—an 80-plus percent reduction. The streamlined set of metrics emphasizes improving patient health outcomes and is aligned with broader industry efforts to standardize measures used to evaluate clinical quality.

The CQMA team has since focused on the management and sustainability

of these quality measures in efforts to maintain coordination and collaboration across the organization via the creation of the CQMA Governance Committee. The committee's mission is to manage and maintain meaningful quality measures while reducing measure variability, collection burden and cost. To achieve this goal, the committee has three core functions: review, approve and sustain. Reviewing current measures within the organization and monitoring the ongoing evolution of national quality measures is a critical part of ensuring alignment with industry and organizational priorities, regulatory guidelines, and national quality strategies. The CQMA team has shared this work through both state and national conferences, quality journals, and continues to collaborate with national quality leaders to simplify quality measures.

# ■ Partnering with suppliers for ■ diversity & sustainability



## Supplier diversity

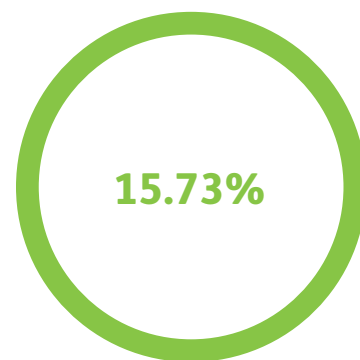
Humana realizes that our suppliers and business partners are an extension of our business and, as such, we work hard to ensure that they are a reflection of our employees, our members and the communities we serve. In 2017, we partnered with nearly 600 approved suppliers, such as Minority-owned Business Enterprises, Woman-owned Business Enterprises, Small Business Enterprises, Disability-owned Business Enterprises, and Lesbian, Gay, Bisexual and Transgender-owned Business Enterprises. Those partnerships led Humana to commit more than 15 percent of our overall supplier spend with diverse suppliers, exceeding our 2017 goal.

## The benefits of doing business with diverse suppliers include:

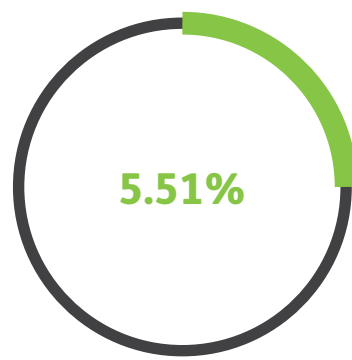
- Compliance with commercial and government contracts
- Driving competition and supporting inclusion of the members we serve
- Supporting an overall resilient supply chain

Humana also stays engaged with key national councils advocating supplier diversity and inclusion through **conference participation and council committee involvement**. These engagements position us to support contract compliance, identify new and valuable talent, and create supplier partnerships.

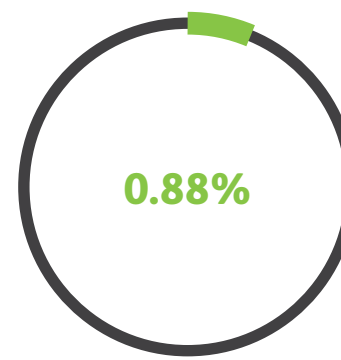
CERTIFICATION TYPE	ACTUAL	DEC 2017 GOAL	ACTUAL	DEC 2017 GOAL
MINORITY BUSINESS ENTERPRISE (MBE) . . . . .	5.51%			6.30%
WOMEN'S BUSINESS ENTERPRISE (WBE) . . . . .	0.88%			1.13%
SMALL BUSINESS ENTERPRISE (SBE) . . . . .	9.34%			7.80%
	15.73%	12%	15.23%	13%



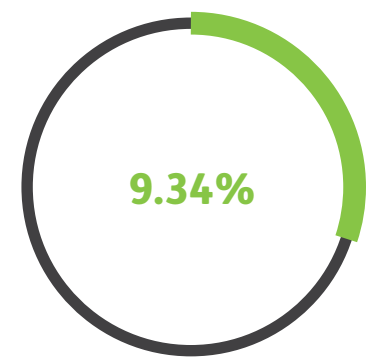
2016 Total  
Diverse Supplier Spend



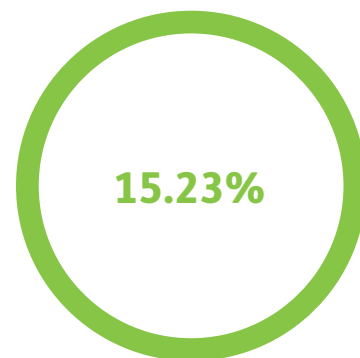
2016 MBE Actual



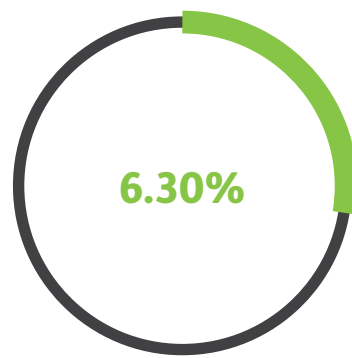
2016 WBE Actual



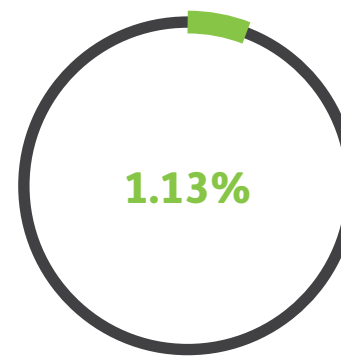
2016 SBE Actual



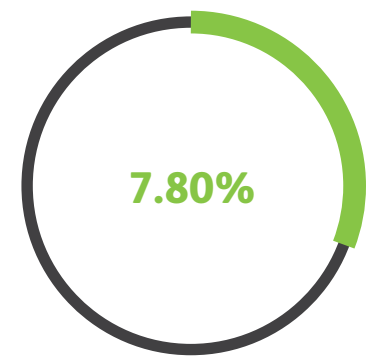
2017 Total  
Diverse Supplier Spend



2017 MBE Actual



2017 WBE Actual



2017 SBE Actual



## Supplier sustainability

Because we realize that Humana's procurement practices have upstream and downstream impacts on environmental sustainability, we proactively work to connect our suppliers and employees to identify opportunities to reduce our greenhouse gas emissions and embodied carbon, energy consumption, air and water pollution, and waste generation.

We prioritize our value chain engagement by focusing on the core issues identified in our most recent materiality assessment, which included energy management and emissions reduction in operations, as well as healthcare waste and plastics management. We first convened with our primary real estate and facilities partners, which set into motion a cohesive approach in establishing shared environmental goals and a

path forward to achieve them. To date, our primary supply chain focus has been on sustainable procurement and waste diversion to address embodied energy and carbon in the raw materials used to produce the products we purchase.

## Sustainable green products

We have engaged the suppliers of our promotional goods and office supplies on ways to improve and/or increase our purchases around sustainable green products. Suppliers must submit information and share progress regarding sustainable products during regular business reviews, influencing our procurement decisions and translating to Humana employees having the option of choosing these sustainable options when making purchases.

## Waste diversion

We also ask our suppliers to address waste, which indirectly contributes to our waste diversion enterprise goals. After meeting with waste-

related suppliers and undertaking a competitive RFP process, we identified opportunities for recycling of our plastics, cardboard and pallets. As a result, we implemented a pallet-recycling program in our West Chester, Ohio, pharmacy in late 2016 to kick off one of our first recycling initiatives, with the ultimate goal of achieving a 50 percent reduction in the amount of waste going into the landfill by Dec. 31, 2018.



LEFT:  
HUMANA EMPLOYEES, STACI BROWN AND NATONYA HARBISON, AT LOUISVILLE METRO DIVERSITY FAIR



RIGHT:  
HUMANA EMPLOYEES, JACOB STEVENSON AND NATONYA HARBISON, AT HUMANA'S INCLUSION & DIVERSITY DAY – SUPPLIER DIVERSITY BOOTH

## Increasing supplier engagement

Humana takes a leadership role in bringing our suppliers together to collectively focus on how we can improve sustainability across our businesses and value chain. Several suppliers presented at two separate sustainability fairs held at Humana, helping our employees understand how our procured services address sustainability. During our Inclusion & Diversity Day, employees were encouraged to provide feedback on our supplier sustainability efforts.

The second release of our Supplier Self-Assessment Sustainability Scorecard in April 2016 engaged 20 critical suppliers and garnered an 80 percent response rate, helped by our availability for one-on-one engagement. This initiative helped us understand the environmental impact of our vendor relationships.

We reported our findings in our Enterprise Procurement Vendor Services internal scorecard and to Humana leadership. We aim to expand this initiative 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 **Carbon Disclosure Project (CDP)** expectations
- Assist with sourcing decisions
- Mitigate risk
- Be used as a tracking tool for business reviews



## Double-sided print initiative helps us be “greener”





In the spirit of one of our Humana Values, “rethink routine,” our Supplier Diversity and Enterprise Procurement and Vendor Services (EPVS) teams partnered together in 2017 to promote a companywide initiative to reduce the usage and cost of paper. After an extensive usage study, we found that many employees were still printing single-sided pages. With “Print to Cloud”-enabled multifunctional devices (MFDs), we encouraged double-sided printing as a default print setting.

Procurement sustainability successes	Selected environmental impacts since program implementation	2016	2017
Recycling of mobile/cellular devices	Mining reduction (copper, silver and gold): 139 lbs.	2,261 Devices recycled	2,030 Devices recycled
	Water contamination avoided: 74,817,195 gal.		
	Energy saved: 2,765,419 kwh		
	Revenue gained \$26,607		
Recycling of toners	Saved aluminum: 96,320 lbs.	15,515 Toners recycled	27,872 Toners recycled
	Saved plastic: 19,636 lbs.		
	Saved oil: 65.75 gal.		
Ohio pallet-recycling program	Saved trees: 424	354 Pallets recycled	8,310 Pallets recycled
	Landfill diversions: 154 cu. Yds.		
	Energy saved: 10,488 kwh		
Arizona pallet-recycling program	Saved trees: 787	10,726 Pallets recycled	5,834 Pallets recycled
	Landfill diversions: 277 cu. Yds.		
	Energy saved: 20,943 kwh		



## SUMMARY OF PROGRAMS

Commodity	Year	# Recycled	Revenue gained	Energy reduction (Kwh)	Waste diversion (cu. yds)	Carbon reduction (lbs.)
Paper	2016	6,591,119	N/A	13,182,239	9,887	24,217,445
	2017	9,149,496	N/A	18,298,992	13,724	30,023,479
Pallets - Ohio	2016	354	\$610	460	7	713
	2017	8,310	\$15,350	10,800	162	17,062
Cellular devices	2016	2,261	\$8,916	1,306,992	23	1,668,117
	2017	2,030	\$17,691	1,458,427	20	2,392,867
Toners	2016	15,515	N/A	12,683	310	11,107
	2017	27,872	N/A	6,116	557	10,252
Pallets - Arizona	2016	10,726	\$27,020	N/A	N/A	N/A
	2017	5,834	\$17,502	8,164	108	100,928
White Caps & Amber Vials	2016	32,956	\$13,217			
	2017	50,000	\$13,558			

Energy 		Emissions 		Waste diversion 		Financial 	
Saved energy (Kwh)		CO2 (lbs.)		Saved landfill space (cu. yds.)		Revenue gained	
2016	2017	2016	2017	2016	2017	2016	2017
14,502,374	19,782,499	25,897,382	32,544,588	10,227	14,572	\$49,763	\$64,101

At Humana, we have made specific commitments to protect and support a Healthy Planet. Current “Enterprise Goals” were set at 5% decrease in greenhouse gas emissions, 5% reduction in annual energy consumption, and 40% waste diversion of waste to the landfill. Through our procurement contracts we have successfully implemented recycling projects that help impact these goals through toner recycling, paper recycling, and cellular device recycling.

# Awards & recognition

WE APPRECIATE THE RECOGNITION OF HUMANA'S CORPORATE SOCIAL RESPONSIBILITY EFFORTS BY THESE PROMINENT ORGANIZATIONS AND WILL CONTINUE BUILDING UPON OUR SUCCESS.

## DOW JONES SUSTAINABILITY INDICES (DJSI) IN COLLABORATION WITH ROBECOSAM

Included for 11 consecutive years because for our commitment to sustainable business practices



## ROBECOSAM SUSTAINABILITY YEARBOOK

Included for 5 consecutive years and named the Health Care Providers & Services Industry Leader for our CSR efforts in the 2017 RobecoSAM Sustainability Yearbook



## FORTUNE'S WORLD'S BEST AND MOST ADMIRABLE COMPANIES

Ranked 1 out of 10 in Healthcare: Insurance and Managed Care industry for social responsibility



## JUST 100 LIST

Ranked 1 Healthcare Providers industry and 18 overall on 2017 list from JUST Capital and Forbes



## CDP LEADERSHIP INDEX

A-grade for the depth and comprehensiveness of disclosure in 2017 and providing carbon-reduction effort information to the CDP since 2007



## CR MAGAZINE'S 100 BEST CORPORATE CITIZENS

Ranked 40 in 2017—the highest rated health insurer



## HUMAN RIGHTS CAMPAIGN'S CORPORATE EQUALITY INDEX

100 percent score in 2017, marking sixth year achieving perfect score



## FTSE4GOOD INDEX

High ESG rating, qualifying for inclusion in the FTSE4Good Index for seven consecutive years as of 2017



FTSE4Good

## NEWSWEEK GREEN RANKINGS

Ranked 18 out of 500 in 2017 for U.S. companies and ranked 33 out of 500 in the world rankings, marking eight consecutive years in rankings



## MILITARY TIMES' BEST FOR VETS: EMPLOYERS

Ranked 41 out of 82 employers in 2017, marking seventh consecutive years on list



## AFFINITY INC MAGAZINE TOP CORPORATIONS FOR LGBT ECONOMIC EMPOWERMENT

Recognized in 2015 and 2016 for diversity and inclusion efforts



## TOP 25 NOTEWORTHY COMPANIES FOR DIVERSITY

Placed in the top 25 companies in 2017



## MILITARY-FRIENDLY SPOUSE EMPLOYER AWARD

Awarded by Military Family in 2017



## BEST OF THE BEST RECOGNITION, TOP VETERAN-FRIENDLY EMPLOYER AWARD

Awarded this distinction by U.S. Veterans Magazine in 2016 and 2017



## EXTRAORDINARY EMPLOYER SUPPORT AWARD

Awarded by the U.S. Department of Defense in 2016



## TOP 10 GOLD-LEVEL MILITARY-FRIENDLY EMPLOYER AWARD

Awarded by Victory Media in 2017



## TOP 10 BEST FOR VETS EMPLOYER AWARD

Awarded by Military Times from 2011 to 2017



## MOST VALUABLE EMPLOYERS AWARD

Awarded by Recruit Military from 2011 to 2017



## TOP MILITARY-FRIENDLY EMPLOYER AWARD

Awarded by Victory Media in 2017



## NATIONAL BUSINESS GROUP ON HEALTH BEST EMPLOYERS FOR HEALTHY LIFESTYLES

Received the Platinum Award for five consecutive years as of 2017



## RECEIVED THE PLATINUM AWARD FOR FIVE CONSECUTIVE YEARS AS OF 2017

Awarded the Gold Award for our efforts to improve the health of our workplace and our employees



## HEALTHIEST EMPLOYERS HEALTHIEST 100

Ranked No. 4 in 2016 and No. 3 in 2017 for our employee well-being efforts





# About this report

## GRI REPORTING PRINCIPLES

This report covers Humana's economic, environmental and social impacts in 2016 and 2017. In this report, we describe how we manage our CSR endeavors, which align with our CSR platform—Healthy People, Healthy Planet and Healthy Performance—and key data related to those efforts.

We prepared this report in accordance with the Global Reporting Initiative (GRI) Standards for core reports. This is our fourth GRI report, with the most recent previous GRI report being our 2014-2015 CSR Report that was published in 2016. We publish a comprehensive report on our CSR performance biennially. In 2017, we published a CSR progress report that served as an update on our CSR progress to stakeholders.

A third party verified Humana's reported emissions for 2016 and 2017 to be consistent with the requirements of ISO 14064-3 and the WRI GHG Protocol. The third party provided limited assurance that Humana's emissions and

water consumption inventories for the reporting years are verifiable, meeting the requirements of CDP. The balance of the report was not assured by a third party.

## REPORT CONTENT AND TOPIC BOUNDARIES

This report documents January 1, 2016, through December 31, 2017, unless otherwise noted. This report covers all of our operating units, 100 percent of our leased and owned facilities, and 100 percent of our workforce in the regions in which we operate, unless otherwise noted. It also covers joint ventures and subsidiaries that are part of our business segments. There is no entity included in Humana's consolidated financial statements or equivalent documents that is not covered in this report, unless explicitly noted.

We have reported all CSR issues that we determined are material to our business, as described under the materiality assessment section. We noted material topics in the GRI Content Index.

We welcome your feedback. Please send your questions or feedback about this report to [csr@humana.com](mailto:csr@humana.com).

## GRI CONTENT INDEX

DISCLOSURE NUMBER & TITLE	HUMANA RESPONSE
<b>General Standard Disclosures</b>	
<b>Organizational Profile</b>	
<b>102-1: Name of the organization</b>	About Humana
<b>102-2: Activities, brands, products and/or services</b>	About Humana
<b>102-3: Location of headquarters</b>	About Humana
<b>102-4: Location of operations</b>	The United States is the only country in which Humana operates. No other countries are specifically relevant to the sustainability issues covered in the report.
<b>102-5: Ownership &amp; legal form</b>	About Humana
<b>102-6: Markets served</b>	About Humana  Refer to page 12 of the <a href="#">2016 Form 10K</a> and <a href="#">2017 Form 10K</a> for the membership by state table.

DISCLOSURE NUMBER & TITLE	HUMANA RESPONSE			
<b>102-7: Scale of the organization</b>	<b>2016</b>	<b>2017</b>		
	No. of employees: <b>Approximately 51,600</b>	No. of employees: <b>Approximately 45,900</b>		
	No. of operations: <b>Refer to Item 2. Properties table on page 33 of 2016 Form 10K</b>	No. of operations: <b>Refer to Item 2. Properties table on page 32 of 2017 Form 10K</b>		
	Net income: <b>\$614M</b>	Net income: <b>\$2.4B</b>		
	Total debt: <b>\$4.1B</b>	Total debt: <b>\$4.9B</b>		
	Short term debt: <b>\$300M</b>	Short term debt: <b>\$150M</b>		
	Long term: <b>\$3.79B</b>	Long term: <b>\$4.77B</b>		
	Total equity: <b>\$10.7B</b>	Total equity: <b>\$9.8B</b>		
	Total assets: <b>\$25.4B</b>	Total assets: <b>\$27.2B</b>		
<b>102-8: Information on employees and other workers</b>	<b>Total number of employees by gender</b>	<b>2016</b>	<b>2017</b>	
	<b>Women</b>	38,163	30,920	
	<b>Men</b>	13,567	12,775	
	<b>Total number of employees by employment type by gender</b>	<b>2016</b>	<b>2017</b>	
		<b>Women</b>	<b>Men</b>	<b>Women</b>
	<b>Full-time permanent</b>	31,479	12,568	29,850
	<b>Limited-term</b>	63	335	442
	<b>Part-time</b>	133	15	137
	<b>Variable Staffing Pool</b>	6,488	649	491



DISCLOSURE NUMBER & TITLE	HUMANA RESPONSE				
102-8: Information on employees and other workers	Total number of employees by gender, by state	2016		2017	
		Women	Men	Women	Men
	AK	N/A	N/A	N/A	1
	AL	183	63	167	37
	AR	107	27	101	25
	AZ	1,757	891	1,637	818
	CA	302	254	290	246
	CO	192	58	173	61
	CT	169	25	148	27
	DC	2	6	2	6
	DE	13	4	16	4
	FL	9,178	2,507	7,620	2,253
	GA	574	161	574	161
	HI	12	4	11	4
	IA	79	18	64	15
	ID	34	5	33	5
	IL	788	226	684	200
	IN	776	180	817	192

DISCLOSURE NUMBER & TITLE	HUMANA RESPONSE				
102-8: Information on employees and other workers	Total number of employees by gender, by state	2016		2017	
		Women	Men	Women	Men
	KS	302	49	209	46
	KY	8,936	5,078	8,410	4,930
	LA	575	91	557	79
	MA	120	41	108	46
	MD	44	10	53	10
	ME	26	9	26	10
	MI	149	58	142	53
	MN	101	46	98	42
	MO	165	33	175	38
	MS	121	29	133	25
	MT	12	6	12	5
	NC	679	91	450	92
	ND	3	2	5	3
	NE	30	4	29	4
	NH	14	3	20	3
	NJ	477	75	354	49

DISCLOSURE NUMBER & TITLE	HUMANA RESPONSE				
102-8: Information on employees and other workers	Total number of employees by gender, by state	2016		2017	
		Women	Men	Women	Men
	NM	23	11	21	10
	NV	47	24	48	22
	NY	2,095	332	1,481	247
	OH	2,704	800	2,232	706
	OK	76	19	70	19
	OR	21	7	16	6
	PA	214	68	219	71
	PR	425	213	568	273
	RI	5	1	7	2
	SC	290	64	306	66
	SD	29	4	28	5
	TN	575	116	563	115
	TX	2,656	732	2,500	678
	UT	70	28	61	27
	VA	645	84	545	81
	VT	4	N/A	3	N/A
	WA	145	35	136	35
	WI	2,691	982	2,525	905



DISCLOSURE NUMBER & TITLE	HUMANA RESPONSE				
102-8: Information on employees and other workers	Total number of employees by gender, by state	2016		2017	
		Women	Men	Women	Men
	WV	69	17	73	16
	WY	1	3	1	1
	Data for 102-8 are provided by Humana's Human Capital Analytics team. Numbers listed are as of December 31 of the noted year. Employee counts may vary depending on the time at which the report was pulled. Humana does not have a significant portion of our activities performed by workers who are not employees. The numbers for 102-8 do not include contingent labor; the timing of our data collection did not allow for the inclusion of historical contingent labor data because we do not keep such information on file.				
102-9: Supply chain	Partnering with suppliers for diversity and sustainability  Our supplier information				
102-10: Significant changes to the organization and its supply chain	In February 2017, Humana announced the mutual termination of our merger agreement with Aetna Inc. (Aetna), following a ruling from the United States District Court for the District of Columbia granting a United States Department of Justice request to enjoin the merger.				
102-11: Precautionary principle or approach	Humana has not adopted the precautionary principle.				
102-12: External initiatives	See "Sustainable development goals: Contributing to a better world." See Sustainable development goals  Humana President and CEO Bruce Broussard joined more than 150 CEOs from some of the world's leading companies in signing on to the CEO Action for Diversity & Inclusion™, the largest CEO-driven business commitment to advance diversity and inclusion in the workplace.  By joining, CEOs pledged to take action to cultivate a workplace where diverse perspectives and experiences are welcomed and respected, where employees feel encouraged to discuss diversity and inclusion, and where best practices can be shared.  Humana has been a part of the Business Roundtable's Climate RESOLVE (Responsible Environmental Steps, Opportunities to Lead by Voluntary Efforts), which includes publishing a letter of progress in its sustainability report. Climate RESOLVE promotes voluntary actions to control greenhouse gas (GHG) emissions and improve the GHG intensity of the U.S. economy. Humana's contribution to the 2017 report (which highlights work done in 2016 and over the past 10 years because of the 10th anniversary of the BRT Sustainability Report), was published in 2017.				

DISCLOSURE NUMBER & TITLE	HUMANA RESPONSE
<b>102-13: Memberships of associations</b>	<ul style="list-style-type: none"> <li>• World Economic Forum</li> <li>• Corporate Executive Board</li> <li>• Sustainable Brands</li> <li>• Business Roundtable</li> <li>• Center for Corporate Innovation (CCI)</li> <li>• Pharmaceutical Care Management Association</li> <li>• Greater Louisville Inc</li> <li>• Boston College Center for Corporate Citizenship</li> </ul>
<b>Strategy</b>	
<b>102-14: Statement from senior decision-maker</b>	Letter from the President and CEO
<b>Ethics &amp; Integrity</b>	
<b>102-16: Values, principles, standards &amp; norms of behavior</b>	Our Values; Ethics & Compliance
<b>102-17: Mechanisms for advice &amp; concerns about ethics</b>	Our Values; Ethics & Compliance
<b>Governance</b>	
<b>102-18: Governance structure</b>	<p>The business of the Company is managed under the direction of the Board of Directors, which is elected by the stockholders. The basic responsibility of the Board is to exercise its business judgment to act in what each Director reasonably believes to be in the best interests of Humana and its stockholders.</p> <p>The Board selects the senior management team, which is responsible for the day-to-day conduct of the Company's business.</p> <p>The Board will at all times have an Audit Committee, an Organization &amp; Compensation Committee, and a Nominating &amp; Corporate Governance Committee.</p> <p>Humana also has a Corporate Citizenship Advisory Board (CCAB), a cross-functional team of leaders who meet quarterly to advise Humana's CSR strategy</p> <p>Refer to the 2016 and 2017 Proxy Statements under "Corporate Governance" section each available on Humana's Investor Relations website.</p>
<b>102-23: Chair of the highest governance body</b>	The Chairman of the Board, the Chair of the highest governance body of Humana, the Board of Directors, is not an executive officer.

DISCLOSURE NUMBER & TITLE	HUMANA RESPONSE
<b>Stakeholder Engagement</b>	
<b>102-40: List of stakeholder groups</b>	Materiality
<b>102-41: Collective bargaining agreements</b>	Fewer than one percent in 2016 and in 2017
<b>102-42: Identifying &amp; selecting stakeholders</b>	As part of our materiality work, we determined with what stakeholders to engage through a stakeholder mapping exercise completed in 2017.
<b>102-43: Approach to stakeholder engagement</b>  <b>102-44: Key topics &amp; concerns raised</b>	Through Humana's Bold Goal work, we held Town Halls that brought healthcare, business and community leaders together to identify health issues that are most pressing for their respective communities and unite around how, together, we can have a positive impact on those issues. Learn more about our work with community, physician and clinician partners in our <a href="#">Bold Goal Report</a> .  <a href="#">Partnering with suppliers for diversity and sustainability</a>
	As part of our materiality work, Humana conducted a member survey about CSR at Humana and what CSR topics are most important to them/have the greatest impact on them with approximately 300 Commercial and Medicare Advantage members. As a follow-up to the survey, we plan to conduct additional research with members. The survey results informed the content of this CSR Report.
	Internally, we survey a cross-section of approximately 1,000 employees on an annual basis through the "CSR Associate Impact Survey." Through the survey, we seek to understand how employees feel about our CSR efforts to date; which CSR topics are of greatest importance to them; and in what areas they want to see Humana more highly engaged. healthcare, business and community leaders.  Results of the survey help inform Humana's CSR strategy and our plans for connecting with employees to both listen and share the impacts of our CSR work. If concerns are raised, we route them to the appropriate team and discuss at a leadership level when warranted.
<b>Reporting Practice</b>	
<b>102-45: Entities included in the consolidated financial statements</b>	Refer to Exhibit 21 filed with <a href="#">2016 Form 10K</a> and <a href="#">2017 Form 10K</a> .
<b>102-46: Defining report content &amp; topic Boundaries</b>	Materiality; <a href="#">About This Report</a>



DISCLOSURE NUMBER & TITLE	HUMANA RESPONSE
<b>102-47: List of all the material topics</b>	<a href="#">Materiality</a>
<b>102-48: Restatements of information</b>	There were no restatements of information provided in previous reports.
<b>102-49: Changes in reporting</b>	The materiality assessment conducted since the release of our 2014-15 Corporate Social Responsibility Report identified fewer material topics due to shifts in our business and stakeholders' focus.
<b>102-50: Reporting period</b>	<a href="#">About This Report</a>
<b>102-51: Date of most recent report</b>	<a href="#">About This Report</a>
<b>102-52: Reporting cycle</b>	Humana publishes a comprehensive CSR report biennially. During alternate years, we publish a summary report that serves as an update to stakeholders.
<b>102-53: Contact point for questions regarding the report</b>	<a href="#">About This Report</a>
<b>102-54: Claims of reporting in accordance with the GRI standards</b>	<a href="#">About This Report</a>
<b>102-55: GRI content index</b>	<a href="#">GRI Content Index</a>
<b>102-56: External assurance</b>	<p>Selected GRI data from the report within pages 108-118 was reviewed by Humana's internal audit team for consistency with defined metrics and sourcing documentation with the exception of the discussion of the materiality assessment and the environmental data therein, which were assured by a third party. A senior executive, among other persons who are responsible for the CSR Report content, received our internal audit team's review findings.</p> <p>Lucideon, the assurance provider for the environmental data, is not affiliated with Humana in any way. The assurance process lasted approximately eight weeks. A formal assurance letter can be provided upon request.</p>

DISCLOSURE NUMBER & TITLE	HUMANA RESPONSE
<b>Environmental</b>	
<b>Energy</b>	
<b>103-1 - 103-3:</b>	<a href="#">Healthy Planet; Summary of Programs</a>
<b>302-1: Energy consumption within the organization</b>	<p>Total energy consumption for projects implemented totaled 914,713 and 941,826 Gigajoules in 2016 and 2017, an increase of 27,113 Gigajoules. Types of energy consumed included fuel, electricity, heating, cooling, and steam. Changes in energy consumption have been tracked and recorded on a year-over-year basis based on projects implemented in 2016 and 2017.</p> <p>Consistent with methodologies outlined by the GHG Protocol, we estimated energy consumption at sites where actuals were unavailable using the following steps, in order of priority:</p> <ul style="list-style-type: none"> <li>• Multiplied energy intensity of other sites operated by Humana by site sq. ft.</li> <li>• Multiplied expected energy intensity reported via the Commercial Buildings Energy Consumption Survey by site sq. ft.</li> <li>• Assume consumption was equal to median consumption for all Humana-operated sites of the same type, where sq. ft. was unavailable.</li> </ul> <p><a href="#">See additional data.</a></p> <p><a href="#">Healthy Planet</a></p>
<b>302-4: Reduction of energy consumption</b>	<p>Energy savings for projects implemented totaled 2,136 and 99,036 Gigajoules in 2016 and 2017. Types of savings included in the reduction are fuel, electricity, heating, cooling, and steam. Changes in energy consumption have been tracked and recorded on a year-over-year basis based on projects implemented in 2016 and 2017.</p> <p>Project-level reductions are estimated based on the current and expected performance of existing and newly installed equipment. Energy reduction estimates are prepared as part of the project approval process. Humana is unable to assess the final impact of all projects, however we do monitor changes in building performance as a result of completed initiatives.</p> <p><a href="#">Healthy Planet</a></p>

DISCLOSURE NUMBER & TITLE	HUMANA RESPONSE
<b>Water</b>	
<b>103-1 - 103-3:</b>	Project-level reductions are estimated based on the current and expected performance of existing and newly installed equipment. Energy reduction estimates are prepared as part of the project approval process. Humana is unable to assess the final impact of all projects, however we do monitor changes in building performance as a result of completed initiatives. Our facilities team has implemented several water saving initiatives, such as upgrading cooling tower equipment and chemical systems. Humana also added retaining walls around the outside of our Green Bay facility, thereby reducing the amount of water used for landscaping. Low-flow toilets are a standard for new construction and renovations, and we are exploring the addition of water saving faucets and refillable water bottle stations into our design standards.
<b>303-1: Total water withdrawal by source</b>	<p>Water withdrawal totaled 421,640 and 397,106 cubic meters in 2016 and 2017, a decrease of 24,534 cubic meters. Types of sources included surface water, ground water, rainwater, and municipal water supplies. Report standards, methodologies, and assumptions used: All water withdrawals were tracked via monthly and quarterly water utility and service providers.</p> <p>See additional data.</p>
<b>Social</b>	
<b>Occupational Health &amp; Safety</b>	
<b>103-1 - 103-3:</b>	Employee Well-being; Employee Benefits; Humana employee's Bold Goal
<b>403-3: Workers with high incidence or high risk of diseases related to their occupation</b>	Humana does not have associates involved in occupational activities who have a high incidence or high risk or specific diseases.



DISCLOSURE NUMBER & TITLE	HUMANA RESPONSE						
Training & Education							
103-1 - 103-3:	<p>Humana has an enterprise-wide learning management system that teams use to administer and manage training and education. Part of the capability this system provides is the ability to deliver three types of mechanisms to evaluate the effectiveness of training: reaction surveys; learning assessments and application assessments. In 2017, training Satisfaction results for the team that delivers enterprise-wide management and professional development training showed that 96% of participants agreed with the statement, “This program achieved its learning objectives.”</p> <p>The organization switched learning management systems in the beginning of 2016 to improve the management of business area and enterprise-wide training and development. This new system added the capabilities to measure and report training results related to satisfaction, learning, and application. This system has also supported improved governance of learning. Examples include standardized management and evaluation of professional certification training (CE) across the organization, and the consolidation of certain compliance and clinical learning programs. This system now allows teams and the enterprise to have a complete view of training activity taking place across the organization, and to self-report the results of the training using the improved measurement capabilities.</p> <p>Investing in our Employees; Workforce talent &amp; leadership development</p>						
	404-1: Average hours of training per year per employee	<table><tr><th>2016</th><th>2017</th></tr><tr><td>Exempt: 30.20</td><td>Exempt: 45.91</td></tr><tr><td>Non-Exempt: 29.09</td><td>Non-Exempt: 39.34</td></tr></table>	2016	2017	Exempt: 30.20	Exempt: 45.91	Non-Exempt: 29.09
2016	2017						
Exempt: 30.20	Exempt: 45.91						
Non-Exempt: 29.09	Non-Exempt: 39.34						

DISCLOSURE NUMBER & TITLE	HUMANA RESPONSE					
Diversity & Equal Opportunity						
103-1 - 103-3:	<p>At Humana, we believe pay should be market based, reflect the skills needed for a job, and recognize an associate’s contributions. In alignment with the Humana Values, we compensate associates for their skills and accomplishments related to their job, and do not consider race, color, religion, sex, sexual orientation, gender identify or expression, national origin, age, disability, veteran status, or marital status while making compensation decisions. This philosophy applies to all associates across the organization.</p> <p>Humana regularly reviews our compensation structure to ensure it continues to be competitive and aligned with general industry standards. Total compensation is targeted on average at market medians, depending on the level of competency, past and expected future contribution, and the competitive market for talent. Additionally, Humana will continue to ensure the compensation structure remains a pay for performance-based structure: flexible to match the progress of fast-rising performers and rewards those who make a difference, creating compensation distinctions among different levels of performance and achievement. <a href="#">Humana Inclusion &amp; Diversity Report</a></p>					
405-1: Composition of governance bodies & breakdown of employees according to gender, age group, minority group membership, & other indicators of diversity	2016			2017		
		Board of Directors	Executive Officers		Board of Directors	Executive Officers
	Women	11%	21%	Women	17%	29%
	Men	89%	79%	Men	83%	71%
	< 30 yrs. old	0	0	< 30 yrs. old	0	0
	30 yrs. - 50 yrs. old	0	21%	30 yrs. - 50 yrs. old	0	29%
	> 50 yrs. old	100%	79%	> 50 yrs. old	100%	71%
	Member of an ethnic minority or vulnerable group	22%	0	Member of an ethnic minority or vulnerable group	17%	7%
	Not a member of an ethnic minority or vulnerable group	78%	100%	Not a member of an ethnic minority or vulnerable group	83%	93%
	The data for 405-1 do not include employee per employee category as the accessible data do not reflect 2016 and 2017.					

DISCLOSURE NUMBER & TITLE	HUMANA RESPONSE
<b>Human Rights Assessment</b>	
<b>103-1 - 103-3:</b>	<p>Our CSR leadership recognizes this topic as one of interest to our stakeholders and will delve deeper into this topic and what it means to Humana's business over the next 12 months.</p> <p>While Humana does not have a Human Rights policy, all of our contracts and standard purchase order terms and conditions have general terms that require our suppliers to comply with all applicable federal, state, and local laws, including but not limited to Equal Opportunity clause. We encourage our employees to contribute to an inclusive environment that celebrates people of all backgrounds. It is our policy to recruit, hire, train, and promote people without regard to race, color, religion, sex, national origin, age, sexual orientation, gender identity or expression, disability, or veteran status, except where age, sex, or physical status is a bona fide occupational qualification.</p>
<b>412-3: Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening</b>	All Humana contracts and standard purchase order terms and conditions have general terms that require our suppliers to comply with all applicable federal, state, and local laws, including but not limited to Equal Opportunity clause, etc. However, Humana does not award business and/or monitor our supplier base with human rights as an identified criterion.
<b>Local Communities</b>	
<b>103-1 - 103-3</b>	Our Bold Goal; Community Investment; <a href="#">Humana 2018 Bold Goal Report</a>
<b>413-1: Operations with local community engagement, impact assessments &amp; development programs</b>	<p>100% as we strive to help make the communities we serve 20 percent healthier by 2020 by making it easier for people to achieve their best health.</p> <p>In Humana's 2016 Bold Goal Progress Report, we share details of local community engagement and programs related to Humana's enterprise goal. <a href="#">See the full report.</a></p>
<b>Customer Health &amp; Safety</b>	
<b>103-1 - 103-3:</b>	<a href="#">Member Health &amp; Well-Being</a>
<b>416-1: Assessment of the health and safety impacts of product and service categories.</b>	Health and safety impacts are regularly assessed for all of Humana's services. <a href="#">Environmental Health &amp; Safety Policy.</a>

DISCLOSURE NUMBER & TITLE	HUMANA RESPONSE
<b>Customer Privacy</b>	
<b>103-1 - 103-3:</b>	Privacy policies
<b>418-1: Substantiated complaints concerning breaches of customer privacy &amp; losses of customer data</b>	Humana received 42 substantiated complaints concerning breaches of customer privacy in 2016 and 47 complaints 2017.
<b>Socioeconomic Compliance</b>	
<b>103-1 - 103-3:</b>	Ethics & Compliance
<b>419-1: Monetary value of significant fines &amp; total number of non-monetary sanctions for non-compliance with laws &amp; regulations</b>	No significant fines were incurred in 2016 and 2017.



### 302-1 (2016)

**a.** Report total fuel consumption from non-renewable sources in joules or multiples, including fuel types used. 250,329 gigajoules, from gasoline, jet fuel, natural gas, diesel and CNG.

**b.** Report total fuel consumption from renewable fuel sources in joules or multiples, including fuel types used: 3,308 gigajoules from ethanol.

**c.** Report in joules, watt-hours or multiples, the total:

Electricity consumption .....	661,075 GJ
Heating consumption .....	0
Cooling consumption .....	0
Steam consumption .....	0

**d.** Report in joules, watt-hours or multiples, the total:

Electricity sold .....	0
Heating sold .....	0
Cooling sold .....	0
Steam sold .....	0

**e.** Report total energy consumption in joules or multiples. 914,713 GJ

**f.** Report standards, methodologies, and assumptions used. Consistent with methodologies outlined by the GHG Protocol, energy consumption has been estimated at sites where actuals were unavailable using the following steps, in order of priority:

1. Multiplied energy intensity of other sites operated by Humana by site sq. ft.;
2. Multiplied expected energy intensity reported via the Commercial Buildings Energy Consumption Survey by site sq. ft.;
3. Assume consumption was equal to median consumption for all Humana-operated sites of the same type, where sq. ft. was unavailable.

**g.** Report the source of the conversion factors used: Conversion factors were sourced from the EPA Emissions Factor Hub.

### 302-1 (2017)

**a.** Report total fuel consumption from non-renewable sources in joules or multiples, including fuel types used. 271,829 GJ from consumption of gasoline, natural gas, propane and diesel.

**b.** Report total fuel consumption from renewable fuel sources in joules or multiples, including fuel types used. 508 GJ from consumption of ethanol

**c.** Report in joules, watt-hours or multiples, the total:

Electricity consumption .....	669,489 GJ
Heating consumption .....	0 GJ
Cooling consumption .....	0 GJ
Steam consumption .....	0 GJ

**d.** Report in joules, watt-hours or multiples, the total:

Electricity sold .....	0 GJ
Heating sold .....	0 GJ
Cooling sold .....	0 GJ
Steam sold .....	0 GJ

**e.** Report total energy consumption in joules or multiples. 941,826 GJ

**f.** Report standards, methodologies, and assumptions used. Consistent with methodologies outlined by the GHG Protocol, energy consumption has been estimated at sites where actuals were unavailable using the following steps, in order of priority:

1. Multiplied energy intensity of other sites operated by Humana by site sq. ft.;
2. Multiplied expected energy intensity reported via the Commercial Buildings Energy Consumption Survey by site sq. ft.;
3. Assume consumption was equal to median consumption for all Humana-operated sites of the same type, where sq. ft. was unavailable.

**g.** Report the source of the conversion factors used: Conversion factors were sourced from the EPA Emissions Factor Hub.

### 303-1 (2016)

Total volume of water withdrawn from the following sources:

**a.** Surface water, including water from  
wetlands, rivers, lakes, and oceans . . . . .0 cubic meters  
Ground water . . . . .0 cubic meters  
Rainwater collected directly and  
stored by the organization. . . . .0 cubic meters  
Waste water from another organization. . . . .0 cubic meters  
Municipal water supplies or other water utilities. . . 421,640 cubic meters

**b.** Report standards, methodologies, and assumptions used: All water withdrawals were tracked via monthly and quarterly water utility and service providers.

### 303-1 (2017)

Total volume of water withdrawn from the following sources:

**a.** Surface water, including water from  
wetlands, rivers, lakes, and oceans . . . . .0 cubic meters  
Ground water . . . . .0 cubic meters  
Rainwater collected directly and  
stored by the organization. . . . . 0 cubic meters.  
Waste water from another organization. . . . .0 cubic meters  
Municipal water supplies or other water utilities. . . 397,106 cubic meters

**b.** Report standards, methodologies, and assumptions used: All water withdrawals were tracked via monthly and quarterly water utility and service providers.

