

Task Force on Climate-related Financial Disclosures (TCFD) Index – 2022

All information is as of September 2022, unless otherwise stated.

RECOMMENDATION	RECOMMENDED DISCLOSURE	CENTENE DISCLOSURE
GOVERNANCE	<i>a. Describe the board's oversight of climate-related risks and opportunities.</i>	<p>Our Board of Directors at the ultimate holding company level formally oversees Centene's (the Company, our, or we) climate-related risks and opportunities through the Governance Committee and the Audit and Compliance Committee. The Governance Committee oversees the management of risks related to environmental and social importance and makes recommendations to the Board regarding the Company's position on key public policy issues relating to environmental and social responsibility. The Audit and Compliance Committee oversees the Company's ESG financial reporting disclosures (including the TCFD Index) and discusses ESG disclosure controls and procedures with management. The Audit and Compliance Committee also oversees the monitoring of risk exposures and the effectiveness of the enterprise risk management (ERM) program.</p> <p>Refer to section C1.1 of our 2022 CDP response. <i>Note: Our response to questions C1.1a and C1.1b refers to the Board committee structure as of August 1, 2022, the date of our response submission to CDP. On August 24, 2022, our Board restructured its committees. The description provided above represents the new structure. Details of each committee's current responsibilities are addressed in the committee charters available in the investor section of our website at https://investors.centene.com/governance/governance-documents.</i></p>
GOVERNANCE	<i>b. Describe management's role in assessing and managing climate-related risks and opportunities.</i>	<p>Management is responsible for executing day-to-day activities and ensuring that risk consideration is integrated with strategic decision-making and financial budgeting processes. Management monitors climate-related issues and remains informed through the Management Oversight Committee (MOC), periodic environmental, social, health, and governance (ESHG) and ERM reports, as well as via climate-related discussions with staff from various functional areas across the Company. These reports and discussions are designed to provide visibility into the identification, assessment, monitoring, and management of critical risks, including climate-related risks. The MOC reports to the Board on matters of significance, with environmental-related matters (including climate) going to the Governance Committee and Audit and Compliance Committee.</p> <p>The ESHG team reports into the VP ERM, reporting to the Chief Ethics and Compliance Officer, and leads efforts to identify, assess, and manage climate-related risks and opportunities. The Company also provides sustainability-focused trainings to inform and educate employees regarding sustainability and climate-related issues, which is an additional step towards developing the skill, expertise, and knowledge for assessing and managing climate-related risks.</p>

The Facilities team reports into the VP Real Estate & Facilities and ultimately to the Chief Administrative Officer and has day-to-day responsibility for establishing and monitoring sustainability initiatives with regards to our leased and owned facilities, such as building efficiency, landscaping, and energy management. The ESHG and Facilities teams work collaboratively on sustainability initiatives, including tracking and reporting greenhouse gas emissions and energy usage.

Refer to section C1.2 of our 2022 CDP response. *Note: Our response to question C1.2a refers to the Board committee structure as of August 1, 2022, the date of our response submission to CDP. On August 24, 2022, our Board restructured its committees. The description provided above represents the new structure. Details of each committee's current responsibilities are addressed in the committee charters available in the investor section of our website at <https://investors.centene.com/governance/governance-documents>.*

STRATEGY

a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.

For Centene's climate risk assessments, we have taken the approach of defining time horizons aligned with our ERM and business and strategic planning processes, which for short, medium, and long term are less than one year, one to five years, and greater than five years, respectively.

Centene has identified several climate-related risks with the potential to have a substantive financial or strategic impact on its business:

1. Chronic physical risk (medium term): *Risk of environmental factors increasing medical costs*
2. Acute physical risk (medium term): *Risk of extreme weather events increasing member acuity, disrupting member services, and resulting in increased healthcare costs*
3. Chronic physical risk (long term): *Risk of sea level rise and annual flooding impacting Centene facilities, employees, members, providers, and government partners, especially in higher risk geographies such as coastal regions and tributary and river areas*
4. Acute physical risk (long term): *Risk of climate-related events impacting government partners and creating budget shortfalls*

Centene has identified several climate-related opportunities with the potential to have a substantive financial or strategic impact on our business:

RECOMMENDATION	RECOMMENDED DISCLOSURE	CENTENE DISCLOSURE
		<p>1. Resource efficiency (short term): <i>Opportunity to leverage flexible work arrangements to decrease GHG emissions as well as operational costs</i></p> <p>2. Products and services (medium term): <i>Opportunity to advocate for improved access to culturally relevant, healthy food, leading to less GHG emissions and ultimately healthier members</i></p> <p>3. Products and services (short term): <i>Opportunity to engage providers on climate-related issues to better respond to climate change, build resiliency, and slow or mitigate its impact</i></p> <p>4. Markets (short term): <i>Opportunity to demonstrate action on climate to create meaningful industry differentiation</i></p> <p>Refer to sections C2.3 and C2.4 of our 2022 CDP response for further details on the climate-related risks and opportunities the organization has identified over the short, medium, and long term.</p>
<p>STRATEGY</p>	<p><i>b. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.</i></p>	<p>Centene operates in an industry with relatively limited carbon impact. However, our members' health will likely be impacted by climate change, and we are committed to being good stewards of the earth by making investments today that will address these effects and deliver health benefits for years to come. While climate change impacts everyone, its results often disproportionately affect vulnerable populations due to poor health and limited access to fresh food, reliable transportation, safe housing, and green spaces needed to promote active lifestyles. Life-threatening weather events have the potential to displace thousands, and poor air quality negatively affects individuals with respiratory diseases, such as asthma. Thus, while our business may be impacted by innumerable climate risks, our climate risk assessment process generally focuses on the impact to our more than 25 million members.</p> <p>The COVID pandemic drove the declaration of a public health emergency that in turn impacted the Company's financial planning. We are cognizant that similar effects could occur as a result of climate-related risks such as extreme weather events.</p> <p>Refer to sections C3.3 and C3.4 of our 2022 CDP response.</p>

RECOMMENDATION	RECOMMENDED DISCLOSURE	CENTENE DISCLOSURE
STRATEGY	<i>c. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.</i>	<p>The Company assessed the significance of Centene's climate risks and opportunities under two Representative Concentration Pathway (RCP) scenarios. RCPs 7.0 and 2.6 were selected as scenarios for low and high climate intervention, respectively. We selected the accompanying Shared Socioeconomic Pathways (SSP) SSP3 and SSP1, respectively, consistent with the Sixth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC).</p> <p>Our analysis helped us identify and prioritize climate-related risks and opportunities across our business leveraging qualitative transition scenarios to consider how different climate futures and embedded assumptions may impact our long-term business strategy.</p> <p>Based on the results of the climate-risk scenario analysis, Centene is likely to be more impacted by climate-related risks under a scenario in which global action on climate change is low, resulting in greater physical impacts from climate change. This scenario may disproportionately affect our members' health relative to less vulnerable individuals. Centene has fewer risks and more opportunities under a scenario in which global action to reduce carbon emissions is high.</p> <p>None of the risks identified by Centene were assessed higher than moderate impact under an aggressive mitigation scenario in which carbon emissions are greatly reduced. Based on our analysis, we believe our current strategy is resilient and Centene is well positioned to manage climate-related issues in either scenario.</p> <p>Centene's revenues are derived primarily through premiums received from providing health plan coverage to individuals through government subsidized and commercial programs. The premiums we receive for our three major lines of business—Medicaid, Medicare, and Marketplace—are based on rates that are developed and approved for actuarial soundness on an annual basis. Therefore, we have the ability to capture changes in medical costs that may be due to environmental factors (e.g., our trend analysis serves as an input to our rate setting process). In addition, Centene is protected from adverse financial results using risk corridors, reinsurance, and risk adjustment. Risk corridors are established by some state or federal government partners, which may provide loss protection. The Company leverages reinsurance to mitigate exposure in the event of large, unforeseen aggregate drug spending and/or certain catastrophic losses. Risk adjustment, offered by state and federal government partners, allows for more accurate reimbursement based on members' unique needs.</p>

RECOMMENDATION	RECOMMENDED DISCLOSURE	CENTENE DISCLOSURE
		<p>The Company also builds resilience to climate change through our business continuity programs. Business continuity and disaster response planning is performed with each corporate functional area and for each business unit within the organization, particularly by geography for hurricanes, winter storms, wildfires, and other climate-driven events. We conduct exercises with each critical function, document the results, and track tasks to closure. We strategically build redundancy and resiliency into our critical operations and systems. We perform post-mortems at different levels and build improvements into subsequent plans and exercises. Our business resiliency team includes people with a broad spectrum of relevant backgrounds (e.g., FEMA, military, and corporate crisis management).</p>
RISK MANAGEMENT	<i>a. Describe the organization's processes for identifying and assessing climate-related risks.</i>	<p>Refer to section C3.2 of our 2022 CDP response.</p> <p>Centene's ERM risk identification and assessment process is reflective of both a top-down and bottom-up approach. On a periodic basis, enterprise-wide as well as business unit risks are identified and assessed with the assistance of the Company's "Risk Champions." These are senior executives and other leaders from across all significant functional business areas of the Company who have been charged with working with their teams to identify and communicate risks to objectives and provide risk oversight and monitoring duties at the corporate and/or business unit levels. As a function of this process, Centene maintains a risk register to document the various risks faced by the Company, including descriptions of the impact, mitigation actions, and risk owners. All identified significant climate-related risks and opportunities are captured within the enterprise risk register.</p> <p>The Company formed a cross-functional stakeholder group called the Climate Change Task Force (CCTF) to facilitate the identification of potential climate-related risks and opportunities. The identification of Centene's climate-related risks and opportunities required the Company to "connect the dots" on how climate drives exposures which, in turn, drive certain health outcomes. After climate-related risks and opportunities were identified and validated for relevance, the ESHG team met with small groups of Centene employees and leaders, based on subject matter expertise, to further assess the significance, likelihood, and potential impact of Centene's climate risks and opportunities under two RCP scenarios (SSP3-RCP 7.0 and SSP1-RCP2.6 as scenarios for low and high climate intervention, respectively).</p> <p>Refer to section C2.1 and 2.2 of our 2022 CDP response.</p>

RECOMMENDATION	RECOMMENDED DISCLOSURE	CENTENE DISCLOSURE
RISK MANAGEMENT	<i>b. Describe the organization's processes for managing climate-related risks.</i>	<p>Functional areas across the organization individually assess and manage the various elements of climate risk. For example, Operations will assess and manage the risk of extreme weather events disrupting member services and Finance will assess and manage the risk of climate change on the value of our investments. This approach enables full integration of climate risks and opportunities into the overall risk management process, as well as singular ownership and accountability at the functional level by Compliance.</p>
RISK MANAGEMENT	<i>c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.</i>	<p>Refer to section C2.2 of our 2022 CDP response.</p> <p>The Company's ERM framework specifically captures various risks within the risk register, such as business continuity and pandemic related risks where the key drivers influencing the assessment of these risks may be associated with climate change. Examples include weather-related events that may impact company operations and the health of members, and the possibility that climate change may give rise to an increase of certain viruses and airborne allergens and pollutants, leading to increased respiratory illnesses such as chronic obstructive pulmonary disease and asthma.</p> <p>All identified significant enterprise risks, including those that have climate change as a driver, are highlighted in the ERM report presented to the MOC and the Board of Directors for review and monitoring. As a result of our initial climate risk workshops, we added a new risk to specifically address climate change in the enterprise risk register. Additionally, climate risks are included in our annual Own Risk and Solvency Assessment (ORSA).</p> <p>The Company intends to review the functions and procedures used for managing climate risks as part of its ongoing ERM process improvement efforts.</p> <p>Refer to sections C1.1, C1.2 and C2.2 of our 2022 CDP response. <i>Note: Our response to questions C1.1a, C1.1b and C1.2a refers to the Board committee structure as of August 1, 2022, the date of our response submission to CDP. On August 24, 2022, our Board restructured its committees. Details of each committee's current responsibilities are addressed in the committee charters available in the investor section of our website at https://investors.centene.com/governance/governance-documents.</i></p>

RECOMMENDATION	RECOMMENDED DISCLOSURE	CENTENE DISCLOSURE																
METRICS AND TARGETS	a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	Refer to sections C5, C6, C7 and C8 of our 2022 CDP response for Centene’s disclosure of our emissions methodology, scope 1, 2 and 3 GHG emissions, and energy usage.																
METRICS AND TARGETS	b. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	<table><tr><th>GHG Emissions (mTons CO2e)</th><th>2021</th><th>2020</th><th>2019</th></tr><tr><td>Scope 1</td><td>45,790</td><td>35,418</td><td>36,194</td></tr><tr><td>Scope 2</td><td>119,988</td><td>125,370</td><td>117,596</td></tr><tr><td>Scope 3</td><td>2,209,481</td><td>2,991,268</td><td>3,035,064</td></tr></table>	GHG Emissions (mTons CO2e)	2021	2020	2019	Scope 1	45,790	35,418	36,194	Scope 2	119,988	125,370	117,596	Scope 3	2,209,481	2,991,268	3,035,064
GHG Emissions (mTons CO2e)	2021	2020	2019															
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Scope 2	119,988	125,370	117,596															
Scope 3	2,209,481	2,991,268	3,035,064															
METRICS AND TARGETS	c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	<p>Refer to sections C5, C6, and C7 of our 2022 CDP Response.</p> <p>Environmental sustainability considerations are integrated into Centene’s day-to-day business operations. We pursue opportunities to minimize our impact on the environment including:</p> <ul style="list-style-type: none">• Facilities built to LEED Silver and Gold building standards• Construction partners diverting waste from landfills• Using recycled building materials• Energy efficient HVAC and lighting systems that outperform energy code standards• Locally sourced food in Centene cafés, eco-friendly or reusable utensils, and converting food waste into renewable resources <p>Centene is in the early stages of evaluating the impact of climate change on our businesses and strategies and we have started our reporting journey by disclosing issues related to governance, strategy, and risk management practices, as well as the GHG emissions information provided above. We have not set climate-related targets but as our climate-related disclosure and risk management processes mature, Centene will evaluate, as necessary, disclosure of the metrics and targets used to assess and manage climate-related issues.</p> <p>Refer to section C4.1 of our 2022 CDP response.</p>																

Important Information About This Report

For purposes of this report, we use the Task Force on Climate-related Financial Disclosures risk framework, which differs from our approach to the disclosure of risks in our filings with the Securities and Exchange Commission (SEC). The inclusion of information contained in this report should not be construed as a characterization regarding the materiality or financial impact of that information.

Forward-Looking Statements

All statements, other than statements of current or historical fact, contained in this report are forward-looking statements. Without limiting the foregoing, forward-looking statements often use words such as “believe,” “anticipate,” “plan,” “expect,” “estimate,” “intend,” “seek,” “target,” “goal,” “may,” “will,” “would,” “could,” “should,” “can,” “continue” and other similar words or expressions (and the negative thereof). Centene intends such forward-looking statements to be covered by the safe-harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. By their nature, forward-looking statements involve known and unknown risks and uncertainties and are subject to change because they relate to events and depend on circumstances that will occur in the future that may cause our or our industry’s actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. These statements are not guarantees of future performance and are subject to risks, uncertainties and assumptions. All forward-looking statements included in this report are based on information available to us on the date hereof. Except as may be otherwise required by law, we undertake no obligation to update or revise the forward-looking statements included in this report after the date hereof. You should not place undue reliance on any forward-looking statements, as actual results may differ materially from projections, estimates, or other forward-looking statements due to a variety of important factors, variables and events including, but not limited to those factors set forth in our filings with the SEC, including our annual report on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K.

Centene Corporation - Climate Change 2022



This document is an excerpt of Centene's response to the 2022 CDP Climate Change survey. Sections of the survey not referenced in our 2022 TCFD Index have been removed for ease of use.

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

Yes

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

Position of individual(s)	Please explain
Board-level committee	Environmental and Social Responsibility Committee The Board of Directors oversees the execution of the Company's enterprise risk management (ERM) framework with assistance provided by Board committees. The Environmental and Social Responsibility (ESR) Committee of the Board is responsible for oversight of sustainability matters. In addition, the Board is informed of emerging risks and opportunities, including environmental and climate-related issues that could impact the Company's risk profile. Due to the growing importance of climate-related risks and other environmental, social and governance (ESG)-related topics, Centene's Board of Directors decided to form the ESR Committee to assist the Board in the development of strategic plans related to issues of environmental and social importance, which includes climate-related risks. The ESR Committee meets on a regular basis and reviews reports on Management's progress towards identifying and addressing climate-related risks and opportunities, updates on key environmental and social responsibility efforts, updates on ESG rater and ranker scores, and the status of associated goals and objectives. The ESR Committee reports to the full Board and provides recommendations on environmental and social related matters, as necessary. The ESR committee includes the Chairman of the Board.
Board Chair	The Chairman of the Board also chairs the Environmental and Social Responsibility committee.

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

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – all meetings	Reviewing and guiding strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding annual budgets Reviewing and guiding business plans Setting performance objectives Monitoring implementation and performance of objectives Overseeing major capital expenditures, acquisitions and divestitures Monitoring and overseeing progress against goals and targets for addressing climate-related issues	<Not Applicable>	Centene's governance structure and its oversight of climate-related risks and opportunities plays a critical role in ensuring the Company's continued fulfillment of its mission and its future success. In fulfilling our commitment to delivering high-quality health services to at-risk populations, we recognize that some of our members and their families are particularly vulnerable to experiencing the most harmful impacts of climate change. Our corporate, local health plan, and business unit leadership are engaged in discussions to closely monitor climate-related risks and their potential impact on the members we serve. We are continually assessing climate-related risks across the geographies we serve. Centene's Board of Directors ("the Board"), through its various Board committees, fosters sound risk management oversight and effective corporate governance to ensure the Company creates sustainable long-term value for stakeholders. The Company's structure, policies, and procedures support the Board's commitment to effective governance, transparency, and accountability. The Board of Directors oversees the execution of the Company's enterprise risk management (ERM) framework with assistance provided by Board committees. The Environmental and Social Responsibility (ESR) Committee of the Board is responsible for oversight of sustainability matters. In addition, the Board is informed of emerging risks and opportunities, including environmental and climate-related issues that could impact the Company's risk profile.

C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues	Primary reason for no board-level competence on climate-related issues	Explain why your organization does not have at least one board member with competence on climate-related issues and any plans to address board-level competence in the future
Row 1	No, and we do not plan to address this within the next two years	<Not Applicable>	Important but not an immediate priority	Centene has assessed potential risks and opportunities posed by climate change to our organization and stakeholders. For climate-related issues facing the organization, we have determined that those with the potential to have a material impact are either not likely in the near-term, or the near term effects are sufficiently mitigated. We believe our current board members can provide oversight of these types of risks and their mitigations. For example, our current board members have the competence to provide oversight of actuarial soundness of pricing in response to the risk of increased medical costs caused by climate change, and diversification of investments both in type and duration in response to the risk of carbon impacts on our portfolio. Therefore, we do not have plans to add board members with competence on climate-related issues in the near term.

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

Name of the position(s) and/or committee(s)	Reporting line	Responsibility	Coverage of responsibility	Frequency of reporting to the board on climate-related issues
Other committee, please specify (Management Oversight Committee)	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Quarterly

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

Management is responsible for executing day-to-day risk activities and ensuring that risk consideration is integrated with strategic decision-making and financial budgeting processes. Management remains informed and monitors climate-related issues through the Management Oversight Committee (MOC), quarterly environmental, social, health, and governance (ESHG) and ERM reports, as well as via climate-related risk discussions with staff from various functional areas across the Company. These reports and discussions are designed to provide visibility into the identification, assessment, monitoring and management of critical risks, including climate-related risks.

The MOC is a cross-functional governance group, chaired by the CEO, and comprised of members of the executive leadership team. The MOC assists the Board of Directors in its oversight responsibilities for risk management and oversees the process used to identify, assess, respond, and report on risk issues, including climate-related and environmental issues. Quarterly ERM and ESHG reporting is prepared by the ERM and ESHG team and provided to the MOC, which meets at least four times per year. The MOC reviews and provides feedback for the ERM and ESHG reports to ensure the information provided is clear, concise, and accurate prior to sharing with the Board and the ESR Committee, respectively.

The ERM/ESHG and Facilities teams lead environmental sustainability initiatives, tracking/reporting progress and assessing opportunities for target setting. The ERM/ESHG team is led by the VP ERM, reporting to the Chief Compliance Officer. The VP ERM leads Centene's efforts to identify, assess, and report climate-related risks as well as determine functional area risk management responsibilities. The Facilities team is led by the VP Real Estate & Workplace Resources, reporting to the Chief Administrative Officer, who has direct responsibility for functions that directly address Centene's enterprise energy consumption and carbon emissions inventory; specifically, facilities and real estate management and aviation operations.

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

Yes

C2.1a

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

	From (years)	To (years)	Comment
Short-term	0	1	Estimating a time horizon for Centene's climate-related issues is challenging. Regardless of industry, climate forecasting requires looking far into the future and the resulting effects are difficult to predict. As a multi-national healthcare enterprise focused on services to government sponsored and commercial healthcare programs, we need to consider all our stakeholders—members, direct-care consumers, providers, government partners, employees, and shareholders—as we consider our risks and opportunities, and our ability to manage them. The time horizon of our climate-related issues may be impacted by broader business risks such as strategic, operational, legal, pricing/underwriting, reserving, reputational, credit, liquidity, and others. For our initial assessments, we have taken the approach of defining time horizons aligned with our ERM and business and strategic planning processes. While somewhat shorter in nature, we believe these definitions are also consistent with the useful life of the Company's assets. The TCFD expects that reporting of climate-related issues will evolve over time as organizations, investors, and others contribute to the quality and consistency of the information disclosed. We will continue our efforts to assess and adapt to these challenges as we move forward.
Medium-term	1	5	Estimating a time horizon for Centene's climate-related issues is challenging. Regardless of industry, climate forecasting requires looking far into the future and the resulting effects are difficult to predict. As a multi-national healthcare enterprise focused on services to government sponsored and commercial healthcare programs, we need to consider all our stakeholders—members, direct-care consumers, providers, government partners, employees, and shareholders—as we consider our risks and opportunities, and our ability to manage them. The time horizon of our climate-related issues may be impacted by broader business risks such as strategic, operational, legal, pricing/underwriting, reserving, reputational, credit, liquidity, and others. For our initial assessments, we have taken the approach of defining time horizons aligned with our ERM and business and strategic planning processes. While somewhat shorter in nature, we believe these definitions are also consistent with the useful life of the Company's assets. The TCFD expects that reporting of climate-related issues will evolve over time as organizations, investors, and others contribute to the quality and consistency of the information disclosed. We will continue our efforts to assess and adapt to these challenges as we move forward.
Long-term	5	10	Estimating a time horizon for Centene's climate-related issues is challenging. Regardless of industry, climate forecasting requires looking far into the future and the resulting effects are difficult to predict. As a multi-national healthcare enterprise focused on services to government sponsored and commercial healthcare programs, we need to consider all our stakeholders—members, direct-care consumers, providers, government partners, employees, and shareholders—as we consider our risks and opportunities, and our ability to manage them. The time horizon of our climate-related issues may be impacted by broader business risks such as strategic, operational, legal, pricing/underwriting, reserving, reputational, credit, liquidity, and others. For our initial assessments, we have taken the approach of defining time horizons aligned with our ERM and business and strategic planning processes. While somewhat shorter in nature, we believe these definitions are also consistent with the useful life of the Company's assets. The TCFD expects that reporting of climate-related issues will evolve over time as organizations, investors, and others contribute to the quality and consistency of the information disclosed. We will continue our efforts to assess and adapt to these challenges as we move forward.

C2.1b

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

The Inherent Risk Impact & Likelihood Assessment Guide used for assessing risks includes considerations for strategic, financial, compliance, and operational risks with impacts ranging from minimal to critical. Risks with potential for substantive financial or strategic impacts are those risks that could result in a material impact on revenues, expenses, other financial metrics, or significant reputational damage with contagion effects on other business units which could lead to an inability to achieve organizational goals or initiatives.

C2.2

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

Value chain stage(s) covered

Direct operations
Upstream
Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term
Medium-term
Long-term

Description of process

IDENTIFYING AND ASSESSING CLIMATE-RELATED RISKS Centene's ERM risk identification and assessment process is reflective of both a top-down and bottom-up approach. On a quarterly basis, enterprise-wide as well as business unit risks are identified and assessed with the assistance of the Company's "Risk Champions." These are senior executives and other leaders from across all significant functional business areas of the Company who have been charged with working with their teams to identify and communicate risks to objectives and provide risk oversight and monitoring duties at the corporate and/or business unit levels. As a function of this process, Centene maintains a risk register to document the various risks faced by the Company, including descriptions of the impact, mitigation actions, and risk owners. All significant climate-related risks and opportunities are captured within the enterprise risk register. The ERM team also monitors emerging risks and opportunities and prepares a quarterly report submitted to the Management Oversight Committee and the Board. The emerging risk and opportunities report captures a variety of risk information. Through coordination with the ESHG Workgroup, Climate Change Task Force (CCTF) and ESHG team, the ERM team captures environmental and climate-related risks. The Company formed a cross-functional stakeholder group called the CCTF at the end of 2020 to facilitate the identification of potential climate-related risks and opportunities and engaged an external consultant to provide overall guidance. The first significant step in the process was to conduct a climate risk identification workshop in 2021. The identification of Centene's climate-related risks and opportunities required the Company to "connect the dots" on how climate drives exposures which, in turn, drive certain health outcomes. The CCTF discussed the climate drivers, exposure pathways, and health outcomes identified by the participants in the workshop to educate and inform on the linkages between climate and potential impacts to health. In 2022, we undertook a similar process to update our climate risk scenario analysis. In preparation for the 2022 climate risk workshop and meetings, we conducted research to update our presentation materials with the most current and relevant data. The objective of the first 2022 workshop we conducted with the full cross-functional group of participants was primarily to determine the continued relevance of the risks and opportunities identified in 2021, as well as brainstorm any potential risks or opportunities we had not previously considered. We utilized automated voting software to collect responses from the participants in the workshop. All polls resulted in confirmation that the risks and opportunities previously identified were still considered relevant to Centene, and we identified several new potential risks and opportunities to consider in the following stages of the process. The Company used the results of this year's workshop as an input for the subsequent scenario analysis functional meetings. During these meetings, the ESHG team met with small groups of Centene employees and leaders, based on subject matter expertise, to further assess the significance of Centene's climate risks and opportunities under two RCP scenarios. The ESHG team updated the discussion materials ahead of each meeting, and as part of this research concluded the Company would utilize updated scenarios. As a result of the research published in the latest IPCC Assessment Report (the 6th), we decided to update our two scenarios to RCPs 7.0 and 2.6 as scenarios for low and high climate intervention, respectively. The accompanying Shared Socioeconomic Pathways we chose were SSP3 and SSP1, respectively, consistent with those included in the 6th Assessment Report. While the Assessment Reports do not comment on the likelihood of any one scenario over another, we wanted to align our scenarios to those included in the most recent report in an effort to be most aligned with the available research supporting them. We utilized automated voting software to collect responses regarding the likelihood and potential impact of climate risks and opportunities from the participants in each of these discussions. The results of those votes were tabulated and compiled to inform the significance of each risk or opportunity to Centene. ERM INTEGRATION The Company's ERM framework specifically captures various risks within the risk register, such as business continuity and pandemic related risks where the key drivers influencing the scoring of these risks may be associated with climate change. Examples include weather-related events that may impact Company operations and the health of members, and the possibility that climate change may give rise to an increase of certain viruses and airborne allergens and pollutants, leading to increased respiratory illnesses such as chronic obstructive pulmonary disease and asthma. All significant enterprise risks, including those that have climate change as a driver, are highlighted in the quarterly ERM report that is presented to the MOC and the Board of Directors for review and monitoring. Centene has identified climate-related risks as part of its ERM process and modeled internal and external impacts from environmental risks within its annual Own Risk and Solvency Assessment (ORSA) since 2016. Through its frequent communications with management, the ERM team maintains a listing of all risks posed to the organization. The enterprise-wide risk register is comprised of the most significant risks rated by impact and likelihood. Each of these risks is associated with a primary functional area such as Finance, Medical Affairs, Business Development, and others and maintained in our enterprise governance, risk, and compliance application. Centene intends to continue the workshop approach described here to periodically update climate-related risks and opportunities. As a result of the initial climate risk workshops we conducted, we added a new risk to specifically address climate change in the enterprise risk register. Additionally, functional areas across the organization individually assess and manage the various elements of climate risk. For example, Operations will assess and manage the risk of extreme weather events disrupting member services and Finance will assess and manage the risk of climate change on the value of our investments. This approach enables full integration of climate risks and opportunities into the overall risk management process, as well as singular ownership and accountability at the functional level by Compliance.

C2.2a

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

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Risks and opportunities driven by climate change are becoming increasingly important to our strategy-setting process. As part of our efforts to understand how various climate risk drivers might impact Centene, we considered the TCFD's classification of risks and opportunities: (1) risks and opportunities related to the transition to a lower-carbon economy and (2) risks and opportunities related to the physical impacts of climate change. As such, we considered the following excerpt from TCFD to help us consider risks relevant to our organization: Transitioning to a lower-carbon economy may entail extensive policy, legal, technology, and market changes as governments, businesses and society seek to prevent the worst impacts of climate change. Proposed SEC rules on climate disclosure in the U.S., as well as already enacted disclosure regulations in the UK, were included in our 2022 climate risk analysis.
Emerging regulation	Relevant, always included	We considered the following excerpt from TCFD to help us consider risks relevant to our organization: Transitioning to a lower-carbon economy may entail extensive policy, legal, technology, and market changes as governments, businesses and society seek to prevent the worst impacts of climate change. In addition to the above, our first Climate Risk Workshop included the CCTF discussing emerging climate risks and opportunities. Example of a specific risk considered in our assessment: Risk of legislative and regulatory change. In the governmental space, President Biden acted to bring the U.S. back into the Paris Agreement and signed several executive orders focused on climate policy. The Securities and Exchange Commission created a Climate and ESG Enforcement Task Force and recently proposed rules related to disclosure around climate change. While this is not a price on carbon, this action was significant because, if enacted, these rules would increase compliance complexity and cost. In Europe, the European Union introduced a set of policy initiatives called the European Green Deal and has agreed to make climate neutrality by 2050 a legally binding target and set a target of reducing net greenhouse gas emissions by at least 55% by 2030 compared to 1990 levels. Carbon taxes often apply at the point at which the fossil fuel enters the nation's market and are therefore passed onto users of scope 1 and 2 emissions through increased energy costs. The potential impact to Centene of future carbon emission taxes varies in significance based on the amount of scope 1 and 2 emissions and the tax rate. Our memberships in trade associations play an important role in Centene's public policy engagement efforts. We also intend to lower our carbon emissions, which will reduce our carbon pricing risk. Centene advocates for our members and for improvements in the delivery and quality of the nation's healthcare system. We are also making strides to better engage our third-party suppliers and subcontractors towards environmental goals and climate action initiatives, which would help reduce carbon emissions and improve the health of our members. Finally, Centene's Government Relations team and local plan leadership monitor potential legislative and regulatory changes, including those related to climate and carbon pricing, at the federal and state levels and assess the potential impact to Centene and its stakeholders.
Technology	Relevant, always included	We considered the following excerpt from TCFD to help us decide to include the following risks relevant to our organization: Transitioning to a lower-carbon economy may entail extensive policy, legal, technology, and market changes as governments, businesses and society seek to prevent the worst impacts of climate change. We include IT personnel and discuss the potential for technology-related transition risks associated with climate change during our risk assessment process. Based on these discussions, and based on our business model and industry, we do not anticipate we will face significant technology-related transition risks.
Legal	Relevant, always included	We considered the following excerpt from TCFD to help us decide to include the following risks relevant to our organization: Transitioning to a lower-carbon economy may entail extensive policy, legal, technology, and market changes as governments, businesses and society seek to prevent the worst impacts of climate change. Example of a specific risk considered in our assessment: Risk of inadequate climate action. Stakeholders (e.g., investors, governments, business partners, employees, etc.) may consider Centene's response to climate or extreme environmental events inadequate, which could result in reputational risks as well as exposure to litigation risks and concerns. Further, state and federal government partners with whom we do business could implement requirements around climate-related action as part of our contractual obligations with them, creating compliance challenges.
Market	Relevant, always included	We considered the following excerpt from TCFD to help us decide to include the following risks relevant to our organization: Transitioning to a lower-carbon economy may entail extensive policy, legal, technology, and market changes as governments, businesses and society seek to prevent the worst impacts of climate change. Example of a specific risk considered in our assessment: Risk of climate impacts affecting our investment portfolio. Physical and transition climate impacts could affect the value of assets in which we invest. Centene managed \$29.8 billion in cash and investments as of December 31, 2021. Our analysis indicated that less than 5% of this amount was invested in sectors associated with higher carbon emissions. Centene's Investment Policy does not allow the Company to invest in securities with a weighted average maturity longer than 10 years and current fixed income portfolio average duration is approximately 3.6 years. Shorter durations reduce Centene's exposure to longer-term climate risks. The Investment Policy also requires Centene to primarily invest in securities that are rated "investment grade" or higher. As of December 31, 2021, 98% of the Company's investments in rated securities carry an investment grade rating. Potential investments related to companies that are significantly affected by physical or transition climate risks would likely experience downgrades from ratings agencies and therefore not be purchased by Centene. Our Treasury team has engaged with the portfolio manager to better understand the state of our investments and exposure to climate risks.
Reputation	Relevant, always included	We considered the following excerpt from TCFD to help us decide to include the following risks relevant to our organization: Transitioning to a lower-carbon economy may entail extensive policy, legal, technology, and market changes as governments, businesses and society seek to prevent the worst impacts of climate change. Depending on the nature, speed, and focus of these changes, transition activities may pose varying levels of financial and reputational risk to organizations. Example of a specific risk considered in our assessment: Risk of inadequate climate action. Stakeholders (e.g., investors, governments, business partners, employees, etc.) may consider Centene's response to climate or extreme environmental events inadequate, which could result in reputational risks as well as exposure to litigation risks and concerns. Further, state and federal government partners with whom we do business could implement requirements around climate-related action as part of our contractual obligations with them, creating compliance challenges. Several of Centene's largest shareholders have publicly stated increased expectations related to their investees' climate actions and disclosures. In the governmental space, President Biden acted to bring the U.S. back into the Paris Agreement and signed several executive orders focused on climate policy, and the Securities and Exchange Commission recently created a Climate and ESG Enforcement Task Force and issued proposed climate-related disclosures. In Europe, the European Union introduced a set of policy initiatives called the European Green Deal and has agreed to make climate neutrality by 2050 a legally binding target and set a target of reducing net greenhouse gas emissions by at least 55% by 2030 compared to 1990 levels.
Acute physical	Relevant, always included	We considered the following excerpt from TCFD to help us decide to include the following risks relevant to our organization: Physical risks resulting from climate change can be event driven (acute) or longer-term shifts (chronic). Examples of specific risks considered in our assessment: - Risk of extreme weather events increasing member acuity, disrupting member services, and resulting in increased healthcare costs. Hurricanes, tornadoes, wildfires, extreme heat, and other weather-related occurrences can especially impact vulnerable populations. Centene's members are concentrated in high climate risk geographies, and extreme weather events can adversely impact our members' health in many ways, including increased respiratory disease, adverse birth outcomes, cardiac arrest, injuries, behavioral health issues, and others. If we have a weather emergency that is prolonged (such as a wildfire), it may limit our staff's ability to visit members in their home and inhibit our ability to provide care and services. Additionally, extreme weather events often create or exacerbate existing social needs such as food insecurity, housing instability, and others that research shows negatively impact health. - Risk of climate-related events impacting government partners and creating budget shortfalls: Extreme weather, climate-related migration, and other environmental impacts may negatively impact state funding for government-sponsored health services and/or opportunities to leverage managed care. Centene's Government Relations team monitors budget and funding issues at the state and federal levels. In addition, Centene's Government Relations team works with our state and federal government partners and local plan leadership to provide innovative managed care solutions that provide better health outcomes at lower costs. As a proactive mitigation, Centene also partners with organizations such as Healthcare Ready (formerly Rx Response) to increase community resiliency and lessen the burden of extreme weather disasters on governmental budgets. Healthcare Ready helps to strengthen healthcare supply chains through collaboration with public health and private sectors by addressing pressing issues before, during, and after disasters. As the convener of industry and government, Healthcare Ready safeguards patient health by providing solutions to critical problems and provides best practices for healthcare preparedness and response.
Chronic physical	Relevant, always included	We considered the following excerpt from TCFD to help us decide to include the following risks relevant to our organization: Physical risks resulting from climate change can be event driven (acute) or longer-term shifts (chronic). Examples of specific risks considered in our assessment: - Risk of sea level rise and annual flooding impacting Centene facilities, employees, members, providers, and government partners: Rising sea levels and flooding can have negative impacts to Centene facilities/employees/members/providers/government partners, especially in vulnerable geographies such as coastal regions and tributary and river areas. Sea levels are expected to rise over the coming decades even under higher mitigation scenarios, therefore posing risk to Centene's facilities and stakeholders. While people in affected communities can relocate, "managed retreat" has disruptive health, sociocultural, and economic impacts, particularly on vulnerable populations. Those impacts include behavioral health, social networks, food security, water supply, sanitation, infectious diseases, injury, and health care access. As part of our climate risk assessment updates in 2022, we noted that our company's shift to remote work has decreased our exposure to this risk at our facilities, while increasing or distributing the risk to our employees in their homes. - Risk of environmental factors increasing medical costs: Poor air quality, rising temperatures, and increasing vector-borne diseases may negatively impact the populations we serve. In low mitigation scenarios, climate change will worsen air quality, increasing the prevalence of acute respiratory symptoms, asthma, and allergens for our members. Ongoing warming and cooling extremes will create increases in temperature-related medical needs and morbidity. Vector-borne disease is likely to increase as climate impacts provide more suitable habitats for mosquitos, ticks, and other disease carriers. Risk is still present in high mitigation scenarios, especially regarding sea-levels; however, current trends would likely be starting to reverse, therefore presenting less risk in the medium and long-term horizons.

C2.3

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

Yes

C2.3a

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

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Chronic physical	Changing temperature (air, freshwater, marine water)
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Primary potential financial impact

Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

RISK OF ENVIRONMENTAL FACTORS INCREASING MEDICAL COSTS Poor air quality, rising temperatures, and increasing viral and vector-borne diseases may negatively impact the populations we serve. In low mitigation scenarios, climate change will worsen air quality, increasing the prevalence of acute respiratory symptoms, asthma, cancer rates, and allergens for our members. Ongoing warming and cooling extremes will create increases in temperature-related medical needs and morbidity. Increased medical needs as a result of climate change are also likely to increase behavioral health concerns under both high and low mitigation scenarios. Vector-borne disease is likely to increase as climate impacts provide more suitable habitats for mosquitos, ticks, and other disease carriers. Risk is still present in high mitigation scenarios, especially regarding sea-levels; however, current trends would likely be starting to reverse, therefore presenting less risk in the medium and long-term time horizons.

Time horizon

Medium-term

Likelihood

Very likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

We have not formally estimated the financial impact of this risk, but as it relates to liquidity concerns, we do conduct quantitative assessments of this risk as part of our Own Risk and Solvency Assessment (ORSA), among other internally performed assessments.

Cost of response to risk**Description of response and explanation of cost calculation**

Centene's ERM process captures environmental risks such as viral and vector-borne illnesses and new flu strains when relevant. A recent example of an emerging environmental risk was the Zika virus in 2016. In response, the ERM group and Centene's Business Intelligence group prepared focused assessments of the potential impacts of the rise of the Zika virus to healthcare costs and communicated those results to management. Centene maintains open communication channels with local government health departments and local providers to detect any significant increases in vector-borne diseases. Poverty, food insecurity, housing instability, education, employment, access to transportation, and other circumstances contribute to health disparities among underserved and vulnerable populations. Centene's Innovation Team, external partnerships, and nationwide initiatives are designed to address these challenges, which can improve our members' ability to deal with gradual air quality degradation and rising temperatures. One such example where Centene seeks to address negative health impacts is through Community Impact Councils (CICs), which are a collaborative assembly of community and civic leaders representing a broad spectrum of stakeholders including local social service agencies, advocacy groups, faith-based organizations, public representatives, managed care organizations and service providers. CICs were designed to use data to identify social issues at a community level and identify ways to improve. We anticipate these councils could identify potential climate-related health and social issues arising in communities and be a forum through which ideas and strategies are formed to best mitigate them.

Comment**Identifier**

Risk 2

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical	Heat wave
----------------	-----------

Primary potential financial impact

Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Risk of extreme weather events increasing member acuity, disrupting member services, and resulting in increased healthcare costs. Hurricanes, tornadoes, wildfires, extreme heat, and other weather-related occurrences can especially impact vulnerable populations and disrupt member services. Centene's members are concentrated in

high climate risk geographies, and extreme weather events can adversely impact our members' health in many ways, including increased respiratory disease, adverse birth outcomes, cardiac arrest, injuries, behavioral health issues, and others. In turn, this could increase healthcare costs and our insurance claims liability.

Time horizon

Medium-term

Likelihood

Very likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

We have not formally estimated the financial impact of this risk, but as it relates to market risk concerns, we do conduct quantitative assessments of this risk as part of our Own Risk and Solvency Assessment (ORSA), among other internally performed assessments.

Cost of response to risk

Description of response and explanation of cost calculation

Centene's approach to extreme weather events focuses on the needs of our members. Corporate and local teams have access to advanced analytics capabilities to identify and perform outreach to potentially impacted vulnerable members (e.g., those involved in care management plans, requiring critical prescriptions, etc.) before or after an event to provide information, answer questions, and help them prepare for/deal with the event. Centene supports our highest risk members with creating emergency preparedness plans through the Care Management Process to help plan proactively for extreme weather where possible. Markets in those high-risk areas offer specialty programs and value-added benefits to support emergency preparedness and after-crisis support. Post-event, the activation of our business continuity plans in the impacted area allows our mission-critical personnel to continue serving our members. Further, Centene partners with organizations to ensure that members have continued access to care through remote physicians telephonically or online. In addition, Managed Health Network, a wholly owned Centene company, offers a team of disaster response experts with 24/7/365 availability in the western US region. This team works with health plan and community leaders to provide response planning, deploy crisis response counselors to designated community locations, provide a Community Disaster Line with emotional support and resource guidance by licensed clinicians, and provide resource materials that help people understand reactions and coping strategies following a traumatic event.

Comment

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Chronic physical	Sea level rise
------------------	----------------

Primary potential financial impact

Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

RISK OF SEA LEVEL RISE AND ANNUAL FLOODING IMPACTING CENTENE FACILITIES, EMPLOYEES MEMBERS, PROVIDERS, AND GOVERNMENT PARTNERS
Rising sea levels and flooding can have negative impacts to Centene facilities/employees/members/providers/government partners, especially in vulnerable geographies such as coastal regions and tributary and river areas. Sea levels are expected to rise over the coming decades even under higher mitigation scenarios, therefore posing risk to Centene's facilities and stakeholders. While people in affected communities can relocate, "managed retreat" has disruptive health, sociocultural, and economic impacts, particularly on vulnerable populations. Those impacts include behavioral health, social networks, food security, water supply, sanitation, infectious diseases, injury, and health care access. Our company's recent shift to remote work has decreased our exposure to this risk at our facilities, while increasing or distributing the risk to our employees in their homes.

Time horizon

Long-term

Likelihood

Very likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

We have not formally estimated the financial impact of this risk, but as it relates to capital adequacy concerns, we do conduct quantitative assessments of this risk as part of our Own Risk and Solvency Assessment (ORSA), among other internally performed assessments.

Cost of response to risk**Description of response and explanation of cost calculation**

Centene mitigates some of the risk of sea level rise by including flood potential in our criteria for determining the location of our offices. With the move to primarily remote work, we have implemented more measures to alert employees of extreme weather events and flooding that may affect them at their homes. We employ a system called Early Alert, which notifies employees of hazards based on their zip code. These location-based, tailored alerts are sent via text and/or email, and include many types of hazards, including those related to sea-level rise and flooding (e.g., alert about a flood, or "boil water advisories" which often result from floods and infrastructure damage.) The Company also focuses on our members' social determinants of health and builds resiliency into all aspects of the business plan as detailed throughout this response. One recent example of Centene's approach is our Louisiana health plan's actions to ensure access to health care in the wake of flooding and damage in Louisiana from Hurricane Laura in 2020. To ensure that members in the affected areas had uninterrupted access to medications and needed health care, the health plan provided resources and support such as replacement medications, medical equipment and member ID cards, help locating care, emergency out-of-network care access, 24/7 free nurse advice, a mental health crisis hotline, and relief grants.

Comment**Identifier**

Risk 4

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical	Cyclone, hurricane, typhoon
----------------	-----------------------------

Primary potential financial impact

Decreased revenues due to reduced demand for products and services

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

RISK OF CLIMATE-RELATED EVENTS IMPACTING GOVERNMENT PARTNERS AND CREATING BUDGET SHORTFALLS Extreme weather, climate-related migration, and other environmental impacts may negatively impact state funding for government-sponsored health services and/or opportunities to leverage managed care. State governments are required to balance their budgets every year. Budgetary constraints caused by increased climate-related physical or transition costs may negatively impact the level of state funding and/or premium rates paid to health providers for services such as Medicaid.

Time horizon

Long-term

Likelihood

Likely

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

We have not formally estimated the financial impact of this risk, but as it relates to market risk concerns, we do conduct quantitative assessments of this risk as part of our Own Risk and Solvency Assessment (ORSA), among other internally performed assessments.

Cost of response to risk**Description of response and explanation of cost calculation**

Centene's Government Relations team monitors budget and funding issues at the state and federal levels. In addition, Centene's Government Relations team works with our state and federal government partners and local plan leadership to provide innovative managed care solutions that provide better health outcomes at lower costs. At a federal level, we monitor and advocate for policies that allow federal reimbursement of services that address member's social determinants of health that can directly support adverse effects of climate change, including air conditioning, housing support, etc., as well as emergency waivers that support state governments. As a proactive mitigation, Centene also partners with organizations such as Healthcare Ready (formerly Rx Response) to increase community resiliency and lessen the burden of extreme weather disasters on governmental budgets. Healthcare Ready helps to strengthen healthcare supply chains through collaboration with public health and private sectors by addressing pressing issues before, during, and after disasters. As the convener of industry and government, Healthcare Ready safeguards patient health by providing solutions to critical problems and provides best practices for healthcare preparedness and response.

Comment

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

Yes

C2.4a

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

Opp1

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resource efficiency

Primary climate-related opportunity driver

Other, please specify (Use of remote work)

Primary potential financial impact

Reduced indirect (operating) costs

Company-specific description

Opportunity to leverage flexible work arrangements. A changing climate presents certain challenges, as well as opportunities, and as a high growth, innovative organization we consider flexible work arrangements a highly compelling opportunity. The benefits include positive impacts to culture, employee engagement, decreased operational costs, and reduced GHG emissions from employee commuting. As a result of the global COVID-19 pandemic, Centene transitioned nearly all its workforce to a work-from-home environment. Following a strategic review of the Company's real estate portfolio as part of the adoption of a more modern, flexible work environment, the Company has initiated a reduction of its occupied real estate space by 65%. As such, our realization of this opportunity is already underway. While we have not modelled all the impacts, we acknowledge there are likely benefits in addition to reduced run-rate costs and emissions. These benefits could include financial impacts from being poised to compete for top talent in any part of the nation, video interviewing enabling a smaller carbon footprint throughout the interview process (we assess 20,000+ candidates per year for potential hire), and the ability to re-deploy facility savings into sustainability initiatives.

Time horizon

Short-term

Likelihood

Very likely

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

180000000

Potential financial impact figure – maximum (currency)

200000000

Explanation of financial impact figure

Includes decreased GAAP rent expense after impairment, savings from negotiation with landlords, savings from real estate operational costs including utilities, and potential sublease income from third parties utilizing the vacated locations.

Cost to realize opportunity

1650000000

Strategy to realize opportunity and explanation of cost calculation

Strategy: During the second quarter of 2022, in connection with the adoption of a more modern, flexible work environment, Centene undertook a real estate optimization initiative to evaluate future real estate needs and downsize its real estate footprint for owned and leased properties. As a result of this evaluation, during the second quarter of 2022, Centene substantially changed the use or vacated various properties across the United States. We continue to extend benefits related to flexible work arrangements that impact our culture, employee engagement, operational costs, and environmental factors, such as GHG emissions. Explanation of Cost: These estimated costs were calculated under US GAAP.

Comment

Identifier

Opp2

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Shift in consumer preferences

Primary potential financial impact

Reduced direct costs

Company-specific description

Opportunity to advocate for improved access to culturally relevant healthy food. We know that healthier eating across member populations would result in less processed food and red meat consumption leading to less GHG emissions, and ultimately healthier members. However, many of our members struggle to afford healthy food options – or any food at all. According to a survey conducted by the International Food Information Council Foundation and the Root Cause Coalition, 32% of Medicaid beneficiaries often purchase less healthy food options than they otherwise would because of lack of money, compared to only 13% of commercially-insured members. Socioeconomic circumstances often prevent “choice” for vulnerable populations, whether due to affordability or other factors like where a person lives, such as in “food deserts” where fresh foods simply are not available. Our Social Determinants of Health team says that healthier choices are often not simply a matter of education, but rather a matter of “bandwidth”—put simply, when people are concerned about how they might obtain their next meal, it is less likely they will (or even can) consider whether that meal is healthy. With this in mind, our approach to improve healthy eating must take care to consider the unique realities, struggles, as well as preferences experienced by our members. Centene has an opportunity to promote and improve access to culturally relevant healthy food through advocacy, capacity building, and community engagement.

Time horizon

Medium-term

Likelihood

Very likely

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

We have not formally estimated the financial impact of this opportunity.

Cost to realize opportunity

Strategy to realize opportunity and explanation of cost calculation

Centene helps communities enhance capacity for programs that improve access to fresh foods. One example is our partnership with Feeding America and the “Food for Today and Food for Tomorrow” resource development initiative. This program equips network food banks and Centene health plans with best practice guidelines for meeting the needs of individuals experiencing food insecurity, including screening individuals for food insecurity, and connecting them with access to culturally relevant food to improve nutrition and health outcomes. Other examples include our Missouri Medicaid affiliate, which partnered with a local food bank to improve the number of successful SNAP (Supplemental Nutrition Assistance Program) applications for members experiencing food insecurity, providing 6,000+ meals to Medicaid members and increasing the rate of approved applications by 10%. Based on USDA research and other studies, these individuals will likely see improved health outcomes (reduced Emergency Department visits, reduced hospitalizations, improved birth outcomes) and reduced healthcare costs (between \$1,400-\$4,100 for each member annually). In Louisiana and Nebraska, Centene has partnered with organizations to support community gardens and establish agriculture and nutrition education programs for youth and their families. Community residents have opportunities to plant and produce their own nutritious foods while also benefiting the environment. Through these programs and other community engagement efforts, Centene and our subsidiaries strive to improve access to healthy and culturally relevant food, leading to lifestyle changes that subsequently benefit the environment, such as eating fresh foods and cycling or walking when possible. We recognize healthier member populations are better equipped to withstand the impacts of climate change, and we aim to continue our work to promote health security for our members.

Comment

Identifier

Opp3

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Development and/or expansion of low emission goods and services

Primary potential financial impact

Reduced indirect (operating) costs

Company-specific description

Opportunity to engage providers on climate-related issues. We have identified an opportunity to partner with our providers to help better respond to climate change, build resiliency, and slow or mitigate its impact. Examples of this type of partnering include: - working with providers to improve emergency preparedness, such as emergencies caused by extreme weather events and other physical climate risks - use of telehealth by providers and patients. Further, we have employed and implemented measures around telehealth. Ongoing use of telehealth helps reduce GHG emissions resulting from millions of our members driving to provider visits. The utilization of telehealth gives members access to their health care providers that otherwise may not be possible due to office closures caused by extreme weather, or in the case of the recent global pandemic, quarantine restrictions.

Time horizon

Short-term

Likelihood

Very likely

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

We have not formally estimated the financial impact of this opportunity.

Cost to realize opportunity

Strategy to realize opportunity and explanation of cost calculation

Centene will continue to fund transportation initiatives, educate providers on climate and related-health impacts, and explore the other opportunities mentioned here. COVID-19 had a profound effect on both business operations and the provision of health services to members. In response, Centene partnered with telehealth vendors, built up broadband in rural communities, and committed over \$13 million in grants to expand the telehealth capacities of our health provider partners. Post-pandemic, Centene has an opportunity to consider stakeholder climate change concerns and promote the optimized use of telehealth for the benefit of members, providers, government partners, and the environment. This optimization plan will be informed by multi-year studies of impacts such as healthcare quality that are already underway. The continued use of telehealth provides the ongoing benefit of reduced GHG emissions and lower member costs. We have estimated that based on the number of telehealth visits completed by our members in 2021, more than 73,000 metric tons of carbon dioxide equivalents were avoided.

Comment

Identifier

Opp4

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Markets

Primary climate-related opportunity driver

Other, please specify (Stakeholder expectations)

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

Opportunity to demonstrate action on climate. Investor, government, member, and employee focus on climate change is increasing, providing Centene an opportunity to communicate our progress, metrics, and targets, and create meaningful industry differentiation.

Time horizon

Short-term

Likelihood

More likely than not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

We have not formally estimated the financial impact of this opportunity.

Cost to realize opportunity

Strategy to realize opportunity and explanation of cost calculation

Centene holds a unique position to address the environmental, social, and health barriers that affect our most vulnerable populations. As discussed throughout our CDP response, Centene has taken active steps to evaluate climate-related risks and impacts to our business and our members since 2015. In 2020, we decided to take further steps in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures. As part of our undertakings, we calculated our Scope 1 and Scope 2 GHG emissions and established an internal Climate Change Task Force. We are also involving our employees in our climate change efforts through volunteer opportunities, internal education and training materials on sustainability topics and environmental health impacts. Finally, in an effort to reduce over-use of transportation resources, we look to connect members to public transportation for appointments and pharmacies, and to educate providers and other partners on available transportation resources in their community. We also have funded on-demand, community-led transportation programs (in Mississippi and Texas), which reduced "no show" or missed appointments for traditional non-emergency medical transportation (NEMT), common in rural communities. These programs reduced costs related to unnecessary ambulance visits.

Comment

C3. Business Strategy

C3.2

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

	Use of climate-related scenario analysis to inform strategy	Primary reason why your organization does not use climate-related scenario analysis to inform its strategy	Explain why your organization does not use climate-related scenario analysis to inform its strategy and any plans to use it in the future
Row 1	Yes, qualitative, but we plan to add quantitative in the next two years	<Not Applicable>	<Not Applicable>

C3.2a

(C3.2a) Provide details of your organization's use of climate-related scenario analysis.

Climate-related scenario	Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
<div>Physical climate scenarios</div> <div>RCP 7.0</div>	Company-wide	<Not Applicable>	We defined our timeframes for assessing risks and opportunities in the short, medium, and long term as <1 year, 1-5 years, and >5 years, respectively, and align with Centene's business and strategic planning processes. The Company used the results of this year's Climate Change Task Force workshop as an input for the subsequent scenario analysis functional meetings. During these meetings, the ESHG team met with smaller groups of Centene employees and leaders, based on subject matter expertise, to further assess the significance of Centene's climate risks and opportunities under two RCP scenarios. The ESHG team updated the discussion materials ahead of each meeting, and as part of this research concluded the Company would utilize updated scenarios. As a result of the research published in the latest IPCC Assessment Report (the 6th), we decided to update our two scenarios to RCPs 7.0 and 2.6 as scenarios for low and high climate intervention, respectively. The accompanying Shared Socioeconomic Pathways we chose were SSP3 and SSP1, respectively, consistent with those included in the 6th Assessment Report. While the Assessment Reports do not comment on the likelihood of any one scenario over another, we wanted to align our scenarios to those included in the most recent report in an effort to be most aligned with the available research supporting them.
Please select	Please select	<Not Applicable>	
<div>Physical climate scenarios</div> <div>RCP 2.6</div>	Company-wide	<Not Applicable>	We defined our timeframes for assessing risks and opportunities in the short, medium, and long term as <1 year, 1-5 years, and >5 years, respectively, and align with Centene's business and strategic planning processes. The Company used the results of this year's Climate Change Task Force workshop as an input for the subsequent scenario analysis functional meetings. During these meetings, the ESHG team met with small groups of Centene employees and leaders, based on subject matter expertise, to further assess the significance of Centene's climate risks and opportunities under two RCP scenarios. The ESHG team updated the discussion materials ahead of each meeting, and as part of this research concluded the Company would utilize updated scenarios. As a result of the research published in the latest IPCC Assessment Report (the 6th), we decided to update our two scenarios to RCPs 7.0 and 2.6 as scenarios for low and high climate intervention, respectively. The accompanying Shared Socioeconomic Pathways we chose were SSP3 and SSP1, respectively, consistent with those included in the 6th Assessment Report. While the Assessment Reports do not comment on the likelihood of any one scenario over another, we wanted to align our scenarios to those included in the most recent report in an effort to be most aligned with the available research supporting them.

C3.2b

(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.

Row 1

Focal questions
Throughout our climate scenario analysis process, we sought to answer the following focal questions: What climate-related forces and developments have the greatest ability to shape our future performance? What is their likely timing and potential impact? How might our identified climate-related risks and opportunities affect our company over the short, medium, and long term? What should we do in response?

Results of the climate-related scenario analysis with respect to the focal questions
To answer the first and second questions, over the last 2 years, we evaluated various climate-related drivers and connected them to potential health outcomes under the two scenarios we chose; primarily characterized by high-mitigation and low-mitigation. We also considered climate drivers such as policy, laws/regulations, energy trends, demographic patterns, civil stability and tensions, regional and national economic variations, and financial capital trends. The primary health-related climate drivers we considered include: - More frequent, severe, prolonged heat events, seasonal weather patterns - Increasing temperatures - Rising sea level and surface temperature, and more frequent or intense extreme precipitation, storms, and hurricanes The health outcomes linked to these drivers include: - Heat-related death and illness - Premature death, acute and chronic cardiovascular and respiratory illness - Drowning, injuries, gastrointestinal and other illness - Lyme disease - Vibrio vulnificus induced diarrhea and intestinal illness, wound, and bloodstream infections, death - Salmonella infection, gastrointestinal outbreaks - Distress, grief, isolation, behavioral health disorders or other mental health consequences, social impacts, resilience Based on the results of the climate-risk scenario analysis, Centene is likely to be more impacted by climate-related risks under a scenario in which global action on climate change is low, resulting in greater physical impacts from climate change. This scenario may disproportionately affect our members' health relative to less vulnerable individuals. Centene has fewer risks and more opportunities under a scenario in which global action to reduce carbon emissions is high. None of the risks identified by Centene were assessed higher than moderate impact under an aggressive mitigation scenario in which carbon emissions are greatly reduced. We concluded health-related physical climate drivers are most likely to shape our future performance (as compared to other drivers such as political or economic). This impact would manifest through increased member health issues driving increased medical and behavioral health costs. We believe these are likely to occur over the medium term (1- 5 years) under a low-mitigation scenario and have a medium impact. We also assessed potential mitigations in response to these possible effects on our business. We documented actions already underway, and initiated engagement on those we have yet to undertake.

C3.3

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

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	Centene operates in an industry with relatively limited carbon impact. However, our members' health will likely be impacted by climate change, and we are committed to being good stewards of the earth by making investments today that will address these effects and deliver health benefits for years to come. While climate change impacts everyone, its results often disproportionately affect vulnerable populations due to poor health and limited access to fresh food, reliable transportation, safe housing, and green spaces needed to promote active lifestyles. Life-threatening weather events have the potential to displace thousands, and poor air quality negatively affects individuals with respiratory diseases, such as asthma. Thus, while our business may be impacted by innumerable climate risks, our climate risk assessment process generally focuses on the impact to our more than 25 million members. Risks One example of this member impact is the possibility of increased extreme weather events causing a rapid deterioration in the health of our members. According to the National Oceanic and Atmospheric Administration, National Centers for Environmental Information, the United States alone experienced twenty-two weather and climate related disasters in which overall damages/costs reached or exceeded \$1 billion in 2020. These events included wildfires, hurricanes, floods, and other severe weather, and they can have an impact on our members' health. For example, wildfire smoke, including deadly pollutants such as fine particulate matter, is linked to health risks such as respiratory infections, cardiac arrest, and lung cancer. Opportunities There are also several climate-related opportunities that will impact Centene's business, strategy, and financial planning. The potential for optimized use of telehealth is an example. The increased use of telehealth driven by the COVID pandemic has proven its potential to improve the lives of our members by increasing healthcare accessibility and reducing costs. Centene's provider partners are also able to see more members due to less transition time between appointments. As an added benefit, telehealth is environmentally friendly through reduced member travel to/ from the provider which lowers greenhouse gas emissions.
Supply chain and/or value chain	Yes	Climate related risks and opportunities have impacted our supply chain/value chain. Running our business has environmental impacts through upstream and downstream emissions, such as emissions or waste resulting from products procured and used in our facilities, or services delivered to help enable our business. Extreme weather events often cause flooding and other disruptions to global supply chains, and we are impacted by those just as other companies are. Our procurement team is engaging with our vendors to help improve sustainability and reduce costs, through the use of sustainable products and practices at supplier companies. We also intend to increase the integration of climate and environmental considerations into our buying decisions.
Investment in R&D	Evaluation in progress	Centene invests in research for population and public health, which in some instances includes evaluation of climate-related health impacts. We also invest in improving social determinants of health for our members, which often include climate- and environmental-related considerations.
Operations	Yes	Extreme weather has impacted our operations strategy in the following ways: Hurricanes, tornadoes, wildfires, extreme heat, and other weather-related occurrences can especially impact vulnerable populations whom we insure. In response, Corporate and local teams have access to advanced analytics capabilities to identify and perform outreach to potentially impacted vulnerable members (e.g., those involved in care management plans, requiring critical prescriptions, etc.) before or after an event to provide information, answer questions, and help them prepare for/deal with the event. Post-event, the activation of our business continuity plans in the impacted area allows our mission-critical personnel to continue serving our members. Additionally, we have an emergency alert system which notifies employees of extreme weather in their area.

C3.4

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

	Financial planning elements that have been influenced	Description of influence
Row 1	Capital expenditures	Climate-related risks and opportunities are informing our financial planning as evidenced by the capital expenditures made/being made in 3 facilities highlighted below. These expenditures go above and beyond what would have been minimally viable for a well-functioning facility: 1) Centene's St. Louis headquarters has one LEED (Leadership in Energy and Environmental Design) Gold Certified buildings. This includes items like insulation to save on energy usage. The building has vegetated roofs and more than 23,000 square feet of native plantings. The rooftop green space reduces storm water runoff, energy consumption, and the heat island effect. We have not estimated the savings from this initiative in dollars or CO2e. 2) Our East Coast headquarters under construction in Charlotte, North Carolina, follows WELL Health-Safety Rating building standards, which focus on the environment and wellness of occupants, including indoor air and water quality, natural light, walking trails, and improved ventilation. 3) Centene's campus in the North Natomas region of Sacramento, California is LEED Silver Certified. It features electric vehicle charging stations and nature paths, among other environmental and health friendly practices.

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?
No target

C4.1c

(C4.1c) Explain why you did not have an emissions target, and forecast how your emissions will change over the next five years.

	Primary reason	Five-year forecast	Please explain
Row 1	Important but not an immediate business priority	We expect our scope 1 and scope 2 emissions to decrease over the next 5 years. Our scope 1 and scope 2 emissions are most directly tied to operations at our owned and leased facilities, which we have committed to decreasing by 65% of current occupied space in the U.S. This reduction will take place over the next 6 to 12 months. Centene has only recently calculated its scope 3 emissions and, over the coming two years, we intend to evaluate our ability to reduce our scope 3 emissions, especially those within the purchased goods and services category.	Centene is in the early stages of evaluating the impact of climate change on its businesses and strategies and is starting its reporting journey by disclosing issues as they relate to governance, strategy, risk management practices, and metrics. As its climate-related disclosure processes mature, Centene will disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process and describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets, as applicable..

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?

No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?

- Yes, an acquisition
- Yes, a divestment

Name of organization(s) acquired, divested from, or merged with

Acquisitions: Circle - UK Ribera - Spain HealthSmart WellCare Apixio PANTHERx AT Medics Magellan Divestitures: United States Medical Management Casenet

Details of structural change(s), including completion dates

Acquisitions (included in emissions data): Circle - UK: Acquired 100% stake in July 2021 Ribera - Spain: Expanded stake from 50% to 90% in June 2019 HealthSmart: Acquired in May 2019 WellCare: (incl. Meridian acquired by WellCare in 2018), Acquired in January 2020 Apixio: Acquired in December 2020 PANTHERx: Acquired in December 2020 AT Medics: Acquired in February 2021 by our subsidiary, Operose Health Magellan: Acquired in January 2022 Divestitures (excluded from emissions data): United States Medical Management: Divested in Nov ember2021 Casenet: Divested February 2021

C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
Row 1	No, but we have discovered significant errors in our previous response(s)	<Not Applicable>

C5.1c

(C5.1c) Have your organization's base year emissions been recalculated as result of the changes or errors reported in C5.1a and C5.1b?

	Base year recalculation	Base year emissions recalculation policy, including significance threshold
Row 1	Yes	Base year and subsequent years reported will be retroactively recalculated to reflect changes that will allow our base year emissions to be directly compared with our subsequent years reported. Base year and subsequent years reported may not be recalculated if the impact on corporate-wide emissions caused by the following changes is reasonably estimated to be less than 5%: - mergers, acquisitions and divestitures - changes to methodology used - changes to boundaries used - errors or a number of cumulative errors Emissions for significant structural/organizational changes will be included in our baseline and subsequent years reported in the earliest reporting year they can be reliably estimated. In all cases, our disclosure will include an adequate description of the emissions inventory boundary.

C5.2

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

Scope 1**Base year start**

January 1 2019

Base year end

December 31 2019

Base year emissions (metric tons CO2e)

36193.949

Comment**Scope 2 (location-based)****Base year start**

January 1 2019

Base year end

December 31 2019

Base year emissions (metric tons CO2e)

117596.456

Comment**Scope 2 (market-based)****Base year start**

January 1 2019

Base year end

December 31 2019

Base year emissions (metric tons CO2e)**Comment****Scope 3 category 1: Purchased goods and services****Base year start**

January 1 2019

Base year end

December 31 2019

Base year emissions (metric tons CO2e)

2540448

Comment**Scope 3 category 2: Capital goods****Base year start**

January 1 2019

Base year end

December 31 2019

Base year emissions (metric tons CO2e)

207037

Comment**Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)****Base year start**

January 1 2019

Base year end

December 31 2019

Base year emissions (metric tons CO2e)

28715

Comment**Scope 3 category 4: Upstream transportation and distribution****Base year start**

January 1 2019

Base year end

December 31 2019

Base year emissions (metric tons CO2e)

59774

Comment

Scope 3 category 5: Waste generated in operations

Base year start

January 1 2019

Base year end

December 31 2019

Base year emissions (metric tons CO2e)

6356

Comment

Scope 3 category 6: Business travel

Base year start

January 1 2019

Base year end

December 31 2019

Base year emissions (metric tons CO2e)

91484

Comment

Scope 3 category 7: Employee commuting

Base year start

January 1 2019

Base year end

December 31 2019

Base year emissions (metric tons CO2e)

101250

Comment

Scope 3 category 8: Upstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 9: Downstream transportation and distribution

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 10: Processing of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 11: Use of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 12: End of life treatment of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 13: Downstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 14: Franchises

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 15: Investments

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (upstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (downstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

The Greenhouse Gas Protocol: Scope 2 Guidance

US EPA Emissions & Generation Resource Integrated Database (eGRID)

Other, please specify (Intergovernmental Panel on Climate Change (IPCC) Fourth Assessment Report (2007))

C6. Emissions data

C6.1

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

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)
45790.061

Start date
January 1 2021

End date
December 31 2021

Comment

Past year 1

Gross global Scope 1 emissions (metric tons CO2e)
35417.703

Start date
January 1 2020

End date
December 31 2020

Comment

Past year 2

Gross global Scope 1 emissions (metric tons CO2e)
36193.949

Start date
January 1 2019

End date
December 31 2019

Comment

C6.2

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

Row 1

Scope 2, location-based
We are reporting a Scope 2, location-based figure

Scope 2, market-based
We have operations where we are able to access electricity supplier emission factors or residual emissions factors, but are unable to report a Scope 2, market-based figure

Comment

C6.3

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

Reporting year
Scope 2, location-based 119988.43
Scope 2, market-based (if applicable) <Not Applicable>
Start date January 1 2021
End date December 31 2021
Comment
Past year 1
Scope 2, location-based 125370.167
Scope 2, market-based (if applicable) <Not Applicable>
Start date January 1 2020
End date December 31 2020
Comment
Past year 2
Scope 2, location-based 117596.456
Scope 2, market-based (if applicable) <Not Applicable>
Start date January 1 2019
End date December 31 2019
Comment

C6.4

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

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.
Purchased goods and services
Evaluation status Relevant, calculated
Emissions in reporting year (metric tons CO2e) 1824111
Emissions calculation methodology Spend-based method
Percentage of emissions calculated using data obtained from suppliers or value chain partners
Please explain Centene's purchased goods and services were calculated using the spend-based method by determining the US dollar amount spent on each purchased goods and services category and applying the EPA's Environmentally-Extended Input-Output (EEIO) cradle-to-grave emission factors. For reporting year 2021, EEIO v1.1 emissions factors were utilized.

Capital goods

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

226937

Emissions calculation methodology

Spend-based method

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

Please explain

Centene's capital goods emissions were calculated using the spend-based method by determining the US dollar amount spent on each type of capital good and applying EEIO v1.1. emission factors.

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

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

46496

Emissions calculation methodology

Average data method

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

Please explain

Includes emissions from three activities: Upstream emissions of purchased fuels, Upstream emissions of purchased electricity, and transmissions & distribution losses. Generation of purchased electricity that is sold to end users is not applicable to Centene. Centene's fuel & energy related activities not included in Scope 1 and 2 are calculated using the average-data method, estimating emissions by using secondary (i.e., BEIS and IEA) emission factors for upstream emissions per unit of consumption (e.g., kg CO₂ e/kilowatt hour (kWh)).

Upstream transportation and distribution

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

45312

Emissions calculation methodology

Spend-based method

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

Please explain

Centene's upstream transportation and distribution emissions were calculated using the spend-based method by determining the US dollar amount spent on each mode of travel transport and applying EEIO v1.1 emission factors.

Waste generated in operations

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

2483

Emissions calculation methodology

Average data method

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

Please explain

Centene's waste generated in operations is calculated using the average data method, which involves estimating emissions based on total waste going to each disposal method (e.g., landfill) and average emission factors for each disposal method. Wastewater was not included in waste calculations given the nature of Centene's operations.

Business travel

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

37595

Emissions calculation methodology

Hybrid method
Spend-based method
Distance-based method

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

Please explain

Centene's business travel emissions for business air travel are calculated using the distance-based method when possible. Centene's business travel emissions for business ground travel are calculated using the average data method when possible. Centene's business travel emissions for ground transportation (when ground travel data was not available), air transportation (when air distance data was not available), hotels, meals, and other business expenses were calculated using the spend-based method.

Employee commuting

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

26547

Emissions calculation methodology

Average data method

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

Please explain

Centene's employee commuting emissions were calculated using the average-data method, which involves estimating emissions from employee commuting based on average (e.g., national) data on commuting patterns. Note that while companies may include emissions from teleworking (i.e., employees working remotely) in this category, Centene elected not to include emissions from teleworking at this time.

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO₂e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

Centene owns a limited number of office buildings and has minimal sublease contracts.

Downstream transportation and distribution

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO₂e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

Due to the nature of Centene's business model, there are no downstream logistics or transportation and distribution activities in vehicles and facilities not owned or controlled by the reporting company.

Processing of sold products

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO₂e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

Due to the nature of Centene's business model, there is no processing of the Company's sold products.

Use of sold products

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO₂e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

Due to the nature of Centene's business model, there are no emissions related to the use of sold products.

End of life treatment of sold products

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

Due to the nature of Centene's business model, there is no waste disposal and treatment of products sold by Centene.

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

Operation of assets and leasing to third parties are not material sources of income and not relevant to Centene's operations.

Franchises

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

Centene does not operate franchises.

Investments

Evaluation status

Relevant, not yet calculated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

Centene maintains a material investments portfolio; however, this category is not commonly reported by industry peers.

Other (upstream)

Evaluation status

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

Other (downstream)

Evaluation status

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

C6.5a

(C6.5a) Disclose or restate your Scope 3 emissions data for previous years.

Past year 1

Start date

January 1 2020

End date

December 31 2020

Scope 3: Purchased goods and services (metric tons CO2e)

2567508

Scope 3: Capital goods (metric tons CO2e)

240051

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

41276

Scope 3: Upstream transportation and distribution (metric tons CO2e)

59916

Scope 3: Waste generated in operations (metric tons CO2e)

3182

Scope 3: Business travel (metric tons CO2e)

39752

Scope 3: Employee commuting (metric tons CO2e)

39584

Scope 3: Upstream leased assets (metric tons CO2e)

Scope 3: Downstream transportation and distribution (metric tons CO2e)

Scope 3: Processing of sold products (metric tons CO2e)

Scope 3: Use of sold products (metric tons CO2e)

Scope 3: End of life treatment of sold products (metric tons CO2e)

Scope 3: Downstream leased assets (metric tons CO2e)

Scope 3: Franchises (metric tons CO2e)

Scope 3: Investments (metric tons CO2e)

Scope 3: Other (upstream) (metric tons CO2e)

Scope 3: Other (downstream) (metric tons CO2e)

Comment

All relevant categories were included, based on review of materiality and consultation with GHG emissions disclosure experts who assisted us in preparation of these figures.

Past year 2

Start date

January 1 2019

End date

December 31 2019

Scope 3: Purchased goods and services (metric tons CO2e)

2540448

Scope 3: Capital goods (metric tons CO2e)

207037

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

28715

Scope 3: Upstream transportation and distribution (metric tons CO2e)

59774

Scope 3: Waste generated in operations (metric tons CO2e)

6356

Scope 3: Business travel (metric tons CO2e)

91484

Scope 3: Employee commuting (metric tons CO2e)

101250

Scope 3: Upstream leased assets (metric tons CO2e)

Scope 3: Downstream transportation and distribution (metric tons CO2e)

Scope 3: Processing of sold products (metric tons CO2e)

Scope 3: Use of sold products (metric tons CO2e)

Scope 3: End of life treatment of sold products (metric tons CO2e)

Scope 3: Downstream leased assets (metric tons CO2e)

Scope 3: Franchises (metric tons CO2e)

Scope 3: Investments (metric tons CO2e)

Scope 3: Other (upstream) (metric tons CO2e)

Scope 3: Other (downstream) (metric tons CO2e)

Comment

All relevant categories were included, based on review of materiality and consultation with GHG emissions disclosure experts who assisted us in preparation of these figures.

C6.7

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

No

C6.10

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

Intensity figure

0.000013

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

165778.49

Metric denominator

unit total revenue

Metric denominator: Unit total

125982000000

Scope 2 figure used

Location-based

% change from previous year

6

Direction of change

Decreased

Reason for change

Revenue and combined scope 1 and 2 emissions increased approximately 13.5% and 3.1%, respectively, from 2020 to 2021. Centene's revenues are not directly correlated with scope 1 and 2 emissions.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?
No

C7.2

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

Country/Region	Scope 1 emissions (metric tons CO2e)
United States of America	20892.074
Spain	8510.967
United Kingdom of Great Britain and Northern Ireland	16387.02

C7.3

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

C7.5

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

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
United States of America	100468.84	
Spain	4909	
United Kingdom of Great Britain and Northern Ireland	14610.59	

C7.6

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

C7.9

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

C7.9a

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

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption		<Not Applicable>		
Other emissions reduction activities		<Not Applicable>		
Divestment		<Not Applicable>		
Acquisitions		<Not Applicable>		
Mergers		<Not Applicable>		
Change in output		<Not Applicable>		
Change in methodology		<Not Applicable>		
Change in boundary		<Not Applicable>		
Change in physical operating conditions		<Not Applicable>		
Unidentified		<Not Applicable>		
Other	4991	Increased	3.1	Scope 1 increased by approximately 10,400 mTons from 2020 to 2021, and scope 2 decreased by approximately 5,400 resulting in a 5,000 net increase. The largest contributor to this net increase was our UK subsidiary Circle Health Group. Circle's scope 1 emissions increased by 5,700, which is approximately 3% of the global total, but a 50% increase for Circle. Circle's Birmingham Rehabilitation Facility opened in September 2020, so 2021 included roughly 9 months' more emissions data for that facility than 2020.

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?
Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?
More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

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

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)		211067.04	211067.04
Consumption of purchased or acquired electricity	<Not Applicable>	31052	326864.66	357916.66
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	180	<Not Applicable>	180
Total energy consumption	<Not Applicable>	31232	537931.7	569163.7

C8.2b

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

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

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

Sustainable biomass

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Other biomass

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Other renewable fuels (e.g. renewable hydrogen)

Heating value

Please select

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Coal

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Oil

Heating value

HHV

Total fuel MWh consumed by the organization

3287.77

MWh fuel consumed for self-generation of electricity

2398.88

MWh fuel consumed for self-generation of heat

888.88

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Gas

Heating value
HHV

Total fuel MWh consumed by the organization
207779.26

MWh fuel consumed for self-generation of electricity
9.18

MWh fuel consumed for self-generation of heat
207770.07

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

Other non-renewable fuels (e.g. non-renewable hydrogen)

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

Total fuel

Heating value
HHV

Total fuel MWh consumed by the organization
211067.04

MWh fuel consumed for self-generation of electricity
2408.07

MWh fuel consumed for self-generation of heat
208658.96

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

C8.2d

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

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	2641.07	2588.07	233	180
Heat	208658.96	208658.96	0	0
Steam				
Cooling				

C8.2g

Country/area

United States of America

Consumption of electricity (MWh)

237990.93

Consumption of heat, steam, and cooling (MWh)**Total non-fuel energy consumption (MWh) [Auto-calculated]**

<Calculated field>

Is this consumption excluded from your RE100 commitment?

<Not Applicable>

Country/area

United Kingdom of Great Britain and Northern Ireland

Consumption of electricity (MWh)

69918.72

Consumption of heat, steam, and cooling (MWh)**Total non-fuel energy consumption (MWh) [Auto-calculated]**

<Calculated field>

Is this consumption excluded from your RE100 commitment?

<Not Applicable>

Country/area

Spain

Consumption of electricity (MWh)

50187

Consumption of heat, steam, and cooling (MWh)**Total non-fuel energy consumption (MWh) [Auto-calculated]**

<Calculated field>

Is this consumption excluded from your RE100 commitment?

<Not Applicable>
