

TCFD

TCFD — TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

GOVERNANCE

Disclosure Focus Area	Recommended Disclosure	Response
Disclose the organization's governance around climate-related risks and opportunities.	<p>a) Describe the board's oversight of climate-related risks and opportunities.</p> <p>b) Describe management's role in assessing and managing climate-related risks and opportunities.</p>	<ul style="list-style-type: none"> • CNO's Board of Directors oversees management of our environmental, social and governance (ESG) strategy and progress, including climate-related risks and opportunities, both directly and through various committees. • Board committees oversee various components of our ESG strategy, including our ESG-related investment strategy, corporate governance, human capital management, associate development, diversity, equity and inclusion initiatives, climate-related issues and enterprise risk management. • CNO's Council on Sustainability, with representatives from our business divisions and shared services departments, supports day-to-day implementation of our ESG strategy and related initiatives. • See page 5 of our 2020 Corporate Social Responsibility (CSR) report for further detail. <ul style="list-style-type: none"> • Primary responsibility for oversight of risks associated with climate change sits with the chief risk officer. Various management committees oversee specific climate risks, as described below. • Enterprise risks are discussed and managed in the Enterprise Risk Management Committee (ERMC), which reports regularly on significant risks to the Audit and Enterprise Risk Committee of the CNO Board of Directors. • CNO's Council on Sustainability, with representatives from our business divisions and shared services departments, supports day-to-day implementation of our environmental strategy and related initiatives. Energy efficiency projects are implemented and managed on a day-to-day basis by CNO's Council on Sustainability. • Responsibility for management of our investment portfolio with respect to climate change sits with the chief investment officer. • Investment risks, including any with respect to climate change, are discussed and managed in the Investment and Asset and Liability Management (ALM) Committee. Significant investment-related risks discussed in meetings of this committee are reported to the Investment Committee of the CNO Board of Directors. • Responsibility for the governance of short-term and long-term strategic opportunities sits with the Enterprise Growth Governance Committee (EGGC). This committee considers the risks and opportunities inherent in our strategic growth initiatives. • Climate-related risks may also be managed in various operational sub-committees, including: <ul style="list-style-type: none"> • The Mandates Steering Committee, which ensures that legal, regulatory and compliance non-conformances are identified, documented, prioritized, monitored and remediated, including any with respect to climate change. • The Technology and Operations Quarterly Business Review, which addresses staffing, service and other operational and technology risks of our key suppliers arising from climate-related disruption. • The Crisis Response Team, which manages short-term business disruption arising from climate-related extreme weather events. • Risks are communicated from sub-committees to the ERMC via key risk indicators and committee reports.

TCFD — TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

STRATEGY

Disclosure Focus Area	Recommended Disclosure	Response
	a) Describe the climate-related risks and opportunities the organization has identified over the short-, medium-, and long-term.	<ul style="list-style-type: none"> In the short-term, climate risk may manifest through operational disruption caused by extreme weather events. Another short-term risk is the potential for reputational risk as customers, regulators, associates and investors increasingly focus on a company's response to and focus on climate change in their day-to-day operations and investments. In the medium to long-term, climate risk may impact the financial stability of our customers, which in turn can impact their ability to purchase or continue to pay for our products. <ul style="list-style-type: none"> Climate risk is an important long-term risk factor considered in investment decision making. During 2021, we plan to complete a carbon footprint analysis of CNO's investment portfolio and develop a related risk management strategy. Longer-term risks and opportunities are discussed in our EGCC, which discusses the potential impact on our growth strategies. Risks are identified through our risk taxonomy process and are assessed during our annual risk assessment process. The result of the risk assessment process is a heat map that identifies our most material risks. In the short-term, we have an opportunity to mitigate our climate impact through changes in our office space. Some changes which we are currently contemplating include reducing our office floor space; introducing a hybrid model of remote and onsite work that will allow our associates to commute fewer days per week; and upgrading our facilities for greater energy efficiency. Other short-term opportunities include driving increased employee engagement and increased interest in environmental stewardship both at the workplace and at home. CNO also has the opportunity to support environmental sustainability through integrating responsible investments into our portfolio and making direct impact investments.
	b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	<ul style="list-style-type: none"> Climate risks impact our business continuity planning across multiple geographic locations. Specifically, we manage operations in four home office locations and numerous extended field offices. The potential for and impact of climate-related operational risks are assessed specifically for each location. CNO also takes climate-related risks into consideration as we plan for our future office space, considering design choices that can reduce our climate impact. CNO performs annual scenario planning and disaster recovery analysis that allows us to stress test our ability to respond to a business disruption, including disruption for climate-related extreme weather events. CNO does not currently perform quantitative analysis of the potential financial impact of climate-related risks, although we do perform stress testing that assesses our ability to withstand a wide range of adverse impacts to capital and income, which could include impacts from climate-related risks.
	c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	<ul style="list-style-type: none"> CNO does not perform climate-related scenario analysis.

RISK MANAGEMENT

Disclosure Focus Area	Recommended Disclosure	Response
	a) Describe the organization's processes for identifying and assessing climate-related risks.	<ul style="list-style-type: none"> Members of the ERMC and the Senior Leadership Risk Forum identify new and emerging risks, including climate risks, in the following ways: <ul style="list-style-type: none"> Reviewing key risk indicators or other related measures Tracking the Global Climate Risk Index Obtaining feedback from professional parties Reviewing risk factors disclosed in SEC filings of peer companies Participating in trade associations Reviewing published and proprietary research Meeting with regulators
	b) Describe the organization's processes for managing climate-related risks.	<ul style="list-style-type: none"> As risks are identified, they are added to our risk taxonomy, which represents the risks to which CNO has potential for exposure. Each risk rolls up to one of 25 "Level 2" risks, which are assessed quarterly and mapped onto a heat map to monitor each risk's probability and severity. Key risk indicators, such as the number and severity of business disruption events related to extreme weather, are tracked as a way to monitor risk.
	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	<ul style="list-style-type: none"> See above.

TCFD — TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

METRICS AND TARGETS

Disclosure Focus Area	Recommended Disclosure	Response
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	<p>a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.</p> <p>b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.</p> <p>c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.</p>	<ul style="list-style-type: none"> See above. In 2020, our Scope 1 and Scope 2 GHG emissions were estimated at 13,495 metric tonnes of carbon dioxide, of which 90% related to Scope 2. This reflects an 11% decrease compared to 2019 levels. The risks associated with these emissions are minimal from a financial perspective. Please see page 54 of our 2020 CSR Report for more detail on our GHG emissions. In 2020, CNO introduced a new company-wide goal to reduce our Scope 1 and 2 GHG emissions by 25% on an absolute basis by 2030, using 2019 levels as the baseline. During 2021, CNO plans to complete a carbon footprint analysis of our investment portfolio and develop a related risk management strategy. CNO has also earmarked \$100 million for impact investments to accelerate positive change, support global climate stability, and mitigate climate risk. Please see pages 51-54 of our 2020 CSR Report for further detail on our commitment to the environment.



MAKING AN IMPACT

Corporate Social Responsibility Report | 2020

BEGIN





A Message from Gary C. Bhojwani

At CNO, we secure the future of middle-income America. This past year has sharpened the focus on our purpose. The events of 2020, including COVID-19's global humanitarian and economic crisis, social unrest and natural disasters, remind us of the challenges faced by our country and our planet. They underscore the need for corporations to serve as forces of change. At CNO, we are committed to doing our part.

Our environmental, social and governance (ESG) program is central to our overall business strategy. Our business exists to help and protect others. It's what we do every day. Profits and a commitment to ESG principles are not mutually exclusive. Now more than ever, we believe that building a sustainable business will drive value creation for all of our stakeholders. Foundational to our success is a culture that champions our people, fosters an inclusive environment and aspires to positively effect change.

I am proud to share our second annual Corporate Social Responsibility Report. While 2020 was a challenging year, we made significant progress on our ESG journey. Some of our notable accomplishments include:

- Adopted the Task Force on Climate-Related Financial Disclosures (TCFD) and the Sustainability Accounting Standards Board (SASB) reporting frameworks
- Performed our first greenhouse gas emissions inventory
- Created a vendor code of conduct
- Created a responsible investment policy
- Adopted various ESG-related goals and targets including a greenhouse gas emissions reduction target and earmarks to fund \$100 million in new impact investments
- Advanced our diversity, equity and inclusion (DE&I) agenda and named a full-time DE&I leader
- Augmented our employee benefits, including enhanced COVID-related time off, mental well-being and caregiver resources
- Earned the Great Place to Work® certification
- Named a 2020 Best Employers for Diversity by *Forbes*
- Ranked second on the 100 Healthiest Workplaces in America

There is much left to do to create a more just and sustainable future. I remain hopeful that together we can continue to drive profound change.

Thank you for learning more about corporate social responsibility at CNO. As always, we welcome your comments and feedback.



Gary C. Bhojwani
Chief Executive Officer
CNO Financial Group, Inc.



TABLE OF CONTENTS

Committed to Corporate Social Responsibility	4
About CNO Financial Group.....	6
CNO At-A-Glance	7
Promoting Ethical and Responsible Business Practices.....	11
Investing Prudently.....	23
Serving Our Customers.....	27
Developing and Supporting Our Associates	35
Caring for the Environment.....	50
Giving Back to Our Communities.....	55
Sustainability Accounting Standards Board	61
Task Force on Climate-Related Financial Disclosures.....	65

In response to COVID-19, the majority of CNO associates have been working remotely throughout 2020. Therefore, many photos used in this report represent events prior to 2020 and before mask use and social distancing guidance were in place.





Committed to Corporate Social Responsibility

At CNO Financial Group, our mission is to secure the future of middle-income America by providing insurance and financial services that help protect their health, income and retirement needs, while building enduring value for all our stakeholders.

Our Approach to Corporate Social Responsibility

As an insurance provider, we commit to:

- Help secure the future of middle-income America by providing insurance and financial services that help protect their health, income and retirement needs
- Build enduring value for all our stakeholders
- Strive for excellence in our products, services and business processes
- Fulfill the promises and financial commitments we make to our policyholders

As an employer, we commit to:

- Build a more diverse workforce, cultivate an inclusive culture, and affirm equality and enable equity for all individuals
- Promote healthy lifestyles
- Encourage all associates to pursue their professional goals and career objectives through coaching, education and advancement opportunities
- Do our part to reduce our carbon footprint

As a purchaser, we commit to:

- Partner with suppliers that share our ethical business practices, standards of conduct and sustainability commitment
- Make investments in areas that can make a difference in our communities or potentially help mitigate climate change
- Conduct a carbon footprint analysis of the investment portfolio and develop a related risk management strategy

As a community partner, we commit to:

- Actively work to make life better in the places where we live and work
- Make service in our communities a part of our culture
- Positively impact our communities by supporting local events and nonprofit organizations



Our Six Focus Areas

The report focuses on the six key ESG areas that are most relevant to our business. These areas were identified through consultation with key internal stakeholders, our Board of Directors, and various external resources.

The data in this report covers calendar year 2020. CNO expects to update this report annually to provide insight into our continued progress in making a positive difference for our associates, communities, customers and the environment.

- 1. Promoting ethical and responsible business practices, including protecting privacy and security**
- 2. Investing prudently**
- 3. Serving our customers**
- 4. Developing and supporting our associates**
- 5. Caring for the environment**
- 6. Giving back to our communities**

Recognizing the strategic importance of ESG matters, **CNO recently formed a Council on Sustainability** led by our chief financial officer.

ESG Governance

CNO's Board is highly involved in setting our ESG strategy and overseeing our progress. The Board has appropriately delegated responsibility for primary oversight of various components of our ESG strategy to the Board committees. This includes our ESG-related investment strategy, ESG disclosures, corporate governance, human capital management, associate development, diversity equity and inclusion initiatives, climate-related issues, cybersecurity and enterprise risk management. Additional information on the ESG-related oversight responsibilities of our Board and committees can be found in our Proxy Statement filed with the Securities and Exchange Commission on March 26, 2021 (2021 Proxy Statement), and the committee charters located on CNOinc.com.

Our chief risk officer has primary management responsibility for overseeing our risks, including our climate-related risks and opportunities.

Recognizing the strategic importance of ESG matters, CNO recently formed a Council on Sustainability led by our chief financial officer. Our council, in coordination with our Board and Governance and Nominating Committee and other leaders, partners with key groups across the company to continue to drive the advancement of our ESG strategy. The goals and benchmarks that reflect CNO's ESG program are managed by this council.

Our vice president of investor relations and sustainability acts as the central point of contact to support and monitor company-wide ESG-related initiatives. The Board is updated regularly on ESG progress, developments and risks.



About CNO Financial Group

CNO provides life and health insurance, annuities, financial services, and workforce benefits solutions through our family of brands. Our customers work hard to save for the future, and we help protect their health, income and retirement needs.

Our Family of Brands



With a history dating back to 1879, Bankers Life offers life and health insurance products, annuities and investments that are designed for Americans who are near or in retirement. More than 4,500 Bankers Life exclusive insurance agents, including more than 600 financial representatives, offer advice and help consumers safeguard against unexpected health costs, generate guaranteed income, protect loved ones and promote an enduring legacy.



For more than 60 years, Colonial Penn has made buying life insurance simple with easy-to-understand, affordable term and whole life insurance products designed for middle-income retirees.



DirectPath is a leading provider of year-round, technology-driven employee benefits management services to employers and employees nationwide. DirectPath helps employers create compliant benefits materials while reducing healthcare costs. It assists employees in making more informed benefits decisions while helping to resolve claims issues.



myHealthPolicy.com is an online insurance marketplace focused on helping consumers learn about and enroll in health plans such as Medicare Advantage, Medicare Supplement insurance and Prescription Drug plans. It offers the ease of online enrollment with the personal assistance and one-on-one consultation of a local insurance agent.



PMA USA is a group of extraordinarily successful agents all across the nation, who bring decades of excellence in marketing, sales and customer service to the voluntary benefits business. These career agents are experts in helping customers find the benefit solutions that best fit their needs, and are committed to helping people prepare for the unexpected at every stage of life.



Washington National is a leading provider of supplemental health and life insurance for middle-income Americans in the worksite and individual markets. For more than 100 years, Washington National's 4,000 independent partners and agents across the country have helped protect working Americans from the financial hardship of critical illnesses, accidents and loss of life.



Web Benefits Design offers a full-service, integrated employee benefits administration technology, distributed through a network of independent brokers and a direct sales force. Its cloud-based technology platform provides companies with a customizable suite of administration, compliance and communications solutions to manage employee benefits programs and improve enrollment experience for employees.



CNO At-A-Glance

As of December 31, 2020

Our Customers

3.2 million



We help protect the health, income and retirement needs of our customers with 3.2 million policies.

Our Associates



3,400

We employ approximately 3,400 full-time associates.

Our Agents

9,000

We contract with approximately 5,000 exclusive insurance agents and 4,000 independent partner agents nationwide.



Total Assets

\$35 billion



Our Ratings

A-

The primary insurance company subsidiaries of CNO are rated A- (Excellent) by A.M. Best, the global rating agency for the insurance industry.

Our Locations

260+

We have offices in more than 260 communities in the U.S., including our headquarters in Carmel, Indiana, and corporate offices in Birmingham, Chicago, Philadelphia, Orlando and Milwaukee.



Our Registered Agents

1 in 7

The number of our 4,500 Bankers Life agents that are duly licensed as registered agents and insurance agents.



Our COVID-19 Response

The events of the past year sharpened the focus on our purpose and reinforced the importance of ESG principles.

Early in the pandemic, CNO was identified as an essential business, a fact that underscores the importance and value of the insurance and financial services we provide to individuals, families and businesses.

Since then, we've introduced numerous initiatives to support our associates and continue to deliver on our promises to our customers and the community.

Physical Health and Safety

At the outset of the pandemic, our focus was squarely on the health and safety of our associates, agents and the policyholders who depend on us. In March 2020, we quickly responded to the COVID-19 pandemic by transitioning almost all of our associates to remote work. Consistent with our emergency response procedures and business continuity plans, within a week, nearly 97% of associates transitioned to work-from-home arrangements and our agents quickly pivoted to virtual client interaction.

For those business-critical associates that continued to go into our offices, we implemented protocols to safeguard their health and safety. Those working on-site must attest to their current health status daily, wear masks and practice physical distancing. We provide cleaning and sanitation materials for on-site use, sanitize frequently used spaces daily, and ensure that common areas such as vending machine areas, break rooms and dining areas remain closed.

Agents must comply with social distancing and other health and safety standards as required by federal, state and local government agencies. We also take into consideration guidelines from the Centers for Disease Control and Prevention and other public health authorities.

As the pandemic presented our associates with new challenges, we strengthened our commitment to our colleagues' healthcare. CNO now offers up to 10 days of additional paid time off (PTO) for eligible associates for instances directly tied to a COVID-19 infection or caregiving due to COVID. We also provided 100% coverage of COVID-19-related costs for associates and their families enrolled in CNO's medical plans. Our well-being program continues to provide virtual telehealth consultations for primary and acute care.



We provided **100%** coverage of COVID-19-related costs for associates and their families enrolled in CNO's medical plans.

Mental Well-Being

During 2020, we expanded our standard Employee Assistance Program (EAP) offerings to include dedicated virtual counseling services with a licensed mental health counselor who provides free and unlimited sessions for associates. We began offering free sleep and anxiety programs, and expanded our meditation programs to aid with stress reduction. Fitness classes were moved from on-site to virtual and expanded to include a new live and on-demand library of options.

CNO associates working remotely during COVID-19 were offered \$500 to help furnish a home office, through the purchase of desks, chairs, standing desktops, work lights, whiteboards and more. Virtual ergonomic evaluations with an ergonomic specialist were available to associates to receive workstation evaluations and therapy sessions.

Caregiver Support

Given the heightened caregiving challenges presented by COVID-19, CNO offered new programs to help associates manage these responsibilities.

- **Introduced new communications channels** to share associate testimonials and educational content to help support their new working experience.
- **Created Caregivers Support Networking Group** to provide support to CNO associates balancing their personal and professional lives while working remotely. Within the group, associates can share tips and resources and voice their needs.
- **Expanded flexible work arrangements** to better suit associate needs, leveraging associate feedback. Associates were also able to request a reduced work schedule or a part-time schedule to help balance their personal and professional demands.
- **Introduced Meeting Challenge** to provide associates with two hours of daily meeting-free time to work, refresh or attend to personal matters.
- **Partnered with Bright Horizons** to provide caregivers with a free membership to a national caregiving database resource that helps locate childcare, eldercare, tutoring, pet care and other caregiving services.
- **Established relationship with Sylvan Learning** to provide parents with access to discounts on in-person and virtual tutoring, academic assessments, school support and test preparation.

86%

Associates who reported feeling supported by their team members and managers during COVID-19.





Financial Well-Being

CNO, our associates and our executives donated more than \$300,000 to associate and agent financial assistance funds to help members of the CNO family who were impacted by COVID-19 or other personal financial emergencies.

To provide financial stability and peace of mind, CNO pledged that there would be no COVID-19-related layoffs in 2020.

Supporting Our Customers

Quickly adapting to remote work and new health and safety protocols, CNO's dedicated customer service and agent support teams continued to deliver consistent service to our customers with minimal disruption throughout 2020. We also implemented a number of changes to enhance our customer service, including:

- **Modifying our business practices:** To support our customers during the COVID-19 pandemic, we provided an extended period of time to pay premiums without the risk of losing their benefits in these difficult times.
- **Sharing information about COVID-19:** We developed dedicated COVID-19 pages on CNO and consumer-facing brand websites to provide information to our customers on our response and consumer support resources. We also shared COVID-19, service and consumer education information through company websites, blogs and social media channels.
- **Providing enhanced training and tools:** We introduced agent training on new virtual tools such as eApp, Zoom, DocuSign and allowed voice authorizations to enable them to virtually serve customers. Additionally, we offered contactless enrollment for Worksite agents and consumers to provide peace of mind during the pandemic.

Supporting Our Communities

CNO supports community organizations that address the health and financial wellness of middle-income Americans. We continued to honor our commitment to these organizations during the COVID-19 pandemic by maintaining annual, budgeted corporate donations to our charity partners throughout 2020.

We provided virtual opportunities for associates to give back through our Team CNO volunteer program. Associates participated in online food drives, created cards for first responders, and joined virtual events for our corporate philanthropy partners at the Alzheimer's Association, American Cancer Society and American Heart Association.

Associates nationwide were offered complimentary race entries to run or walk in the virtual November CNO Financial Indianapolis Monumental Marathon, a top 15 U.S. marathon that CNO supports as title sponsor.



We rapidly adapted to serve our market without interruption and to ensure our customers get the insurance protection and financial security advice they need during these uncertain times."

*Scott Goldberg,
President, Consumer Division*



**PROMOTING ETHICAL AND
RESPONSIBLE BUSINESS PRACTICES**



Promoting Ethical and Responsible Business Practices

Our business is built on trust, and we are committed to operating with the highest levels of integrity.

Our Five Corporate Values



Diversity, Equity & Inclusion

We embrace diversity, actively pursue equity and foster an inclusive environment.



Integrity

We're honest and ethical, operating within the letter and spirit of the law.



Customer Focus

We care deeply about our customers' financial well-being. We work together to meet their needs and deliver on our promises.



Excellence

We strive for excellence in our products, services and business processes. We are passionate about winning in the marketplace.



Teamwork

We work—and win—as a team, exemplifying commitment, participation and collaboration.

At CNO, our culture is defined first and foremost by what we do—**secure the future of middle-income America.**





Leading by Example: Our Code of Conduct

At CNO, our business is built on trust and promises.

- **Our customers trust us** with their healthcare and retirement planning, and we promise to honor our policy commitments and serve their needs.
- **Our shareholders trust us** to return fair value for their investment, and we promise to be responsible stewards of our company resources.
- **Our agents and associates trust one another**, and we promise to be accountable and respectful to each other and to our company.

We recognize that the decisions we make as a company, and the actions of our associates and agents, directly impact our ability to keep our promises and maintain the trust that we hold as essential.

CNO's Code of Conduct outlines our expectations surrounding key issues and business practices, including anti-money laundering, anti-corruption, political activities and contributions, conflicts of interest, fraud prevention, anti-trust, improper payments, data security, confidentiality, gift giving, and fair competition. Our Code of Conduct applies to all CNO associates and Board members.



[Read CNO's Code of Conduct](#)

Mandatory Code of Conduct Training

Adherence to our Code of Conduct and other CNO workplace policies is a condition of employment. All associates receive training on our Code of Conduct, with new associates receiving training within weeks of hire. Additionally, all employees participate in an annual curriculum of training that includes role-based compliance scenarios that highlight ethical dilemmas and provide tools to address them.

Training is monitored by management to ensure timely completion. To increase awareness and adoption, CNO produces regular Code of Conduct campaigns to reach associates.

All associates and Board members are also required to complete an annual conflict of interest questionnaire confirming compliance with the Code of Conduct and reporting any potential conflicts for review and resolution.

24/7 Ethics Hotline and Confidential Email

We maintain an ethics hotline and email reporting system for associates and agents to confidentially and anonymously report ethical concerns, misconduct, violations of laws and regulations, company policies and/or abuse of CNO resources. These resources are proactively shared with associates through employee communications and permanently displayed on our intranet page.

The ethics hotline is hosted by an independent third party, 24 hours a day, seven days a week. Callers connect to a live operator who guides them through a confidential process to document their concerns. A caller's name, phone number and email address are not included in their report without express permission. The resources are also available to suppliers, customers and other third parties.

We prohibit retaliation against any associate for reporting, filing, testifying, assisting or participating in any manner in any investigation, proceeding or hearing conducted by us or a federal or state enforcement agency. Procedures are in place to ensure protection of whistle-blowers' employment status and to protect against harassment in the workplace. There are no incentives or rewards given to those who report.

CNO has processes in place to track submissions to help shape its compliance, training and communications procedures.

Online Policy Library

Through our company intranet, associates have access to all of our policies and procedures. This includes policies concerning information security, privacy practices, insider trading, foreign corrupt practices, and disaster recovery.



Providing Equal Opportunity

CNO is firmly committed to Equal Employment Opportunity for all individuals. We make employment decisions (including hiring, promotion, demotion, firing and treatment during employment, along with rates of pay or other forms of compensation and terms of employment) without regard to age, race, color, religion, gender, gender identity, sexual orientation, marital status, citizenship status, ancestry or national origin, age, disability, military or veteran status, or any other occupationally irrelevant characteristics protected under federal, state or local law.

CNO takes appropriate steps to provide reasonable accommodations upon request to qualified individuals with physical or mental disabilities or in situations in which an associate's sincerely held religious beliefs or practices are impacted by job requirements.

We are committed to providing a workplace free of harassment. Any such harassment, including sexual harassment, will not be tolerated.



[Read our Equal Employment Opportunity and Anti-Harassment Policy](#)

Upholding Human Rights

CNO's policies, practices and community programs support our belief that every person should be treated with respect and dignity and is entitled to basic internationally recognized human rights as outlined in the United Nations Universal Declaration of Human Rights and United Nations Guiding Principles on Business and Human Rights. We comply with all applicable laws pertaining to fair employment practices, freedom of association, privacy, collective bargaining, immigration, working time, wages and hours. We abide by laws prohibiting forced and compulsory child labor, employment discrimination and human trafficking.

We support our associates' right to speak out about matters of public concern or engage in certain activities related to the terms and conditions of their employment. We will not tolerate abuse of human rights in our operations or be complicit in human rights violations in our supply chain.

Political Advocacy

It is important to CNO that state and federal legislators and regulators understand our industry and the benefits of the services we provide to our policyholders, and how any proposed changes might affect our ability to enhance the retirement security of our middle-income clients.

Although insurance is primarily regulated at the state level, it is increasingly clear that potential changes in law and regulation at the federal level, or in absence of federal action at the state level, can have a direct impact on the success of our enterprise and our ability to continue to deliver quality services to our clients. Positive interaction with legislators and regulators on issues such as tax policy, Medicare, the federal role in insurance regulation, labor policy and long-term care remains a priority.

Our advocacy is conducted through our membership in industry trade associations, as well as direct engagement with legislators and regulators through our government affairs staff working in conjunction with senior executives. The CNO Concerned Citizens Federal Political Action Committee (CNO PAC) was established to supplement these educational efforts. We do not hire lobbyists.

CNO's policies, practices and community programs support our belief that every person should be treated with respect and dignity and is entitled to basic internationally recognized human rights as outlined in the United Nations Universal Declaration of Human Rights and United Nations Guiding Principles on Business and Human Rights.



Managing the Mission: Corporate Governance

The CNO Board of Directors and its committees oversee the company's business and, together with management, set the culture and values of the enterprise. Our directors bring a diverse range of leadership, business, professional and personal experiences to the Board. They actively participate in forming company strategy and key decisions.

Our Board is guided by its fiduciary duties and by corporate governance principles that outline its responsibilities and form the framework for the control and oversight of the company. We observe governance best practices relating to our Board structure, stockholder rights and governance philosophy. Our directors are expected to exercise leadership, sound judgment, high ethical standards and a commitment to the current and future success of the company.

Governing with a Diversity of Viewpoints

The Board and the company benefit from a variety of viewpoints, professional experiences, educational backgrounds and skills, and from the different perspectives that may be brought to the Board by individuals with different characteristics. To that end, the Governance Committee considers numerous factors in evaluating, recruiting and recommending candidates to fill open Board positions. Such factors include, among others, diversity in gender, ethnicity, race, age, cultural framework, economic background and geographic origin. Additional information on each director's background and relevant experience can be found in our 2021 Proxy Statement.

BOARD INDEPENDENCE

Nine of our 10 directors are independent, including our Board Chair.



Board Tenure

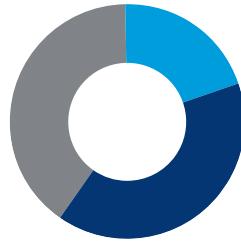
5.5 years
AVERAGE TENURE



- 3 Nominees: <1–3 years
- 3 Nominees: 4–6 years
- 4 Nominees: 7–10 years

Board Age Diversity

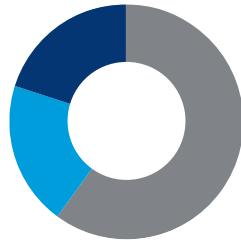
66 years
AVERAGE AGE



- 2 Nominees: 50–59 years
- 4 Nominees: 60–69 years
- 4 Nominees: 70+ years

Board Diversity

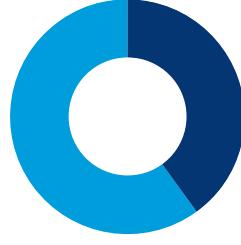
40%
DIVERSE BOARD



- 2 Ethnically/Racially Diverse
- 2 Women

Board Committee Chairs

40%
DIVERSE COMMITTEE
CHAIRS



- 2 Women

Data represents CNO Board of Director nominees that stand for election at the Annual Meeting of Shareholders on May 7, 2021.

Stockholder Rights

Our approach to stockholder rights includes provisions for:

- Proxy access
- Annual election of directors
- Majority voting for directors
- Extensive shareholder engagement program to obtain feedback on executive compensation and governance procedures



Governance Philosophy

Key components of our governance philosophy include:

- Robust stock ownership guidelines for directors and senior officers
- Pay-for-performance philosophy
- Broad clawback provisions
- No excise tax gross-ups
- Prohibition on hedging company stock held by insiders
- Regular review of senior management long-term and emergency succession plans

Additional information on our key practices pertaining to shareholder rights and our governance philosophy can be found in our 2021 Proxy Statement.

Managing Business Risk

Risk management is integral to our business and embedded deeply within our culture. CNO seeks to monitor and control our exposure to business risks through a risk-control framework that encompasses reporting systems, internal controls, management review processes and other mechanisms.

The Board is responsible for overseeing the company's risk profile and management's processes for managing risk. The oversight of certain risks, including those relating to the company's capital structure and capital management, is performed by the full Board. The Board has appropriately delegated responsibility for various aspects of risk oversight to its committees.

CNO's chief risk officer is responsible for the oversight of enterprise-wide risk management activities. Reports on the company's enterprise risk management are provided to the Board and its committees, as appropriate, on a regular basis.

The Board and its committees also review the company's risk appetite statement and overall risk function, senior management's establishment of appropriate systems and processes for managing insurance risk, interest rate and investment risk, credit and counterpart risk, liquidity risk, operational risk, cybersecurity and data privacy risk, climate-related risk, and reputational risk.

Board committees that oversee risk management include:

- **Audit and Enterprise Risk Committee (AERC):** The AERC oversees management's processes for managing enterprise risk, including those associated with financial controls, insurance reserves, legal, environmental, regulatory and compliance risks, and the overall risk management structure, process and function.
- **Investment Committee:** This committee oversees investment and asset liability management risk, including investment-related risks associated with climate change.
- **Human Resources and Compensation Committee (HRCC):** The HRCC oversees risks associated with our human capital management, including with respect to succession planning and compensation program design.
- **Governance and Nominating Committee:** This committee oversees risks associated with our governance structure and controls, including governance-related legal and regulatory compliance, corporate citizenship and sustainability.



Our Board believes that open communication with management is an important element of effective risk management and oversight. The Board and its committees regularly meet with senior management to review material risks.

CNO executive leadership strongly supports an active and engaged risk management process. Three management committees comprised of executive management convene regularly to address key risks:

- **Enterprise Risk Management (ERM) Committee:** Oversees existing and emerging risk across the enterprise, including operational, cybersecurity, environmental, product and capital risk.
- **Investment and Asset Liability Management Committee:** Oversees investment and asset-liability risk.
- **Enterprise Growth Governance Committee:** Reviews and approves growth projects, including new product development, omnichannel expansion, customer experience and other growth initiatives.

CNO'S STRONG FINANCIAL FOUNDATION

- High-quality, diversified investment portfolio
- Significant excess capital position and ample liquidity
- Returned \$3 billion to shareholders over the past 10 years, reducing share count by 46% as of 12/31/20
- Issued quarterly dividends for 35 consecutive quarters
- Increased our quarterly dividend in each of the past eight years
- Rated investment grade by all four leading ratings agencies—A.M. Best, Moody's, Fitch and S&P

Assessing Our Financial Strength¹

As of December 31, 2020	A.M. Best	Fitch	Moody's	S&P
-------------------------	-----------	-------	---------	-----

SENIOR UNSECURED DEBT RATINGS

CNO Financial Group, Inc.	bbb-	BBB-	Baa3	BBB-
---------------------------	------	------	------	------

FINANCIAL STRENGTH RATINGS

Bankers Life and Casualty Company	A-	A-	A3	A-
Colonial Penn Life Insurance Company	A-	A-	A3	A-
Washington National Insurance Company	A-	A-	A3	A-



Safeguarding Customer Privacy

At CNO, we take seriously the protection of our customers' personally identifiable information (PII).

We are subject to both federal and state legislation and regulation governing the protection of the nonpublic personal financial and health information we receive from our customers. We respect and follow the data protection laws and regulations of the many jurisdictions in which we conduct business. The regulatory landscape is rapidly expanding. We have a dedicated privacy team that actively tracks regulatory developments and adjusts privacy practices accordingly.

Proper handling of confidential information is essential to CNO, and our protocols protect the confidentiality, integrity and availability of client information. We collect and use personal information fairly, lawfully and in accordance with our privacy policies. Associates are required to abide by our Code of Conduct, including its provisions related to the treatment of confidential information.



[Read our Privacy Policy](#)

Maintaining Data Security

Cybersecurity continues to be a top priority for CNO.

We invest in people, tools and technologies designed to protect personal information and minimize potential security threats. We implement strict controls, integrating our cybersecurity strategy into the business with multiple control layers to protect customer information and technology assets.

Our technologies are aligned with industry best practices and leading standards. We continuously monitor changing regulatory requirements, guidelines and technologies.

Our Cybersecurity Program

Cybersecurity is a top enterprise focus area and we place a priority on maintaining and continually maturing our cybersecurity capabilities. Our objective is to protect the confidentiality, integrity and availability of our information systems.

Our approach comprises a holistic information security management strategy that includes comprehensive security policies and standards, a robust security awareness and education program, and the implementation of highly advanced and layered defenses.

CNO has established and continues to enhance our procedures for identifying data security risks and implementing defenses to mitigate these risks. We devote significant resources to maintaining and regularly updating our systems and processes that protect the security of our computer systems, software, networks and other technology assets against attempts by unauthorized parties to obtain access to confidential information, destroy data, disrupt or degrade service, sabotage systems, or cause other damage. Our cyber incident response plan provides procedures and controls for timely and accurate reporting of any material cybersecurity incident.

24/7

We work 24 hours a day, seven days a week to detect, analyze, track and mitigate external threats.



Data Protection Policies

CNO maintains risk-based policies, standards, processes and procedures for the provisioning of electronic and physical access to data. Authorization for electronic and physical access and access to information systems is on a “need to know” basis and adheres to the principle of “least privilege.”

Employee Training and Education

CNO provides security awareness training to personnel who have access to information. These trainings are designed as appropriate to individual roles, functions or responsibilities, and provide content on:

- Cybersecurity best practices
- Access control and management
- Combating the threats of social engineering and phishing

All new hires and associates are required to complete annual Security 101 training. This training covers the importance of information security and topics such as physical security, authentication, mobile security, social engineering, phishing and ransomware. It highlights key company policies and how to report incidents. Reinforcement materials, such as weekly tips, monthly newsletters, posters and alerts, are part of ongoing security awareness.

CNO associates are also trained to identify, avoid and report phishing attacks through monthly phishing simulations. Metrics are tracked and reported to executive leadership after the completion of each simulation.

Data Security Governance and Oversight

CNO recognizes that security is an enterprise concern and requires stakeholders from across the enterprise to understand and manage this risk. CNO’s security management structure reflects a centralized security program that coordinates security functions across the enterprise.

The company has a dedicated team devoted to information security called Cybersecurity Services (CS). The team is led by the chief information security officer (CISO), who reports directly to our chief information officer and is responsible for the overall strategy and function of the cybersecurity program.

CNO also maintains a cybersecurity steering committee that takes an active role in setting strategic direction for cybersecurity initiatives and provides oversight and guidance for overall cybersecurity risk management.

The CISO provides regular reports on CNO’s cybersecurity program and potential risks to the AERC. The AERC regularly briefs the full Board on these matters and provides periodic updates on cyber threats in order to enhance the directors’ understanding of these issues.

CNO’s cybersecurity program is aligned with generally accepted principles and practices for securing information systems and data. The program is designed to comply with all applicable laws and regulations and uses guidance from many best practices. Our cybersecurity program, policies and controls also align to the National Institute of Standards and Technology’s (NIST) Cybersecurity Framework.

“

We maintain a relentless focus on identifying evolving risks and constantly improving the security of our systems.”

Bruce Baude,
Chief Operations and
Technology Officer

Each associate is educated, trained and tested on cybersecurity to help be our first line of defense.



Monitoring and Testing

Our internal Security Operations Center (SOC), provides near-real-time monitoring of all network traffic going in and out of CNO to identify any abnormalities or indications of malicious behavior.

CNO also uses a managed security services provider to provide monitoring, threat hunting and response services through network monitoring and a hosted security information and event management solution.

CNO conducts regular enterprise-wide internal and external cyber risk assessments. These efforts include audits, internal and external regulatory compliance assessments, and periodic self-assessments. Vulnerability assessments are performed monthly for systems, and internal and external penetration tests are performed annually. We periodically engage vendors to review and benchmark our cybersecurity process. Additionally, the CNO Cybersecurity Services Governance Team performs regular security control assurance testing.

CNO's Internal Audit department also performs reviews of our cybersecurity program, processes, policies and controls at least annually. The program is regularly reviewed in annual external audits and regulatory assessments. Lessons learned from those efforts are used to drive improvements to continually strengthen the cybersecurity program, including controls for data security.

Threat Intelligence

CNO continuously evaluates our enterprise for risks and vulnerabilities and operationalizes the intelligence by implementing relevant countermeasures.

CNO maintains threat intelligence information tools and processes to understand and react to evolving security threats. Through this platform, the company ingests data from various sources, including open source and commercial report feeds, law enforcement, government and a variety of other public and private sources.





Third-Party Risk Management and Oversight

CNO's CS team partners closely with the Sourcing team to participate in the company's request for purchase (RFP) processes when contracting for third-party IT services. CNO's IT Architecture Review Board, which includes cybersecurity leadership, reviews all potential suppliers. We have comprehensive cybersecurity assessment processes and procedures in place, including security questionnaires, standard documentation requests, and utilization of a third-party risk review tool to evaluate potential third-party suppliers. We utilize private connections (including private VPN) and extensive use of virtual desktops to secure access to our data. We partner with our legal team to ensure specific protections are included in all contracts, including confidentiality language, nondisclosure obligations and security provisions.

Critical vendors are monitored by the CNO sourcing and vendor management office. Resources contracted through a third party that have access to corporate systems must complete CNO's associate training or their company's security awareness training that has been approved by CNO's Cybersecurity Services team.

We also perform periodic risk assessments throughout the term of the engagements, including those third parties located outside the U.S. that have access to company and consumer information.

2020 Program Enhancements

In 2020, we strengthened counter measures, added proactive measures and augmented cyber defenses. Forensic capabilities, event monitoring and alerting processes were enhanced. Remote access now requires multi-factor authentication.

We utilize private connections and extensive use of virtual desktops to secure access to our data.

How We Protect Our Data

- » 24/7/365 cybersecurity threat monitoring
- » Advanced threat intelligence capabilities and prevention controls
- » Layered preventive infrastructure
- » Secure email delivery
- » Mandatory multi-factor authentication for associates and customers
- » Annual associate cybersecurity training
- » Strict third-party vendor assessment and monitoring
- » Anti-phishing and fraud testing
- » Relentless focus on continuous improvement
- » Robust threat intelligence platform
- » Continuous testing of defenses





INVESTING PRUDENTLY



Investing Prudently

To fulfill our promises and financial commitments to our policyholders, which in some cases may arise many years in the future, we seek to responsibly invest the premiums that we collect in high-quality, primarily fixed-income assets that generate appropriate risk-adjusted returns.

When evaluating otherwise equivalent investments, we prefer to invest in companies with strong ESG practices and whose activities are generally consistent with CNO's values.

With an investment portfolio in excess of \$25 billion, we recognize that our investments are a powerful tool for generating measurable ESG impact alongside strong financial returns.

Investment Approach

ESG is a mainstream and growing component of our investment process. At CNO, we recognize that integration of ESG principles into our investment process may enhance our ability to identify, evaluate, monitor and react to investment risks in a manner that promotes our objectives, particularly over the long term.

Our investment approach centers on developing high-quality portfolios diversified across asset classes, which closely adhere to risk tolerances and practices. We expect to continue to enhance our processes as ESG market practices for fixed-income investing and disclosure evolve.

“

CNO is committed to responsible investing and applying ESG practices across our full portfolio of assets. This enables us to invest in ways that support sustainable long-term returns while also contributing to social and environmental benefits.”

*Eric Johnson,
Chief Investment Officer*





In 2020, CNO became a signatory of the United Nations Principles for Responsible Investment (PRI), an international network of investors working together to implement its six aspirational principles. CNO is committed to the adoption and implementation of these six principles.

In addition, we adopted a Responsible Investment Policy Statement, enhanced our proxy voting guidelines and formalized our management committee that focuses on responsible investing.

Fundamentally, our ESG policies apply both positive and negative screens. Where appropriate, we seek to make investments in opportunities that have a positive impact in our communities or potentially help mitigate climate change. We generally do not invest in companies engaged in certain controversial activities that do not align with CNO's values or that we believe pose significant ESG-related risks, including tobacco, gaming, firearms, private prisons, coal, predatory consumer lending and single-family rentals, among other industries.

We actively monitor our existing holdings for changes in environmental, social and governance issues and take those changes into consideration with other relevant factors when making investment decisions, including for climate change risks, and we actively manage exposure to at-risk locations in our commercial real estate portfolio.

During 2021, we plan to complete a carbon footprint analysis of the investment portfolio and develop a related risk management strategy.

Please see the [Responsible Investment Policy](#) available on our website at CNOinc.com for additional information regarding the integration of ESG considerations into our investment process, investment selection and investment monitoring, including with respect to our:

- Engagement policy
- Reporting
- Proxy voting guidelines
- Exclusion policy
- Training

Signatory of:



United Nations Principles for Responsible Investment

1. We will incorporate ESG issues into investment analysis and decision-making processes.
2. We will be active owners and incorporate ESG issues into our ownership policies and practices.
3. We will seek appropriate disclosure on ESG issues by the entities in which we invest.
4. We will promote acceptance and implementation of the principles within the investment industry.
5. We will work together to enhance our effectiveness in implementing the principles.
6. We will report on our activities and progress toward implementing the principles.



[Read our Responsible Investment Policy](#)



Enhanced ESG Investment Governance and Oversight

In 2020, we launched a Responsible Investment Steering Committee comprised of cross-functional representatives to coordinate and integrate our ESG investment policies and procedures and facilitate sharing of best practices. The steering committee is responsible for the development, implementation and oversight of CNO's sustainable investment strategy.

Impact Investments

We believe that making investments in areas that can make a difference in our communities or potentially help mitigate climate change is fundamental to our goal of being a good corporate citizen.

We have earmarked \$100 million for new impact investments to accelerate positive change, support global climate stability, or mitigate climate risk.

\$100 million

Amount earmarked for new impact investments.

CNO Impact Investments

As of December 31, 2020



\$2.1 billion

Municipal bonds are issued by state and local government agencies to help fund projects benefiting their communities, including to build schools, highways, hospitals and utilities.



\$36 million

Renewable energy includes investments in issuers primarily in the business of geothermal projects and solar, wind, hydro, geothermal and biomass resources.





SERVING OUR CUSTOMERS

Serving Our Customers

Enhancing the customer experience is one of our core strategic priorities.

Each time a customer purchases a product from us, it represents a promise between the policyholder and our company. We take this responsibility seriously and provide the care and attention needed to achieve a positive customer experience.

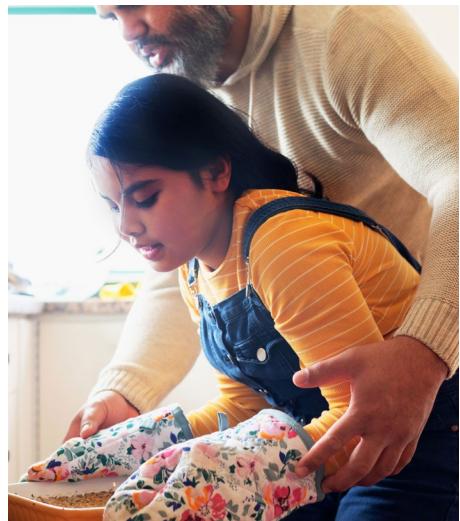
While conducting high volumes of calls and transactions, our customer service teams approach every interaction with empathy and professionalism. We recognize that many of our customers and their families are unfamiliar with navigating the world of insurance and retirement planning, and that it is our job to be their guide.

Focusing on the Underserved Middle-Income Market

CNO is focused exclusively on helping the underserved middle-income market. This has long been our focus and it remains unchanged. We have offices in 260 communities throughout the United States serving customers in city, suburban and rural communities. Our broad portfolio of insurance products and services provides a social good by helping to protect the health, income and retirement needs of our customers. Our products are designed with the needs of middle-income consumers and small- and medium-sized employers in mind. Highlights of our product portfolio include:

- **Medicare Advantage**—We distribute Medicare Advantage through our agents and direct-to-consumer. We offer \$0 cost plans for most Medicare-eligible consumers.
- **Medicare Supplement**—We offer a variety of Medicare Supplement plans, including a high-deductible plan that may be a more affordable option for helping retirees manage the costs associated with their healthcare.
- **Graded Benefit Life**—We offer guaranteed issue life insurance products that start at \$9.95 per month in premium. This product provides final expense life insurance coverage with no underwriting to the lower-income senior market.
- **Supplemental health products**—We offer certain supplemental health products that can help low-income groups to supplement high-deductible major medical insurance.
- **Worksite products**—We offer a number of group Life and Health insurance plans in the Worksite market, with coverage available for as little as \$3 per week.

At CNO, our culture is defined first and foremost by what we do—**secure the future of middle-income America.**





Products Designed for Our Market

CNO offers insurance products and services for high-risk/disadvantaged groups such as the elderly and the mentally and/or physically disabled.

Insurance premiums for our products are based solely on the age, sex and underwriting class of the applicant. We do not consider credit scores, marital status, sexual orientation, race or education level in our underwriting or pricing.

We offer insurance products that range from full underwriting (which may consider pre-existing conditions in evaluating risk) to guaranteed issue underwriting. Because of the range of underwriting options that we offer, individuals with pre-existing conditions often have one or more options for products they can purchase from us. Depending on age, applicants may qualify for the guaranteed issue product regardless of existing health conditions or disabilities.

Many product marketing materials are provided in both English and Spanish.

DELIVERING ON OUR PROMISES

Full Year 2020

Approximately
10.2 million
claims processed.

\$1.9 billion
in claims paid out.

2.4 million
calls answered for our customers
and family members.





Promoting Healthy Lifestyles

CNO products also offer access to health incentives that focus on preventive care, fitness and healthy aging, including:

SilverSneakers®

The nation's leading community fitness program designed for seniors, it promotes greater health engagement and accountability by providing members with regular exercise and social opportunities at more than 16,000 locations nationwide.

WholeHealth Living Choices®

Partnering with health plans, it offers members access and discounts to more than 35,000 providers, including more than 35 complementary alternative specialties. Services include chiropractic, acupuncture, massage therapy, nutritional programs, yoga, Pilates, personal trainers, mind and body therapies, spas, and fitness locations.

Educating Our Community on Retirement Preparedness

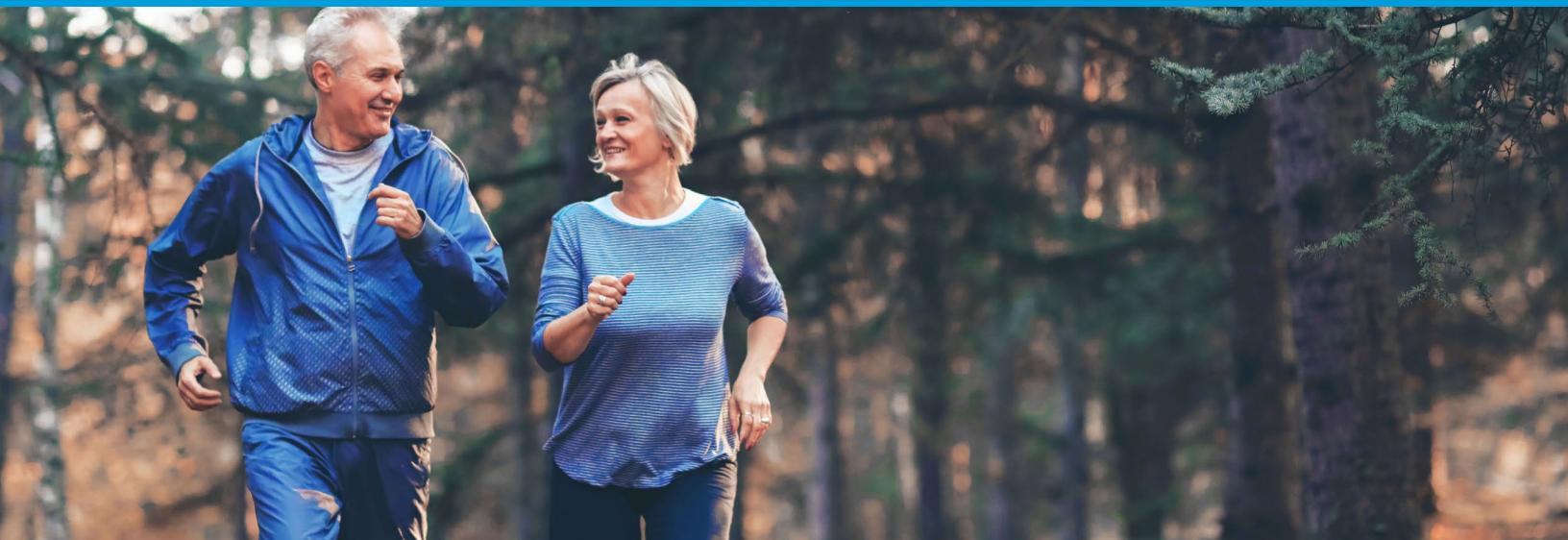
In 2011, we created the Center for a Secure Retirement, our dedicated research and consumer education platform to help educate consumers about insurance and planning for retirement.

In 2020, we expanded the program into a comprehensive information center to deliver customizable, interactive lifestyle and educational content for individuals nearing and entering retirement.



CENTER FOR A SECURE RETIREMENT IN THE NEWS

Our research and personal finance education tips have been featured in publications such as *The Wall Street Journal*, *Forbes*, *U.S. News & World Report*, *USA Today*, *NPR*, *The Washington Post* and *MarketWatch*.





Supporting Efficiency Through Technology

At CNO, we embrace automation and other technology investments to improve the overall experiences of existing and potential customers. This has been particularly true during the COVID-19 pandemic as we pivoted to a work-at-home model for most associates and developed digital practices that enabled us to continue serving policyholders, agents and our market during required office closures and stay-at-home orders.

To improve efficiency and accuracy, we use robotic processing technology to streamline many of our manual processes within our customer service, claims, policy administration and finance areas. These software robots are also completing repetitive, time-consuming work that enables our associates to focus on higher-level, customer-facing and value-added work.

As of December 31, 2020, 115 production bots have been deployed successfully, freeing up approximately 296 hours per day for associates and resources to be deployed on other activities.

Five Ways Technology Is Enhancing the Customer Experience

1. Language translation line

Customers can receive assistance in the language of their choosing

2. Voice authorization

Customers can authorize policy applications and complete payments over the phone

3. Web chat

Colonial Penn website visitors can chat directly with a licensed agent online

4. Web access to real-time claims information

Customers can digitally file claims and review their claim status online

5. Digital tools

Zoom, eApp, and DocuSign allow customers to file claims, submit applications, pay bills and view claim status information easily online

73%

Insurance applications currently submitted and processed electronically.

42%

Insurance applications issued same day of submission through automation.



Customer Satisfaction

CNO is always working to improve the customer experience, whether through self-service or through assistance from one of our agents or customer-facing associates.

We are building an omnichannel purchase experience so consumers can move seamlessly through our channels to purchase a policy how and where they choose. Today, consumers can research and purchase our products online, engage electronically via web chat, speak with an online telesales agent, meet in person with a field agent, or any combination of these touch points.

CNO measures customer satisfaction semi-annually through Net Promoter Scores (NPS), ratings and reviews, and turnaround time on policyholder requests. At our Bankers Life brand, consumers rate the company 4.8 out of 5 stars in online reviews. This online review program was launched in 2020, with plans to extend to other brands in the CNO family in the future.

Responsible Product Offerings

Expanding with new products is a priority at CNO. As our customers' needs change, our products and services evolve to meet their changing concerns.

As an insurance company, the products and services that we offer are highly regulated. All insurance products that we distribute—those manufactured by us, as well as those manufactured by others—are required to meet specific regulatory requirements. These requirements relate to consumer benefits, policy terms and conditions and disclosures that are designed to help consumers understand and maintain their valuable insurance coverage.

Each new product is developed based on a set of criteria including: if it meets the regulatory requirements for the product type, how well it meets a consumer need, how well we can maintain and service the product, the relative price competitiveness of the product, the value offered to the consumer, and our ability to hold sufficient capital and reserves to support the product.

New products are approved by our chief actuary, chief marketing officer, chief financial officer, and the presidents of our Consumer and Worksite Divisions. New insurance products must be filed as required with the insurance department in each state in which the product will be sold, or through an interstate compact.

IN 2020,
WE LAUNCHED
16 NEW PRODUCTS
AND PRODUCT
ENHANCEMENTS²

Security Builder, a high-participation rate indexed annuity offering the opportunity to earn a higher index credit for accumulation-oriented consumers.

Medicare Supplement Plan High G, insurance coverage designed as a price-sensitive alternative for healthy Medicare customers.

Monthly Income Protection, a unique form of group term life insurance that provides benefits in the form of payments for a specified number of years addressing the top reason consumers buy life insurance.

Responsible Marketing

We market our products and services responsibly and transparently. Sales materials and product-level communications undergo a rigorous process to ensure they are compliant with all laws and regulations, as well as fair, clear, accurate and balanced. Our written marketing materials are subject to internal reviews and controls, as well as the standards established by various regulatory entities.

We strive to provide customers with marketing and product information that is suitable and easily understood. We use plain language in easily readable fonts, provide clear and accurate rates, disclose the scope of coverage, term, limits, deductibles, and any exclusions or exceptions, and articulate any product risks. The process for submitting claims is also made known. Product descriptions are typically distributed by our agents or can be accessed on our websites. Customers are notified by mail of any product updates.

At CNO, we provide advice and guidance to our customers through a network of 5,000 exclusive insurance agents and 4,000 independent partner agents. All agents are required to be licensed in the states in which they do business and to meet rigorous compliance and training requirements. They are held to the same standards for ethics and fairness as all CNO associates. Our Agent Compliance Guidelines outline specific compliance and ethics standards relevant to their roles. Responsible sales practices, including customer suitability and product knowledge, form the core of new agent training.

Exclusive insurance agents are monitored for performance and compliance through field-based supervision and coaching. To ensure that the agent force is meeting performance standards, branch office management teams conduct regular training through a combination of knowledge-based curriculum, demonstration and supervised role-play. Management also holds regular training programs focused on specific compliance initiatives and updates.

Audits are performed by CNO's Internal Audit department to ensure:

- Sales materials are compliant with company policies
- Appropriate sales practices are being followed
- Quality customer service is being provided

Customer satisfaction surveys are included on all digital applications. Management ensures appropriate actions are taken to address any customer concerns.

In partnership with our policyholder services and legal teams, we have mechanisms in place to receive, investigate and address complaints of any sort received by current or prospective customers, agents and agent recruits. We use social monitoring tools to identify customer questions and complaints in order to address them in a timely manner. CNO has an escalation team that provides support and outreach to resolve any issues.





Responsible Claims Management

CNO is committed to paying all legitimate claims accurately and promptly. To make it simple and easy to file claims, we include instructional information on our websites with links to claim forms.

We continuously strive to enhance our customer service while meeting the needs of our customers, often at critical moments in their lives. If a customer has questions pertaining to their claims, we have several ways to engage, discuss and, if necessary, review any new evidence to render an updated decision. Policyholders can also engage in a formal appeal process to ensure an independent review of their case, if necessary, including referral to an independent ombudsperson.

To provide the best possible customer care, we perform internal reviews of all customer engagements to ensure our service standards are consistently delivered. We regularly review a statistical sample of our decisioned claims and claimant interactions for accuracy. We also measure our performance against industry practices and are held to various regulatory standards.

Fostering a Diverse Supply Chain

CNO is dedicated to partnering with suppliers that share our ethical business practices, standards of conduct and commitment to sustainability.

We expect our vendors to fully comply with all applicable laws and regulations in the conduct of their business. They must observe the same internationally recognized human rights and labor practices relating to child labor, wages, working time and workplace safety as CNO.

Our Vendor Code of Conduct reflects these expectations. Sustainability criteria are now included in our contract templates and will be added to our RFP processes. We now emphasize the requirement that our vendors and suppliers share our commitment to diversity, equity and inclusion, and will not tolerate discrimination or harassment of any kind. We also strongly encourage the adoption of other sustainability principles, including broader environmental stewardship action, and the utilization of sustainably produced goods and services wherever possible. Vendors must adhere to this Code of Conduct when conducting business with us.

CNO performs extensive screening and due diligence of our vendors. Associates within the sourcing and vendor management department undergo the same Code of Conduct training as all associates, which includes issues including confidentiality, anti-money laundering, conflicts of interest, gift giving, and sexual harassment. All contracts above a certain size go through a formal approval process and sign-off by our legal, information technology and cybersecurity teams. Supplier risk assessments and audits are conducted annually. In the case of non-compliance, we maintain the right to take appropriate actions, including termination of the business relationship.

Going forward, we seek to work with diverse supplier networks to help us identify potential suppliers and vendors from various minority and women-owned businesses when possible and to benchmark ourselves against industry peers.

We perform internal reviews of all customer engagements to ensure our service standards are consistently delivered.



[Read our Vendor Code of Conduct](#)



DEVELOPING AND
SUPPORTING OUR ASSOCIATES

Developing and Supporting Our Associates

Our 3,400 full-time associates are our primary and most valuable resource.

CNO associates develop products, advise clients, service customers and support the efficient running of the organization. We believe corporate social responsibility starts with our associates, and we are proud to offer a workplace that encourages diversity, fosters collaboration, values integrity and promotes equitable professional growth.

We offer our associates comprehensive compensation and benefits packages, including an all-associate annual bonus program. We provide formal associate engagement channels as well as broad-based professional development and training opportunities. We also offer employee stock plans which strongly link our associates' interests to the success of the company.

Advancing Diversity, Equity and Inclusion

Building an inclusive, representative workforce remains a priority for the company. CNO and our customers benefit from a diversity of ideas, skills and perspectives that emerge when we respect others and work together. In turn, our collaboration fuels innovation, better solutions and a strong sense of community.

86%

Associates who say CNO values and supports diversity.





CNO Workforce by Gender

As of December 31, 2020

- **52%** of associates are women
- **48%** of associates are men
- Women hold **34%** of middle management positions
- Women hold **30%** of vice president and higher positions

Male Associates

- **43 years**—average age
- **7 years**—average tenure

Female Associates

- **46 years**—average age
- **10 years**—average tenure

45 Years

Average age of our associates.

8 Years

Average years of CNO service.

CNO Workforce by Ethnicity

As of December 31, 2020

- People of color hold **18%** of middle management positions
- People of color hold **8%** of vice president and higher positions

Asian	3.77%
Black/African American	18.08%
Hawaiian or other Pacific Islander	0.23%
Hispanic or Latino	5.88%
Indian/Native American	0.26%
White	66.5%
Other (declined to state or two or more ethnicities)	5.27%

CNO Workforce by Generation

As of December 31, 2020

Baby Boomers (born 1946-1964)	33%
Generation X (born 1965-1980)	41%
Generation Y/Millennials (born 1981-1996)	25%
Generation Z (born 1997 and onward)	2%

Building a More Diverse Workforce

We're passionate about creating an inclusive culture that encourages, supports, celebrates and values the diverse voices of our associates and our customers. CNO values DE&I, and we believe that it is a critical business imperative for the long-term sustainable growth of our company.

Diversity goes beyond visible differences to include different educational backgrounds, professional knowledge, personality types, thinking styles and life experiences. In 2020, CNO was named as one of *Forbes*' Best Companies for Diversity.

Our DE&I commitment is centered around three priorities that drive our mission and programming:

- **Recruitment and Selection:** Hire, develop and retain diverse talent that reflects the markets we serve.
- **Associate Education and Awareness:** Affirm equality for all individuals and commit to creating an environment of mutual acceptance, understanding and respect.
- **Associate Development:** Cultivate an inclusive culture that leverages the diverse skills, ideas and full capabilities of all associates.

We believe a culture of inclusion creates a work environment where every associate is supported to be their authentic self and can reach their highest potential. Our goal is to empower leaders to optimize diversity, equity and inclusion to solve business challenges, increase engagement, innovate and compete in a diverse marketplace.

By developing a culture that supports and fosters diversity, equity and inclusion, we believe we will better understand and serve our customers.

CNO maintains partnerships with the NAACP, YWCA and the National Urban League. Our recruiting team also builds relationships to recruit top talent to CNO from organizations such as:

- The International Association of Black Actuaries
- The Organization of Latino Actuaries
- The National Black MBA Association
- Historically black colleges and universities

In 2020, 48% of our new hires were women, while 34% were people of color. To ensure a robust and diverse talent pipeline, we are taking action to increase diversity across our organization. These include the creation of mentoring programs, job rotation programs, a leadership foundation program, and other initiatives to enhance critical behaviors within our minority associate population.



CNO was named among the **Best Employers for Diversity** by *Forbes* in 2020.

In 2020, **48%** of our new hires were women, and **34%** were people of color.

Inclusive Policies Introduced in 2020

We introduced two new policies in 2020 that reflect our commitment to diversity, equity and inclusion:

- **Time Off Policy for BRGs**

Starting in 2021, we're adding 16 additional paid time off (PTO) hours for associates to participate in Business Resource Group (BRG)-related activities and education.

- **Gender Transition Policy**

To support transgender or other gender non-conforming associates, we introduced a gender transition policy that declares that all associates have the right to express their gender identity, characteristics or expression without fear of consequences. Transgender associates at CNO have the right to be who they are without unnecessary disclosure of medical information or gender history.

CNO's medical plan provides coverage for gender reassignment surgery to provide support for associates or their family members. Once an individual is ready, every effort is made to use the new name and gender marker on all documentation.

All associates are permitted to use bathroom facilities that are the most appropriate and safest option for themselves through our gender-neutral bathrooms.

To show support for all gender identities, CNO associates are encouraged to include their gender pronouns as part of their email signatures. CNO also held gender identity trainings for associates to learn more about our policies and gender expression.





DE&I Council

In 2018, CNO created a Diversity, Equity and Inclusion Council to foster and encourage a more inclusive work environment. The DE&I Council is sponsored by our general counsel and is responsible for driving strategies that ultimately result in increasing diverse representation at all levels of the organization.

Our DE&I Council facilitates the formation of BRGs, which are company-sponsored, voluntary, associate-led groups that serve as resources for members and the organization.

Business Resource Groups at CNO

CNO currently offers four BRGs, each of which is sponsored by a senior executive. In 2020, BRG membership exceeded 550 associates. In 2020, CNO hosted more than 80 virtual events. More than 3,000 associates attended at least one event held by our four BRGs:

- **Women's BRG**
- **S.O.U.L. African American/Black BRG**
- **PRISM LGBTQ+ BRG**
- **Veterans & Families BRG**

BRGs provide business value by advancing CNO's objectives with a focus on recruiting, retaining and developing diverse talent, improving engagement, promoting community outreach and driving business innovation.

BRGs are also able to offer associates a safe place to connect with others to discuss and process major world events that impact DE&I, the workforce and society. Throughout the year, BRGs host workshops and welcome guest speakers to further educate associates about the varied experiences and the importance of diversity and inclusion in the workplace.



BRG FOCUS AREAS

- Mentorship
- Career development
- Recruitment
- Market research and business development
- Community outreach
- DE&I awareness and education



Commitment at the Top

CNO's commitment to diversity, equity and inclusion is supported at the highest levels of the company. In 2018, Chief Executive Officer Gary C. Bhojwani signed the CEO Action for Diversity & Inclusion™ pledge, joining more than 1,000 other CEOs in committing to advancing diversity and inclusion within the workplace.

In 2020, the CEO Action for Diversity & Inclusion™ launched the Social Justice Fellowship to advance racial equity. The fellowship is overseen and governed by the CEO Action for Racial Equity Governing Committee, a group of 20 CEOs representing multiple industries and regions. CEO Gary C. Bhojwani is one of the Governing Committee members committed to driving change.

As a part of the program, signatories may select one employee to participate in a two-year fellowship. CNO's selected fellow joined nearly 250 other fellows, representing more than 100 CEO Action signatory organizations. Fellows work together to identify, develop and promote scalable and sustainable public policies and corporate engagement strategies that will address systemic racism and social injustice and improve societal well-being.

The Human Resources and Compensation Committee of our Board oversees our human capital management and diversity, equity and inclusion initiatives. It receives regular updates from management on progress and developments. To underscore our commitment to a diverse workforce, we are formally including Diversity, Equity and Inclusion objectives in our 2021 executive management compensation program.

Solidarity Against Racism

Following the senseless killing of George Floyd and too many others, the CNO community came together in 2020 to stand against racism.

Our S.O.U.L. African American/Black Business Resource Group (BRG) created a series of weekly "Safe Places" talk sessions to allow associates to openly share their feelings and experiences. Moderated by BRG leaders, these sessions continue today as a meeting place for associate voices. Outside speakers were also featured on topics including Juneteenth, systemic racism, and anti-racism education.

Anti-Harassment Policy and Unconscious Bias Education

CNO is committed to providing a workplace that is free of harassment. All associates undergo mandatory anti-harassment training and are offered further instruction in unconscious bias that includes:

- Tools to identify unconscious bias
- Actions to diminish biases
- Ways to optimize interactions with customers, other associates and our communities

Managers undergo additional training and guidance to support diversity, equity and inclusion.

SENIOR DIRECTOR OF DIVERSITY, EQUITY AND INCLUSION

In 2020, CNO named a senior director of Diversity, Equity and Inclusion to support CNO's ongoing initiatives to develop and embed our DE&I practices across our organization and advance the important work of our DE&I Council and BRGs.

DE&I AND EXECUTIVE COMPENSATION

To underscore our commitment to a diverse workforce, we are formally including Diversity, Equity and Inclusion objectives in our 2021 executive management compensation program.



Focusing on Associate Well-Being

Physical Health

Our benefits package for associates includes medical, dental and vision insurance coverage, as well as an award-winning employee well-being program.

On-site and virtual health clinics at our Carmel, Chicago and Philadelphia corporate locations offer medical and holistic services to associates, spouses, domestic partners and children over the age of 13. Our medical plan includes health savings accounts with company contributions for completing well-being tasks and a Head Start contribution for those making less than \$60,000. Medical and dependent care flexible spending accounts are also offered. Our health programs cover in-network preventive care, and our well-being programs provide access to the following services, most at no cost:

- Free preventive care (in-person or virtual)
- Urgent care services (in-person or virtual)
- Free generic medications (in-person or mail-order)
- Biometric screening services
- Routine lab services
- Free and unlimited behavioral health services
- Lifestyle management programs that focus on weight management and nutrition support
- Health coaching that includes diabetes management programs
- Holistic services including massage therapy, acupuncture, chiropractic care, and other alternative medicine treatments
- Tobacco cessation programs (our campuses are tobacco-free)

All associates and their families have access to free virtual fitness classes, and each corporate office provides access to free or low-cost gyms and fitness classes. CNO also partners with a national fitness center network that provides access to more than 12,000 facilities. Associates pay a nominal fee for this membership, and it also gives them access to 1,200+ on-demand classes. Physical activity incentives are awarded on a quarterly basis to help motivate associates to remain active.

Ergonomics

CNO's ergonomics program provides free access to a licensed athletic trainer and certified ergonomics specialist. Workstation evaluations are conducted either in-person or virtually. The assessment allows the specialist to review the individual's set-up, make adjustments, assign stretches or exercise, and deploy necessary equipment to ensure the associate is working in a comfortable, ergonomically correct environment.

1,747

Total in-person and virtual clinic visits in 2020.





Promoting Healthy Lifestyles

CNO provides well-being incentives to encourage and motivate associates to make healthy lifestyle choices and to complete preventive exams and screenings. Associates can earn up to \$2,000 annually for choosing healthy behaviors and activities, such as: taking 10,000 steps per day; completing an annual physical; meeting or improving biometric results; meeting with a health or well-being coach; and participating in mindfulness programs. We also connect our well-being program to volunteering. Associates who track their volunteer hours can earn additional incentives.



\$2,000

Amount associates can earn annually for choosing healthy behaviors and activities.

Parental Leave, Maternity Health and Other Leave Opportunities

Following the birth or adoption of a child, new mothers and fathers receive three weeks of paid time off for bonding with their child. Parental leave is paid at 100% of base pay. Birth mothers are eligible for paid time off of up to eight weeks to recover after the birth of a child. Maternity leave is paid at 100% of base pay.

Our Healthy Moms program provides access to nurses for tips on handling pregnancy discomfort, healthy eating, delivery options, birthing classes and maternity benefits. Mothers that participate can earn well-being incentives for completing the program. CNO offers lactation rooms on each floor of every office building. Lactation services are available through our medical plan at no cost.

CNO provides unpaid personal leave of up to 30 calendar days in a 12-month period based upon certain criteria, as well as paid bereavement leave.



Dependent Care and Caregiver Support

In 2020, we partnered with Bright Horizons, Years Ahead, and Sylvan Learning to provide all associates access to a national network of caregivers. Discounts on caregiving, tutoring, eldercare support and pet care are now available to associates. Internally, we launched a caregivers' resource page and started a networking group on Yammer, an associate engagement platform, that allows associates to connect with each other, ask questions, voice concerns about their individual situations and exchange ideas. More than 150 associates are currently engaged in this caregivers' support group. Through our well-being offerings, we also conduct webinars related to "Staying Healthy as a Caregiver," "Compassion Fatigue," and conversations on mental well-being.

Mental Well-Being

We recognize that social and mental well-being is a critical component of overall well-being. Through our employee assistance program, we offer a range of free confidential counseling and support services addressing:

- Marital, family and other relationship problems
- Alcohol and drug dependence
- Depression, stress and emotional problems
- Child and adolescent emotional support
- Managing emotions connected to political and social injustice
- Childcare and eldercare assistance

In 2020, we expanded our mental and emotional well-being services and implemented free, unlimited access to a dedicated mental health counselor that provides virtual associate care. Roughly 80% of associates engaged with our EAP program in 2020, versus 11% in 2019, many through virtual access.

91%

Associates who say they have the needed flexibility to effectively manage their work and home priorities.





Financial Well-Being

Financial concerns impact our associates as well as our customers. CNO offers all associates robust programs to help them build financial freedom for themselves and their families. Financial counseling is available to help improve overall financial knowledge and goal-setting. All associates may receive, at no charge, one-on-one consultations from our licensed financial planning firm to help evaluate and prepare for their financial futures.

Services offered include:

- Financial risk tolerance assessment
- Budget development
- Estate planning
- Tax reduction strategies
- Retirement and financial planning
- Guidance on CNO benefits

Eligible associates also can plan for their financial futures through company-offered products, including:

- 401(k) plan with CNO matching 50% of associates' first 6% of contributions
- Free life and accidental death and dismemberment (AD&D) insurance
- Free company-paid long-term disability (LTD) insurance to eligible associates
- Health savings accounts with company-provided contributions for engaging in well-being programs
- Medical and dependent care Flex spending accounts
- Employee stock purchase plan offering associates the opportunity to purchase CNO stock at a 15% discount

In 2020, we implemented the Head Start incentive, which gives associates that earn a base salary of \$60,000 or less a portion of their HSA money at the start of the year. The goal is to help associates fund their accounts early in the year so they can get the medications or treatment they need.

1 in 3

Associates who utilized free financial coaching services and online resources in 2020.

93%

Associates who participated in CNO's 401k plan in 2020.



Building a Performance Culture

At CNO, we strive for a culture of strong performance. We believe in developing associates through a challenging work environment complemented with extensive support and training.

Our compensation philosophy is focused on pay-for-performance. We reward overall and individual performance that drives long-term success for associates and the company. Associates and managers work together to define priorities and goals, provide ongoing feedback and coaching, review performance and promote development. Each associate receives three coaching check-ins per year. A portion of those sessions include a discussion of near-term goals and long-term career aspirations.

CNO promotes a culture of associate appreciation and recognition. Through the Applause recognition program, associates recognize and thank their colleagues by awarding Applause points that are redeemable for merchandise. Exceptional work and service anniversaries also are acknowledged. In 2020, rewards valued at roughly \$410,000 were awarded to nearly 92% of associates.

In 2020, Applause program rewards valued at roughly \$410,000 were awarded to nearly 92% of associates.

Creating an Ownership Culture at CNO



Annual Pay-For-Performance Bonus Program



Employee Stock Purchase Program at a 15% discount



2018 One-Time Stock Option Grant



Associate Recognition Program



Supporting Professional Growth

All CNO, we believe that all associates have the potential for professional growth and development. We are committed to providing a supportive environment designed to encourage all associates to pursue their professional goals and career objectives through coaching, education and advancement opportunities.

CNO supports continuing education and specialized training that increases effectiveness and knowledge on the job. Internal courses are offered on communications, leadership training, management development, job skills, technology skills, public speaking and project management, among others.

All associates are eligible to further their insurance industry education by earning designations and certificates paid for by CNO. All courses and programs leading to designations offered by the following organizations are supported:

- Life Office Management Association (LOMA)
- Life Insurance Marketing and Research Association (LIMRA)
- America's Health Insurance Plans (AHIP)
- Academy for Healthcare Management (AHM)
- International Claim Association (ICA)

Technical training, formal and on the job, is provided by each business unit for specific job performance needs. Each business unit also provides associates with upskilling training opportunities.

Associates also are encouraged to seek continued professional education through external organizations and institutions. We offer tuition reimbursement of up to \$5,250 per year for college or graduate-level courses, professional training, or other classes that can help associates improve skills in their current positions or prepare for future roles. There is no lifetime limit on this benefit.

With an eye toward identifying specific areas for enhancement and creating more individualized training programs, in 2020, CNO's associate development program was redesigned. Beginning in 2021, we will introduce LinkedIn Learning for all CNO associates to provide content and learning paths to support our training programs and our associates' individual development needs. We also plan to refresh leadership advancement programs for managers, DE&I education, and professional skills and career development programs for all associates. Our goal is to equip associates with new tools, invest in and enhance skills, and create new career opportunities, helping CNO's associates prepare for the jobs of tomorrow.

PROFESSIONAL EDUCATION BY THE NUMBERS

Full Year 2020

- **39,682 hours**—associates participated in more than 39,000 hours of individual training, or an average of 8 hours per associate
- **\$250,000**—CNO provided approximately \$250,000 in tuition reimbursement



Associate Surveys

We regularly collect feedback through surveys in order to better understand our associates' needs, priorities and concerns. This helps ensure that we are creating a workplace that challenges and motivates our associates to bring their best selves to work every day.

In response to associate feedback, CNO took the following actions in 2020:

- **Modified our time-off policy** to include two extra flexible holidays for associates to use as they choose
- **Instituted parental leave** for both mothers and fathers
- **Enhanced** our flexible work arrangement policies and options
- **Developed partnerships** with Bright Horizons and Sylvan Learning that provide significant new childcare, eldercare and even pet care resources and discounts for our associates
- **Implemented a meeting challenge** to block two hours for meeting-free time to manage caregiving at home and virtual meeting fatigue



In 2020, CNO was certified a Great Place to Work®. The 2020 certification process included surveying associates for feedback on more than 60 elements of employees' experience on the job. Over 2,000 CNO associates participated.



The Great Place to Work survey is a reflection of the strong work environment and partnership that we are building together—and of the pride we share. We know we still have more to accomplish, but this is great encouragement as we build on our shared success and continue to support each other."

*Yvonne Franzese,
Chief Human Resources Officer*

Great Places to Work 2020 Highlights

85% of employees at
CNO Financial Group say it is
a great place to work.



89%
I am able to take time off
from work when I think
it's necessary.

88%
Management is honest
and ethical in its business
practices.

88%
I feel good about the
ways we contribute
to the company.

86%
Management is competent
at running the business.

Source: Great Places to Work® 2019 U.S. National Employee Engagement Study



Awards and Recognition

Each year, CNO receives numerous awards and recognition for our corporate initiatives and charitable endeavors. These awards would not be possible without the support of our associates, customers and the communities in which we live, work and serve.



2020 HEALTHIEST EMPLOYERS
PHILADELPHIA BUSINESS JOURNAL



CARING FOR THE ENVIRONMENT

Caring for the Environment

The impact of climate change is far-reaching—it affects our customers, associates, shareholders and the communities we serve.

As an organization, we are committed to doing our part to reduce our carbon footprint through a comprehensive environmental management program approved and supported by our senior management team.

Largely through the work of our new Council on Sustainability, CNO is advancing efforts to encourage sustainability in the workplace to drive enterprise-wide green initiatives.

Our Commitment to the Environment

CNO is committed to minimizing the impact of our operations on the environment while integrating sustainability processes into our business practices and throughout our value chain. In furtherance of this commitment, we are:

- Acknowledging the risk of climate change and our responsibility to contribute to its containment
- Measuring and reducing our energy consumption and greenhouse gas (GHG) emissions
- Managing our natural resources in a sustainable and efficient manner
- Regularly exploring new ways to enhance our environmental management
- Reducing waste going to landfills and promoting recycling
- Reporting the GHG of our investment portfolio, evaluating the incremental risk from climate change in our investment portfolio, and proactively and continuously managing those impacts
- Focusing on reducing our internal consumption of paper; encouraging policyholders and shareholders to go paperless
- Procuring products and services that have a positive impact on the environment when and where feasible
- Engaging with our stakeholders on environmental issues and taking into consideration their suggestions and concerns
- Promoting awareness among our associates of our shared responsibility toward environmental impacts
- Encouraging associates to engage in environmentally friendly behaviors at the workplace and at home
- Monitoring our environmental performance and publicly reporting on our accomplishments and progress toward achieving our goals



CNO is committed to minimizing the impact of our operations on the environment.



Environmental Policy and Progress

Our environmental policy guides our approach to sustainability, including outlining the steps we are taking to operate more efficiently. As a financial services organization, most of our GHG emissions are generated from office activities, business travel and associate commuting. Therefore, we believe we can make the greatest impact through the following five areas:

- Sourcing and procurement
- Facilities management
- Waste management
- Employee engagement
- Responsible investing

Recycling

Recycling is a best practice at CNO, and recycling containers are available throughout our offices. We recycle paper, cardboard and other shredded materials, plastic bottles and aluminum cans, ballasts, batteries, light bulbs and print cartridges.

53%

Paper usage reduced since 2016.

Paper Reduction

We are proud to have reduced our paper usage by 53% in the past four years.

CNO uses only recycled paper and continues to explore opportunities to eliminate paper use to the greatest possible extent. Since 2012, our customers have been able to submit insurance applications electronically through our agents. Currently, 80% of our policyholder applications are digital. Other highlights of our paper reduction efforts include:

- Approximately 50% of our policyholders pay their premiums electronically or by bank draft.
- Nearly all (99%) of our contracts have been signed electronically since 2017, which helped save approximately 61,072 pounds of wood; 179,822 gallons of water; 143,349 pounds of CO₂; and 9,924 pounds of waste.
- We have reduced the number of printed proxies and annual reports by over 40% since 2017. We are incentivizing the electronic delivery of these forms in 2021.

Reducing Our Paper Use

In millions of sheets, 2016 to 2020

	2016	2017	2018	2019	2020	Total Four-Year % Reduction
Black & White Copies	45.1	40.5	35.2	31.8	20.1	-55%
Color Copies	4.7	5.1	5.1	5.2	3.3	-30%
Total	49.8	45.6	40.3	37.0	23.4	-53%
Printed pages per employees and agents (in thousands of sheets)	51.1	13.8	12.2	11.2	7.1	-86%



Responsible Technology Usage

CNO purchases energy-efficient IT and computing devices that are certified to internationally acknowledged ENERGY STAR standards with the latest power-savings features enabled. In 2021, CNO will be replacing the majority of its devices, which will mean upgrades in energy efficiency and associated power savings.

Resources Saved in 2020 Through Responsible E-Waste Disposal

All used electronic equipment is remarketed or recycled in a safe, compliant and environmentally friendly manner. Over the past three years, the responsible disposal of our E-waste generated more than \$300,000 in environmental resources savings as follows:

- **Electricity savings** equivalent to powering **234** households for one year
- **Greenhouse gas reduction** equivalent to removing **342** passenger cars from the road for one year
- **Solid waste reduction** equivalent to the waste generated by **20** households per year
- **Hazardous waste reduction** equivalent in size to **44** refrigerators

Reimagining Our Workplace

COVID-19 has permanently influenced the way we work, and we do not expect to revert to our former workplace environment. Instead, we expect a majority of our associates to maintain a hybrid remote/in-office work arrangement once we believe it is safe to open our offices more broadly. As a result, we are reimagining our overall workplace. We expect to reduce our real estate footprint by as much as 50%, while creating the type of flexible work environment that is better suited to the future.

Facility Modernization

As we continue to modernize our office facilities, we are increasingly incorporating materials and processes that will help to reduce our environmental impact. In conjunction with our 2020 efforts to reimagine our workplace, we responsibly managed the disposal of more than 650 workstations, minimizing our impact on landfills.

By partnering with Teachers' Treasures, we donated more than 20 pallets of gently used office supplies and more than 200 pieces of furniture to local charities, schools and churches. Additionally, 6,805 pounds of data cable was recycled, 500 gallons of used paint properly disposed, and during our August and September office retrieval process, we recycled 279,551 pounds of paper.

Nine Ways Our Building Management Seeks to Reduce Our Environmental Impact

1. LED lighting is installed in parking lots and most interior offices and is specified in new interior fixtures.
2. Motion light sensors are installed in most areas of our facilities.
3. Over 90% of our windows are double-paned and tinted.
4. 95% of our plumbing fixtures are sensor controlled.
5. All of our multi-function devices are ENERGY STAR rated.
6. Timed landscaping irrigation systems were employed to reduce water use and grey water is used where available.
7. Building materials are recycled and reused in all renovations.
8. Purified water bottle-filling and drinking fountains are available in all locations.
9. Styrofoam and plastic products were eliminated in our Carmel, Indiana, corporate office cafeterias, preventing approximately 270,000 single-use items, or 46 pounds of weekly waste, from ending up in landfills.



GHG Emissions Inventory

In 2020, CNO conducted its first inventory of Scope 1 (direct) and Scope 2 (indirect) global greenhouse gas (GHG) emissions, incorporating 2019 and 2020 usage. The inventory was conducted in accordance with World Resources Institute Greenhouse Gas Protocol, a global corporate accounting and reporting standard.

We will continue to assess, gather data, quantify and include Scope 1 and 2 GHG emissions as part of our continuing effort to better understand the environmental impact across our operations.

Scope	2019 Emissions (MTCO ₂ e)	2020 Emissions (MTCO ₂ e)	Percent (%) Change
Scope 1 ³	1,542.67	1,532.16	-1%
Scope 2 ⁴	13,624.00	11,963.24	-12%
Total	15,166.67	13,495.40	-11%

Emissions Reduction Goals

We are introducing a new company-wide goal to reduce our Scope 1 and 2 greenhouse gas emissions by 25% on an absolute basis by 2030, using 2019 levels as the baseline. To help us achieve this, we are implementing energy efficiency measures and considering investments in renewable energy.

We will continue to evaluate ways to progress toward the achievement of net zero carbon emissions over time, consistent with the Science Based Targets initiative, the United Nation's Intergovernmental Panel on Climate Change (IPCC) Special Report - Global Warming of 1.5 °C, and a 1.5-degree Celsius pathway.

We reduced our GHG emissions by 11% in 2020 as compared to 2019.

CNO has committed to reducing our Scope 1 and 2 GHG emissions by 25% by 2030.

Environmental Savings from Digital Signature

Full Year 2020



178 trees protected



Averted emissions of
60,610
kilograms of carbon



Conserved **601,361** litres of water



Saved **25,721** litres of petrol



Eliminated **3,973** kilograms of waste

Source: DocuSign, 2020



GIVING BACK TO OUR COMMUNITIES

Giving Back to Our Communities

We are committed to positively impacting our communities by supporting local events and nonprofit organizations that address the health and financial wellness of middle-income Americans.

In 2020, the value of all our philanthropic efforts was more than \$2 million in total community impact to the neighborhoods where we live and work. CNO, our associates and agents contributed \$1.84 million to local organizations through in-kind and cash donations and our associates and agents raised nearly \$173,000 through their participation in community fundraising. Despite restrictions imposed by the pandemic, nearly 280 associates volunteered over 5,500 hours to community service projects in 2020.

CNO has donated an average of nearly \$750,000 in cash contributions annually for the past five years, reflecting more than \$3.74 million in total since 2016.

2020 Community Impact by the Numbers



\$2 million

In 2020, the value of all our philanthropic efforts was more than \$2 million in total community impact to the neighborhoods where we live and work.



\$1.84 million

CNO, our associates and agents donated \$1.84 million to local organizations, and our associates and agents raised nearly \$173,000 through their participation in community fundraising.



5,500 hours

Nearly 280 associates volunteered to corporate-sponsored and personal community service projects in 2020.



TEAM CNO

MAKING A DIFFERENCE. TOGETHER.

CNO is committed to making service in our communities a part of our culture. Our associate volunteer program, Team CNO, has provided opportunities for associate community engagement for 20 years.

Associates are encouraged to volunteer for company-sponsored events, and CNO provides up to four hours of paid time off to allow associates to participate. Currently, CNO offers at least 12 signature volunteer experiences annually for associate engagement.

Associates have consistently volunteered an average of more than 10,000 hours for each of the past five years, reflecting a total commitment of more than 52,000 hours.

CNO Afternoon of Service

Since 2000, CNO has offered Afternoon of Service volunteer experiences. Growing over the years to now include Spring and Fall events for associates in Indianapolis, Chicago and Philadelphia, these community service projects alone typically deliver more than 1,000 hours of service to local charities.

In 2020, the service opportunities turned virtual and provided associates with at-home projects providing connection to their communities.

- **\$25,500**—CNO contributed more than \$25,000 during the Spring and Fall Afternoon of Service programs: Cradles to Crayons Chicago, Cradles to Crayons Philadelphia, Gleaners Food Bank of Indiana, Greater Chicago Food Depository, Indy Urban Acres, Jameson Camp, 9/11 Day, and SHARE Food Program (Philadelphia).
- **\$2,500**—Associates raised \$2,500 for the Gleaners Food Bank of Indiana, Greater Chicago Food Depository, and SHARE Food Program (Philadelphia). Using Feeding America's ratio of \$1 donated equaling 10 meals, CNO helped provide 25,000 meals.
- **210**—CNO donated 210 books to children in need through Cradles to Crayons in Chicago and Philadelphia.
- **100**—Associates wrote more than 100 “thinking of you” cards for first responders.

Our associate volunteer program, Team CNO, has provided opportunities for associate community engagement for nearly 20 years.





CNO Invested in Giving Back®

Through the CNO Invested in Giving Back® program, associates nominate and vote for community programs to receive charitable donations from the company. More than 1,100 associates voted for the 2020 program award winners and CNO donated \$160,000 among eight unique charities selected by our associates:

Carmel:

- **\$30,000**—Riley Children's Foundation
- **\$20,000**—Humane Society for Hamilton County
- **\$10,000**—Pancreatic Cancer Action Network

Chicago:

- **\$30,000**—St. Jude Children's Research Hospital
- **\$10,000**—Planned Parenthood

Philadelphia:

- **\$30,000**—Philabundance

Bankers Life Sales Organization:

- **\$10,000**—Puppy Jake Foundation
- **\$10,000**—St. Jude Children's Research Hospital
- **\$10,000**—Special Olympics Indiana

CNO Holiday Giving

In 2020, CNO and associate contributions delivered more than \$36,000 in support to 12 nonprofit organizations from November through the end of December, including the following:

- More than 100 associates created 5,000 hygiene kits for community organizations through Clean the World.
- We supported organizations supporting veterans and military families: HVAF of Indiana, the USO and the Veterans Multi-Service Center in Philadelphia.
- Associates donated cash, coats and warm accessories for children in need to Cradles to Crayons Chicago and Philadelphia.

The CNO Holiday Card program honors associates' children and immediate family members who enter their original art for the chance to be chosen as the CNO holiday card design for the year. A total of \$2,250 was disbursed among six total charities collectively selected by the top 11 child artists:

- Bill & Melinda Gates Foundation
- Friendship Circle Wisconsin
- Greater Chicago Food Depository
- Humane Society for Hamilton County (Indiana)
- Prostate Cancer Foundation
- St. Jude Children's Research Hospital





Community Partnerships

At CNO, we are more than just a network of colleagues—we are part of a broader network of communities that stretch across the nation. We are engaged and active in working to make life better in the places where we live and work. Currently, we have strategic corporate philanthropy partnerships with the Alzheimer's Association, American Cancer Society, American Heart Association and Beyond Monumental, and members of our executive leadership team sit on the boards of these organizations.



Bankers Life Forget Me Not Days® is our annual fundraising event held each June throughout the U.S. to benefit the Alzheimer's Association. In 2020, CNO and Bankers Life supported the Alzheimer's Association with \$332,000 for Alzheimer's care, education and research.

The 2020 all-virtual event raised \$132,000 through public donations and associate contributions. The company also recognized the Alzheimer's Association with a \$200,000 corporate donation to support its mission of eliminating Alzheimer's disease and all other dementia.

Since 2003, we've helped raise more than \$6.2 million for the Alzheimer's Association through the Forget Me Not Days campaign and corporate donations. In exchange for donations, individuals receive packets of Forget-Me-Not flower seeds to plant in honor of families facing Alzheimer's disease.

CNO and Bankers Life also support the Alzheimer's Association's The Longest Day program and the Walk to End Alzheimer's® events with corporate teams in Chicago, Indianapolis and Philadelphia. In 2020, more than 45 associates total supported virtual Walk to End Alzheimer's events in these three cities and raised more than \$25,000.



CNO and Washington National are proud to support the American Cancer Society (ACS) and its mission to save lives, celebrate lives and lead the fight for a world without cancer. Annually, our team hand-assembles and personally delivers hundreds of "comfort care kits" to cancer patients receiving treatment at ACS-supported hospitals and residing in ACS Hope Lodges.

Given the challenges of 2020, we were not able to create and ship the kits. CNO and Washington National associates supported the American Cancer Society with more than \$107,000 in corporate contributions and public fundraising, including over \$7,000 to provide personal protection equipment (PPE) to ACS volunteers and patients.

We are engaged and active in working to make life better in the places where we live and work.



CNO and Colonial Penn Life Insurance Company are proud to support the American Heart Association (AHA) in its mission to be a relentless force for a world of longer, healthier lives. In 2020, our associates supported the AHA with over \$75,000 in corporate contributions and public fundraising, including through participation in the virtual Philadelphia Heart Walk.



CNO Financial Indianapolis Monumental Marathon

Since 2016, CNO has served as the title sponsor of the CNO Financial Indianapolis Monumental Marathon. Our sponsorship complements our corporate commitment to health, wellness and the Central Indiana community where we have our headquarters. In August of this year, CNO announced our continued support by extending our sponsorship of the event through 2022.

In 2020, 178 CNO associates participated in a virtual marathon, half-marathon, 5K or marathon in a month, a new event that allowed participants to run 26.2 miles over the course of the entire month of November.

In 2020, 178 CNO associates participated in a virtual race.





Sustainability Accounting Standards Board

CNO is providing the following disclosures aligned with the Sustainability Accounting Standards Board (SASB) standards relevant to our business. All data is current as of 12/31/2020.

Our businesses are subject to extensive regulations covering many of the topics below. Please see pages 16-22 of our 2020 Form 10-K for a discussion of these regulations.

SASB — SUSTAINABILITY ACCOUNTING STANDARDS BOARD

DATA SECURITY

Code	Description	Response
FN-CB-230a.1	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of account holders affected	<ul style="list-style-type: none">• CNO did not report any cybersecurity breaches in 2020.• CNO handles all privacy/security incidents in accordance with applicable data breach laws/regulations. As such, CNO may be required to report non-material incidents as data breaches.• Please see pages 19-22 of our 2020 Corporate Social Responsibility (CSR) Report for more on our approach to data and cybersecurity.
FN-CB-230a.2	Description of approach to identifying and addressing data security risks	<ul style="list-style-type: none">• CNO seeks to maintain a best in class cybersecurity program that focuses on identifying evolving risks and continually improving the security of our systems to protect the privacy and security of customer and associate data.• Our approach comprises a holistic information security management strategy that includes comprehensive security policies and standards, a robust security awareness and education program, and the implementation of advanced and layered defenses.• CNO conducts regular assessments of our data security program and risks. Lessons learned from those efforts are used to drive improvements to continually strengthen the cybersecurity program, including controls for data security.• Please see pages 19-22 of our 2020 CSR report for additional information on our approach to data security.

EMPLOYEE DIVERSITY & INCLUSION

Code	Description	Response
FN-IB-330a.1	Percentage of gender and racial/ethnic group representation for (1) executive management, (2) non-executive management, (3) professionals, and (4) all other employees	<ul style="list-style-type: none">• Building an inclusive, representative workforce is a significant priority for CNO.• Diversity, equity and inclusion (DE&I) is one of CNO's highest corporate values.• Please see page 37 of our 2020 CSR Report for more detail on the composition of our workforce.

BUSINESS ETHICS

Code	Description	Response
FN-IB-510a.1	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations	<ul style="list-style-type: none">• In 2020, losses associated with these matters were immaterial.• In accordance with Securities and Exchange Commission (SEC) requirements, CNO disclosed all material legal proceedings in our 2020 Form 10-K in the section entitled "Litigation and Other Legal Proceedings" on pages 141-142.
FN-IB-510a.2	Description of whistleblower policies and procedures	<ul style="list-style-type: none">• In accordance with our compliance program and Code of Conduct, associates are required to promptly report any suspected or actual violations of law, our Code of Conduct or other company policies, or other wrongdoing impacting CNO.• Reports can be made to one or more of the contacts listed in the Code of Conduct including our third-party managed ethics hotline that is available 24-hours per day, seven days per week.• Please see page 13 of our 2020 CSR Report as well as our Code of Conduct.



SASB — SUSTAINABILITY ACCOUNTING STANDARDS BOARD

PROFESSIONAL INTEGRITY

Code	Description	Response
FN-IB-510b.1	(1) Number and (2) percentage of covered employees with a record of investment-related investigations, consumer-initiated complaints, private civil litigations, or other regulatory proceedings	<ul style="list-style-type: none">CNO sells its products largely through a network of independent contractor sales representatives/agents.All sales agents are required to meet rigorous compliance and training requirements.The number and percentage of such matters associated with our sales agents and employees are low and not material to CNO's civil litigation and regulatory risk perspective, and we do not believe they are indicative of systemic practices harmful to consumers.
FN-IB-510b.2	Number of mediation and arbitration cases associated with professional integrity, including duty of care, by party	<ul style="list-style-type: none">The number of such cases, if any, is low and not material to CNO's civil litigation and regulatory risk perspective, and we do not believe it is indicative of systemic practices harmful to consumers.
FN-IB-510b.3	Total amount of monetary losses as a result of legal proceedings associated with professional integrity, including duty of care	<ul style="list-style-type: none">The amount of losses of such cases, if any, is low and not material to CNO's civil litigation and regulatory risk perspective, and we do not believe it is indicative of systemic practices harmful to consumers.
FN-IB-510b.4	Description of approach to ensuring professional integrity, including duty of care	<ul style="list-style-type: none">CNO's Code of Conduct, which applies to our Board, our management and all associates, establishes our expectations for the behavior and care CNO will provide its customers, shareholders, independent contractor sales agents and associates.

TRANSPARENT INFORMATION & FAIR ADVICE FOR CUSTOMERS

Code	Description	Response
FN-IN-000.A	Number of policies in force, by segment: (1) property and casualty, (2) life, (3) assumed reinsurance	<ul style="list-style-type: none">CNO helps protect customers with approximately 3.2 million policies, including life, Medicare supplement, supplemental health, annuity and long-term care policies.CNO does not underwrite property and casualty insurance.CNO no longer assumes insurance from other companies, but has done so in the past. In the aggregate, such assumed insurance comprises 4% of our policies in force and 1% of our total insurance liabilities at December 31, 2020.
FN-IN-270a.1	Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of insurance product-related information to new and returning customers	<ul style="list-style-type: none">CNO discloses all material legal proceedings in accordance with the SEC requirements. Please see the note to the consolidated financial statements entitled "Litigation and Other Legal Proceedings — Legal Proceedings" on pages 141–142 in our 2020 Form 10-K, which lists those matters that we deem material.CNO has policies, procedures and controls designed to comply with all applicable rules and regulations, including those pertaining to marketing and communication of insurance product information.Legal proceedings and/or losses, if any, associated with marketing and communication of insurance and product-related information were immaterial.
FN-IN-270a.2	Complaints-to-claims ratio	<ul style="list-style-type: none">As this is not a metric tracked by the National Association of Insurance Commissioners (NAIC), CNO does not collect data for or report on this metric.We do not believe a complaints-to-claims ratio is a meaningful metric for assessing claims handling or customer service. For example, companies may track open and closed claims differently, which could result in a comparison that is not meaningful. Additionally, a complaint may be received years after a claim is closed, which could overstate a complaints-to-claims ratio for that reporting period. A complaints-to-claims ratio also would not account for variations in an underwriting company's concentration of lines of business or market share, which further diminishes the usefulness of the metric.
FN-IN-270a.3	Customer retention rate	<ul style="list-style-type: none">As this is not a metric tracked by the NAIC, CNO does not collect data for or report on this metric. CNO tracks quarterly persistency but does not disclose it publicly as it is not meaningful as a standalone metric. For example, a customer could terminate an existing policy and purchase another one. We would retain the customer but the transaction could negatively impact persistency.CNO measures customer satisfaction with a variety of metrics. These include surveys, customer focus groups and net promoter scores that track referrals from existing customers.
FN-IN-270a.4	Description of approach to informing customers about products	<ul style="list-style-type: none">Customers are informed about our products through direct mail, online access, and phone or in-person discussions with our independent contractor sales agents.When communicating with customers about our products and services, CNO is subject to extensive laws and regulations as well as our internal policies and procedures mandating that our communications be clear, balanced and not misleading.Each product has a consumer brochure that explains the product in detail.All of CNO's brands adhere to a strict creation, approval and, if necessary, state filing process on all consumer-facing details, service, and advertising and sales approach to our products.Internal reviews are extensive and include sign off by product marketing, actuarial, brand marketing, legal, compliance, tax (in some cases), and other departments.Please see page 33 of our 2020 CSR Report for further detail.



SASB — SUSTAINABILITY ACCOUNTING STANDARDS BOARD

INCORPORATION OF ENVIRONMENTAL, SOCIAL, AND GOVERNANCE FACTORS IN INVESTMENT MANAGEMENT

Code	Description	Response
FN-IN-410a.1	Total invested assets, by industry and asset class	<ul style="list-style-type: none">Our insurance companies are subject to state laws and regulations that require diversification of their investment portfolios and limit the amount of investments in certain investment categories, such as below-investment grade bonds, equity, real estate and common stocks.When evaluating otherwise equivalent investments, we prefer to invest in companies with strong ESG practices and whose activities are generally consistent with CNO's values.To fulfill our promises and financial commitments to our policyholders, which may arise many years in the future, we seek to responsibly invest the premiums that we collect in high-quality, primarily fixed-income assets that generate appropriate risk-adjusted returns.Please see pages 67–68 of our 2020 Form 10-K for further detail.
FN-IN-410a.2	Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment management processes and strategies	<ul style="list-style-type: none">Our insurance companies are subject to state laws and regulations that require diversification of their investment portfolios and limit the amount of investments in certain investment categories, such as below-investment grade bonds, equity, real estate and common stocks.When evaluating otherwise equivalent investments, we prefer to invest in companies with strong ESG practices and whose activities are generally consistent with CNO's values.In 2020, CNO became a signatory to the United Nations Principles for Responsible Investment (PRI), pledging to enhance the transparent and systematic integration of ESG factors into our investment decisions.CNO has earmarked \$100 million for impact investments to accelerate positive change, support global climate stability, and mitigate climate risk.Please see pages 24-26 of our 2020 CSR report for further description of our approach.

POLICIES DESIGNED TO INCENTIVIZE RESPONSIBLE BEHAVIOR

Code	Description	Response
FN-IN-410b.1	Net premiums written related to energy efficiency and low carbon technology	<ul style="list-style-type: none">Since CNO is a life and health insurer, this topic is not relevant.
FN-IN-410b.2	Discussion of products and/or product features that incentivize health, safety, and/or environmentally responsible action and/or behaviors	<ul style="list-style-type: none">CNO is committed to helping underserved middle market consumers realize their financial objectives with a spectrum of life, health and retirement products and services. We make it easy for customers to do business with CNO by meeting them where and how they want to buy. This includes online, over the phone, in-person with a local independent contractor sales agent, or at the worksite.By sharing information about the health and financial risks that consumers face every day, we help customers understand how our products can prepare them for life's uncertainties.Within our Consumer Division, we help individual consumers understand how life insurance, annuities, supplemental health and Medicare supplement insurance protect them.<ul style="list-style-type: none">Life insurance products provide death benefits to help beneficiaries manage the loss of a loved one and make living benefits available in the event of terminal illness.Annuity products help people prepare for and manage their retirement income.Supplemental health products help to augment primary medical insurance for specified illnesses or accidents.Medicare supplement products help manage the costs associated with healthcare for those over 65 years of age.Customers who stay fit, healthy and active can enjoy lower rates on certain products.Within our Worksite Division, we support businesses and their employees by designing health and life products that supplement major medical and traditional life insurance benefits.<ul style="list-style-type: none">Life insurance products provide death benefits to help beneficiaries manage the loss of a loved one and make living benefits available in the event of terminal illness.Supplemental health products help to augment primary medical insurance for specified illnesses or accidents.Our high-touch service helps employers offer a robust benefit plan to attract and retain top talent while helping their employees make critical decisions to help protect themselves and their families.To support environmentally friendly behavior, policyholders can opt for paperless delivery of their documents.Similarly, we implemented a program to plant trees on behalf of shareholders who sign up to receive their annual materials digitally.



SASB — SUSTAINABILITY ACCOUNTING STANDARDS BOARD

ENVIRONMENTAL RISK EXPOSURE

Code	Description	Response
FN-IN-450a.1	Probable Maximum Loss (PML) of insured products from weather-related natural catastrophes	<ul style="list-style-type: none">Since CNO is a life and health insurer, such monetary issues are not expected to be material.
FN-IN-450a.2	Total amount of monetary losses attributable to insurance payouts from (1) modeled natural catastrophes and (2) non-modeled natural catastrophes, by type of event and geographic segment (net and gross of reinsurance)	<ul style="list-style-type: none">Since CNO is a life and health insurer, such monetary issues are not expected to be material.
FN-IN-450a.3	Description of approach to incorporation of environmental risks into (1) the underwriting process for individual contracts and (2) the management of firm-level risks and capital adequacy	<ul style="list-style-type: none">Since CNO is a life and health insurer, environmental risks are not relevant to our underwriting process.CNO does consider sustainability and environmental risks as part of our enterprise risk management (ERM) process. For example, we consider the risk of damage to or loss of physical assets and business continuity disruption, which may be caused by extreme weather events.Crisis response planning exercises focused on managing our response to severe weather events are conducted.Stress testing is performed to assess the impact of a pandemic on our capital and earnings.

SYSTEMIC RISK MANAGEMENT

Code	Description	Response
FN-IN-550a.1	Exposure to derivative instruments by category: (1) total potential exposure to non-centrally cleared derivatives, (2) total fair value of acceptable collateral posted with the Central Clearinghouse, and (3) total potential exposure to centrally cleared derivatives	<ul style="list-style-type: none">CNO uses derivatives to hedge higher potential returns related to our fixed index annuity policyholders based on the value of a particular index.For information, please refer to our 2020 Form 10-K, including "Risk Factors", "Critical Accounting Policies", and the note to the consolidated financial statements entitled "Derivatives". We also hold some embedded derivatives related to certain investments and reinsurance transactions that are also disclosed in our 2020 Form 10-K on pages 145–146.
FN-IN-550a.2	Total fair value of securities lending collateral assets	<ul style="list-style-type: none">CNO does not have any securities lending programs currently.See Note 2 "Investment Borrowings" on pages 98-99 in our 2020 Form 10-K for information regarding collateralized borrowings from the Federal Home Loan Bank.
FN-IN-550a.3	Description of approach to managing capital- and liquidity-related risks associated with systemic non-insurance activities	<ul style="list-style-type: none">CNO's ERM framework comprises all entities across the company, including the ultimate holding company and intermediate holding companies for our insurance and other operating companies, our investment management subsidiary, the servicing company for the operations of our subsidiaries, investment holding companies, our broker dealer and investment advisory entities, agencies related to our insurance subsidiaries and Web Benefits Design Corporation and DirectPath, LLC.Stress tests of our capital and liquidity are conducted under a range of adverse scenarios. These scenarios include impacts to financial markets and consumer behaviors that could arise from a variety of systematic risks.



Task Force on Climate-Related Financial Disclosures

TCFD — TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

GOVERNANCE

Disclosure Focus Area	Recommended Disclosure	Response
Disclose the organization's governance around climate-related risks and opportunities.	a) Describe the board's oversight of climate-related risks and opportunities.	<ul style="list-style-type: none">• CNO's Board of Directors oversees management of our environmental, social and governance (ESG) strategy and progress, including climate-related risks and opportunities, both directly and through various committees.• Board committees oversee various components of our ESG strategy, including our ESG-related investment strategy, corporate governance, human capital management, associate development, diversity, equity and inclusion initiatives, climate-related issues and enterprise risk management.• CNO's Council on Sustainability, with representatives from our business divisions and shared services departments, supports day-to-day implementation of our ESG strategy and related initiatives.• See page 5 of our 2020 Corporate Social Responsibility (CSR) report for further detail.
	b) Describe management's role in assessing and managing climate-related risks and opportunities.	<ul style="list-style-type: none">• Primary responsibility for oversight of risks associated with climate change sits with the chief risk officer. Various management committees oversee specific climate risks, as described below.• Enterprise risks are discussed and managed in the Enterprise Risk Management Committee (ERMC), which reports regularly on significant risks to the Audit and Enterprise Risk Committee of the CNO Board of Directors.• CNO's Council on Sustainability, with representatives from our business divisions and shared services departments, supports day-to-day implementation of our environmental strategy and related initiatives. Energy efficiency projects are implemented and managed on a day-to-day basis by CNO's Council on Sustainability.• Responsibility for management of our investment portfolio with respect to climate change sits with the chief investment officer.• Investment risks, including any with respect to climate change, are discussed and managed in the Investment and Asset and Liability Management (ALM) Committee. Significant investment-related risks discussed in meetings of this committee are reported to the Investment Committee of the CNO Board of Directors.• Responsibility for the governance of short-term and long-term strategic opportunities sits with the Enterprise Growth Governance Committee (EGGC). This committee considers the risks and opportunities inherent in our strategic growth initiatives.• Climate-related risks may also be managed in various operational sub-committees, including:<ul style="list-style-type: none">• The Mandates Steering Committee, which ensures that legal, regulatory and compliance non-conformances are identified, documented, prioritized, monitored and remediated, including any with respect to climate change.• The Technology and Operations Quarterly Business Review, which addresses staffing, service and other operational and technology risks of our key suppliers arising from climate-related disruption.• The Crisis Response Team, which manages short-term business disruption arising from climate-related extreme weather events.• Risks are communicated from sub-committees to the ERMC via key risk indicators and committee reports.



TCFD — TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

STRATEGY

Disclosure Focus Area	Recommended Disclosure	Response
Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.	a) Describe the climate-related risks and opportunities the organization has identified over the short-, medium-, and long-term.	<ul style="list-style-type: none">In the short-term, climate risk may manifest through operational disruption caused by extreme weather events.Another short-term risk is the potential for reputational risk as customers, regulators, associates and investors increasingly focus on a company's response to and focus on climate change in their day-to-day operations and investments.In the medium to long-term, climate risk may impact the financial stability of our customers, which in turn can impact their ability to purchase or continue to pay for our products.<ul style="list-style-type: none">Climate risk is an important long-term risk factor considered in investment decision making. During 2021, we plan to complete a carbon footprint analysis of CNO's investment portfolio and develop a related risk management strategy.Longer-term risks and opportunities are discussed in our EGCC, which discusses the potential impact on our growth strategies.Risks are identified through our risk taxonomy process and are assessed during our annual risk assessment process.The result of the risk assessment process is a heat map that identifies our most material risks.In the short-term, we have an opportunity to mitigate our climate impact through changes in our office space. Some changes which we are currently contemplating include reducing our office floor space; introducing a hybrid model of remote and onsite work that will allow our associates to commute fewer days per week; and upgrading our facilities for greater energy efficiency.Other short-term opportunities include driving increased employee engagement and increased interest in environmental stewardship both at the workplace and at home.CNO also has the opportunity to support environmental sustainability through integrating responsible investments into our portfolio and making direct impact investments.
	b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	<ul style="list-style-type: none">Climate risks impact our business continuity planning across multiple geographic locations.Specifically, we manage operations in four home office locations and numerous extended field offices.The potential for and impact of climate-related operational risks are assessed specifically for each location.CNO also takes climate-related risks into consideration as we plan for our future office space, considering design choices that can reduce our climate impact.CNO performs annual scenario planning and disaster recovery analysis that allows us to stress test our ability to respond to a business disruption, including disruption for climate-related extreme weather events.CNO does not currently perform quantitative analysis of the potential financial impact of climate-related risks, although we do perform stress testing that assesses our ability to withstand a wide range of adverse impacts to capital and income, which could include impacts from climate-related risks.
	c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	<ul style="list-style-type: none">CNO does not perform climate-related scenario analysis.

RISK MANAGEMENT

Disclosure Focus Area	Recommended Disclosure	Response
Disclose how the organization identifies, assesses, and manages climate-related risks.	a) Describe the organization's processes for identifying and assessing climate-related risks.	<ul style="list-style-type: none">Members of the ERMC and the Senior Leadership Risk Forum identify new and emerging risks, including climate risks, in the following ways:<ul style="list-style-type: none">Reviewing key risk indicators or other related measuresTracking the Global Climate Risk IndexObtaining feedback from professional partiesReviewing risk factors disclosed in SEC filings of peer companiesParticipating in trade associationsReviewing published and proprietary researchMeeting with regulators
	b) Describe the organization's processes for managing climate-related risks.	<ul style="list-style-type: none">As risks are identified, they are added to our risk taxonomy, which represents the risks to which CNO has potential for exposure.Each risk rolls up to one of 25 "Level 2" risks, which are assessed quarterly and mapped onto a heat map to monitor each risk's probability and severity.Key risk indicators, such as the number and severity of business disruption events related to extreme weather, are tracked as a way to monitor risk.
	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	<ul style="list-style-type: none">See above.



TCFD — TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

METRICS AND TARGETS

Disclosure Focus Area	Recommended Disclosure	Response
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	<p>a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.</p> <p>b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.</p>	<ul style="list-style-type: none">See above.In 2020, our Scope 1 and Scope 2 GHG emissions were estimated at 13,495 metric tonnes of carbon dioxide, of which 90% related to Scope 2. This reflects an 11% decrease compared to 2019 levels.The risks associated with these emissions are minimal from a financial perspective.Please see page 54 of our 2020 CSR Report for more detail on our GHG emissions.
	<p>c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.</p>	<ul style="list-style-type: none">In 2020, CNO introduced a new company-wide goal to reduce our Scope 1 and 2 GHG emissions by 25% on an absolute basis by 2030, using 2019 levels as the baseline.During 2021, CNO plans to complete a carbon footprint analysis of our investment portfolio and develop a related risk management strategy.CNO has also earmarked \$100 million for impact investments to accelerate positive change, support global climate stability, and mitigate climate risk.Please see pages 51-54 of our 2020 CSR Report for further detail on our commitment to the environment.



Endnotes

¹Ratings are provided for informational purposes only and are solely the opinions of the rating agencies. A rating is an opinion of the rating agency, only, and not a statement of fact or recommendation to purchase, sell or hold any security, policy or contract. The ratings may be changed, superseded or withdrawn by the rating agencies at any time. For more information about a particular rating or rating agency, please visit the website of the relevant agency.

²Insurance policies underwritten by CNO Financial Group's insurance subsidiaries: Bankers Life & Casualty Company, Washington National Insurance Company, Colonial Penn Life Insurance Company, Resource Life Insurance Company, and in New York, Bankers Conseco Life Insurance Company. Subject to state availability. CNO Financial Group and its subsidiaries are not connected with or endorsed by the U.S. government or the federal Medicare program.

³Emissions from the combustion of natural gas used to generate heat in our offices and from the combustion of fuels in company-owned or controlled vehicles.

⁴Emissions associated with electricity used in our facilities.

Bankers Life is the marketing brand of various affiliated companies of CNO Financial Group including Bankers Life and Casualty Company, Bankers Life Securities, Inc., and **Bankers Life Advisory Services, Inc.** Non-affiliated insurance products are offered through Bankers Life Securities General Agency, Inc. (dba BL General Insurance Agency, Inc., AK, AL, CA, NV, PA).

Securities and variable annuity products and services are offered by Bankers Life Securities, Inc. Member FINRA/SIPC (dba BL Securities, Inc., AL, GA, IA, IL, MI, NV, PA). Advisory products and services are offered by Bankers Life Advisory Services, Inc. SEC Registered Investment Adviser (dba BL Advisory Services, Inc., AL, GA, IA, MT, NV, PA).

Investments are: Not Guaranteed—Involve Risk—May Lose Value.

In response to COVID-19, the majority of CNO associates have been working remotely throughout 2020. Therefore, many photos used in this report represent events prior to 2020 and before mask use and social distancing guidance were in place.

Thank you for your interest in CNO's environmental, social and governance efforts that support the health and financial wellness of our communities, our associates and our customers.

Connect with us on social media.



QUESTIONS AND COMMENTS

Please direct questions or comments to **Sustainability@CNOinc.com**

Responsible Investment Policy

OUR APPROACH

To fulfill our promises and financial commitments to our policyholders, which may arise many years in the future, we seek to responsibly invest the premiums that we collect in high-quality, primarily fixed-income assets that generate appropriate risk-adjusted returns. Our insurance companies are subject to state laws and regulations that require diversification of their investment portfolios and limit the amount of investments in certain investment categories, such as below-investment grade bonds, equity, real estate and common stocks. When evaluating otherwise equivalent investments, we prefer to invest in companies with strong ESG practices and whose activities are generally consistent with CNO's values. CNO's wholly-owned investment adviser, 40|86 Advisors, Inc. ("40|86"), manages assets on behalf of CNO and its insurance companies.

We are committed to responsible investment and the consideration of environmental, social and corporate governance (ESG) factors where consistent with 40|86's fiduciary responsibility to manage assets in a manner that is in the best interests of its clients. Our investment strategies are designed to develop high-quality portfolios diversified across asset classes, and which closely adhere to risk tolerances and practices. In addition, 40|86 recognizes that integration of ESG principles may enhance its ability to identify, evaluate, monitor and react to investment risks in a manner that promotes the objectives of its clients, particularly over the long term.

In 2020, CNO became a signatory to the Principles for Responsible Investment (PRI). The PRI is an investor initiative in partnership with the United Nations Environment Programme Finance Initiative and the United Nations Global Compact. As a signatory, we are committed to the adoption and implementation of PRI's six principles:

- Principle 1: We will incorporate ESG issues into investment analysis and decision-making processes.
- Principle 2: We will be active owners and incorporate ESG issues into our ownership policies and practices.
- Principle 3: We will seek appropriate disclosure on ESG issues by the entities in which we invest.
- Principle 4: We will promote acceptance and implementation of the Principles within the investment industry.
- Principle 5: We will work together to enhance our effectiveness in implementing the Principles.
- Principle 6: We will each report on our activities and progress towards implementing the Principles.

CNO's status as a PRI signatory underscores our commitment to incorporating consideration of ESG principles into the investment decision-making process and to furthering our active ownership efforts. With this in mind, 40|86 has developed a multipronged approach to responsible investing, with a focus on creation of long-term value for its clients. This approach includes ESG integration, engagement and proxy voting (in appropriate circumstances), adherence to investment exclusion guidelines and transparent reporting.

ESG INTEGRATION

Risk management is ingrained in 40|86's culture and processes. 40|86's investment methodology is based on a disciplined in-house research, investment and security selection process that leverages the deep expertise of its seasoned investment teams. 40|86's investment capabilities include deal origination, asset acquisition, trading, portfolio construction and monitoring, and risk management.

40|86 views the following ESG issues as having the potential to impact the performance of a given investment:

- Risks associated with a given company related to compliance, governance, oversight, cybersecurity, taxes, transparency or executive compensation;
- Exposure to ethical scandals, integrity concerns, corruption or other controversial activities that have potential to impact stakeholder trust or reputational standing of the issuer;
- Prospective liabilities of an issuer resulting from its environmental impacts, including penalties imposed by government agencies, litigation risk or future remediation requirements;
- Going concern risks of a given company around product safety and suitability to market demands; and
- How a company manages relationships with its employees, suppliers, customers and communities in which it operates, including issues related to human capital management, labor unrest, health and safety, human rights, customer responsibility, compliance with labor regulations, and general labor relations and conditions.

40|86 views climate risk as an important long-term risk factor to be considered in its investment decision making. For example, 40|86 actively manages exposure to at-risk locations in CNO's commercial real estate portfolio. During 2021, 40|86 plans to complete a carbon footprint analysis of CNO's investment portfolio and develop a related risk management strategy.

ESG Integration in Investment Selection

When assessing credit risk related to any investment opportunity, 40|86 conducts a bottom-up security analysis focusing on individual sectors and security structure, with an emphasis on relative value that allows for the discovery of undervalued opportunities and a defined and rigorously implemented buy, review and sell discipline. This investment style is based on an investment philosophy that fundamental analysis can produce long-term favorable risk-adjusted returns.

40|86's portfolio managers and analysts have access to ESG research, analysis, scoring and rating results ("ESG scores") from highly specialized third-party vendors. ESG scores from third-party providers offer useful data as a baseline to benchmark an issuer's performance against certain accepted ESG best practices. At this time, such ESG scores lack conformity in methodology and weighting between vendors and industries and are not intended to be a substitute for judgment. Third-party provided ESG scores are intended to supplement other traditional data collected during credit analysis prior to an investment decision. The analyst and/or portfolio manager may engage with the issuer in order to better inform their judgment on the accuracy of the score. In certain instances, 40|86 also determines its own internal ESG scores for use in its credit review process. For example, 40|86 may score asset classes for which third-party ESG scores are not available. Further, if a third-party provided ESG score does not align with the analysts' review, the investment team has discretion to modify such score internally to reflect diligence findings.

The ESG score of a given issuer is reviewed by the 40|86 investment team and, along with other relevant findings and analysis, is integrated into the investment review and decision-making process. In addition, CNO directs 40|86 to avoid investments in sectors that may have activities that appear inconsistent with CNO's values or that appear to pose significant ESG-related risks. Please see the section on exclusion for further discussion.

ESG Integration in Investment Monitoring and Divestment

40|86 actively monitors existing holdings for changes in ESG issues and takes those changes into consideration with other relevant factors when making investment decisions, including whether to hold or divest specific investments. Among the factors considered include recent issuer controversies, changes in the issuer's ESG score, climate change and failure of a given company to engage on ESG issues.

ENGAGEMENT POLICY

Our primary investment focus is that of a long-term investor in fixed-income securities. We believe engagement is most effectively employed by 40|86 in targeted circumstances to promote open two-way dialogue with selective issuers when existing policies and disclosures are insufficient to inform judgment on the ESG-related risks of a given investment, industry or geography.

40|86 seeks to achieve the following objectives through issuer engagement, particularly in connection with material issues impacting the environment, human capital, human rights, diversity, supply chain management, data security, privacy, fraud, reputational risks and/or governance:

- Better understand the ESG-related risk profile of the companies in which we invest, including the materiality of a given issue.
- Reconcile deficiencies showing in third-party provided ESG scores with relevant facts, practices and policies of an issuer.
- Encourage enhanced disclosure of relevant ESG-related risk exposures.
- Manage and mitigate financial exposure to ESG-related risks.

REPORTING

CNO believes that it is important to report on the activities covered by this policy in order to promote transparency and accountability to our goals. As a signatory of the PRI, we are committed to the adoption and implementation of PRI's six principles, including that we provide transparency on our activities and progress towards implementing the principles. Our first PRI report is due in 2023, covering the calendar year 2022. Our Corporate Social Responsibility Report and other documents regarding our ESG approach and investment philosophy may be found on the Investors page on CNOinc.com.

PROXY VOTING

Although we invest primarily in fixed-income securities, CNO or one of our insurance companies may hold voting equity securities. In such instances, 40|86 seeks to use its discretionary voting authority to enhance the long-term value of such investments through promoting sustainable business practices in a manner that is consistent with this policy, its proxy voting guidelines and client-directed investment guidelines.

Portfolio managers have the discretion to determine the best course of action in accordance with their duties and obligations as an investment manager. Proxies and shareholder proposals of an environmental, social, or governance nature are reviewed carefully and are voted in accordance with applicable investment guidelines and policies. To help inform its opinion, 40|86 reviews certain external resources as appropriate, including third-party ESG scores, rating agency reports and sell-side ESG research reports.

EXCLUSION POLICY

CNO directs 40|86 to generally avoid investing in companies engaged in certain controversial activities that do not align with CNO's values or that we believe pose significant ESG-related risks, including, but not limited to, tobacco, gaming, firearms, private prisons, coal, predatory consumer lending and single-family rentals. CNO generally does not invest in these sectors. 40|86 implements exclusions based on client-specific investment guidelines. No investments are made in countries or issuers on the Office of Foreign Assets Control sanctions list.

DEDICATED RESOURCES AND OVERSIGHT

40|86 has dedicated resources offering internal support and advice specific to ESG-related investment matters through the Responsible Investment Steering Committee, which is led by the chief investment officer. The Responsible Investment Steering Committee has primary responsibility for (1) the development of ESG investing best practices, (2) communication and socialization of ESG-related responsibilities, (3) implementation of responsible investment practices and policies, and (4) the monitoring of ESG-related compliance, in each case, in accordance with investment guidelines, client expectations and fiduciary duties.

40|86 believes that each of its associates plays a key role in its responsible investing efforts. Research and decision-making across all portfolios are based on a team approach, which extends to ESG analysis and the integration of ESG factors into the overall investment process. Applicable associates receive periodic training on the ESG processes and policies. 40|86 associates also play a key role in the ESG efforts of the broader CNO enterprise. Representatives from 40|86 facilitate communication of its responsible investing efforts and act as advisors to certain of CNO's corporate social responsibility functions. The Investment Committee of the CNO Board of Directors is updated as material circumstances warrant.

UPDATES

What constitutes responsible investing and sustainability are constantly evolving judgments. We value the feedback of our clients, regulators, business partners and other stakeholders, which we believe is important to our goal of continuously improving our approach to responsible investment and ESG topics. This policy is reviewed and, if necessary, updated on an annual basis.

ESG POLICY SCOPE

Although there is a common focus across all accounts on ESG risks and 40|86's role as a steward, the level of integration of ESG factors, exclusions and other responsible investment concepts into 40|86's investment management decisions may vary by client, asset class and investment strategy, including in respect of adherence to client-specific investment guidelines.

Any external managers of CNO assets are also requested and encouraged to integrate ESG principles into their investment processes and reporting.

ESG COMMITMENT OF CNO

At CNO, we maintain a strong commitment to sustainability and ESG across our business activities. For more details, please refer to the CNO Corporate Social Responsibility Report on the Investors page of CNOinc.com.

In evaluating an issuer, 40|86 is dependent upon information and data that may be incomplete, inaccurate or unavailable, which could cause 40|86 to assess incorrectly a company's alignment with CNO's values. Material ESG factors vary widely from industry to industry and company to company. Additionally, ESG factors may be evaluated differently by different managers, and may mean different things to different people. 40|86's assessment of a company's ESG factors may change over time, which could cause us to hold securities that no longer comply with this policy. Commitments made as a signatory to the PRI are voluntary and aspirational, and not legally binding. The implementation of the six PRI principles is subject to 40|86's fiduciary responsibilities.