NAIC CLIMATE RISK DISCLOSURE SURVEY
TCFD-ALIGNED QUESTIONS
UPDATED 2022

GOVERNANCE

1. Disclose the insurer's governance around climate-related risks and opportunities.

In disclosing the insurer's governance around climate-related risks and opportunities insurers should consider including the following:

• Identify and include any publicly stated goals on climate-related risks and opportunities.

- Science Based Targets initiative (SBTi) validated and approved science-based target (SBT) Scope 1 and Scope 2:
  54.6% reduction from base year 2019 to goal year 2032
- SBTi validated and approved SBT Scope 3 (purchased goods and services and upstream transportation and distribution):
  30% reduction from base year 2021 to goal year 2032
- SBTi SBT Scope 3 category 15: In the process for SBTi validation of emissions reduction in Humana's investment portfolio.

• Describe where climate-related disclosure is handled within the insurer's structure, e.g., at a group level, entity level, or a combination. If handled at the group level, describe what activities are undertaken at the company level.

Climate-related disclosures are handled at the Humana Inc. enterprise level. Humana Inc. is the ultimate parent company of the insurance holding company system. The Chief Risk Officer (CRO) is the Chair of the Enterprise Risk Management Committee (ERMC), and reports to the Chief Legal Officer (CLO). The CRO leads the second line of defense risk management function, including Enterprise Compliance and the Enterprise Crisis Management and Business Resiliency teams. The CRO oversees the ERM framework on behalf of the Board of Directors, ensuring the framework is appropriately implemented across the three lines of defense functions. The framework considers assessment and monitoring of environmental risks that may be related to climate-related issues. Given that risks are evaluated at various operational levels includes pricing, operational, strategic, regulatory, and financial markets risks, the CRO monitors and oversees climate-related issues such as extreme weather events and environmental regulations that may contribute to those risks in the scope of the office's regular responsibilities. Humana therefore considers the CRO to inherently have the highest level of management for climate-related issues. The CRO applies the framework to risks identified by Humana's first line of defense, consisting of business areas and operational teams across Humana, and are responsible for identifying, assessing, mitigating, monitoring, and managing risk within those respective areas. In conjunction with the chairman of the board, CEO, and the board of directors, the Chief Compliance Officer (CCO) also provides overall leadership and governance for the corporate compliance plan. Regulatory Compliance, led by the CCO, is included within the second line of defense. The CCO is the chair of the Corporate Compliance Committee (CCC) and, among other things, has responsibility for the Company's Corporate Compliance Plan and reporting on the state of compliance matters, including any such matters that are climate-related, to the Audit Committee. The CCO reports directly to the CLO. The CLO is a member of Humana's Executive Management Team and reports directly to the CEO/President, who is also a member of the Board of Directors. The CCO also provides periodic updates to the Audit Committee of the Board of Directors. Humana therefore considers the CRO and CCO to share in the highest level of management for climate-related issues.

A. Describe the board and/or committee responsible for the oversight of climate-related risks and opportunities.

The Nominating, Governance & Sustainability Committee has responsibility for Board-level oversight of the Company's ESG strategy, practices, and reporting. The Nominating, Governance & Sustainability Committee receives formal ESG reports from management at least twice annually regarding the Company's ESG initiatives, metrics and progress on established goals, as well as ad hoc ESG communications as necessary.

In addition, we have an internal ESG Steering Committee, overseen by our Chief Administrative Officer and Chief Legal Officer, to guide the integration of our ESG efforts with our long-term business strategy. This ESG governance structure complements the long-standing responsibility of our Board and each of our Board committees in overseeing various aspects of the Company's ESG-related risks and practices.

In describing the position on the board and/or committee responsible for the oversight of managing the climate-related financial risks, insurers should consider including the following:

• Describe the position on the board and/or committee responsible for the oversight of managing the climate-related financial risks.

Humana's internal ESG Steering Committee has established five key measure categories (the "Categories") of our ESG program that align to Humana's strategic business goals, supporting our commitments to sustainable business and improving health outcomes. The five Categories are 'Access to healthcare,' 'Data privacy and protection,' 'Environmental impact,' 'Product quality and safety,' and 'Talent and diversity'. As part of the Environmental impact category, the ESG Steering Committee reviews Humana's decarbonization strategy, including energy efficiency projects and related equipment, employee incentives, which help to drive action and ownership aligned with our overall ESG strategy, and finally setting strategic direction within the organization.

The initiatives listed as a focus of the ESG steering committee are climate-related transition risks and opportunities. Humana is exposed to these risks and has the capacity to realize opportunities related to their transition to a lower-carbon economy.

The Nominating, Governance & Sustainability Committee annually reviews the Company's Impact Report, which includes the environmental strategy, prior to publication of results. The Nominating, Governance & Sustainability Committee annually reviews management's proposed goals and targets for the reporting year and may receive ad hoc updates from management as needed.

The most significant factors that make an investment in Humana speculative or risky are set forth under the caption "Risk Factors" in the Company's Annual Report on Form 10-K and may be further updated as appropriate throughout the year in the Company's Quarterly Reports on Form 10-Q and other filings with the Securities and Exchange Commission. Changes to Humana's Risk Factors are led by the Company's Law Department in consultation with the Enterprise Risk Management team and appropriate subject matter experts. The Risk Factors and any changes thereto are reviewed by the full Board of Directors annually in connection with the Company's Annual Report on Form 10-K, and on an ongoing basis in connection with review of the Company's Quarterly Reports of Form 10-Q, in each case to ensure appropriate Board oversight. The Enterprise Risk Management team establishes and manages the enterprise risk framework whereby the risk register is utilized to document identified risks, and proactively monitor, measure and mitigate risks, including any climate-related issues. Humana evaluates risks including, but not limited to, general business risks, pricing risks, actuarial risks, operational risks, strategic risks, regulatory risks, talent and labor risks, distribution and supply chain risks, credit risks, and financial market risks; climate change factors are integrated into this list depending on relevancy and impact, such as the potential impacts of extreme weather events, natural disasters, epidemics and pandemics (and the potential for these events to occur more frequently or with more intense effects as a result of the impacts of global climate change), or environmental regulations.

B. Describe management's role in assessing and managing climate-related risks and opportunities.

Climate change responsibilities: The CRO and the team that report to the CRO, assesses and manages climate-related risks and opportunities and how they connect within the larger ERM framework. This gives an annual analysis to better understand and reevaluate the impact of climate-related risk and opportunities on business operations and our investment portfolio. Example of climate-related decision: Management discussed with the Nominating, Governance & Sustainability Committee of the Board a proposal to create a science-based target aligned with criteria established by the Science Based Targets initiative (SBTi). The committee ultimately agreed with management's recommendation, and a science-based target was approved by SBTi in 2023. This same process is reoccurring in 2024 as Humana seeks to set a target on its scope 3 category 15 emissions while better understanding the implications of its investments.

STRATEGY

2. Disclose the actual and potential impacts of climate-related risks and opportunities on the insurer's businesses, strategy, and financial planning where such information is material.

In disclosing the actual and potential impacts of climate-related risks and opportunities on the insurer's businesses, strategy and financial planning, insurers should consider including the following:

• Describe the steps the insurer has taken to engage key constituencies on the topic of climate risk and resiliency.

Climate-related risks and opportunities have influenced our value chain, regarding identifying and engaging vendors, who can support our progress toward achieving sustainability goals and reducing costs. We recognize that our procurement practices have upstream and downstream impacts on GHG emissions, embodied carbon, energy consumption, air and water pollution, and waste generation. During supplier business reviews, we expect suppliers to share their use of sustainable products, influence our procurement decisions and translate to Humana employees the option of choosing sustainable alternatives when making purchases. The time horizon of this influence is in the short-term Physical climate-related risks and opportunities have influenced our operations strategy, particularly regarding implementing projects that support our progress toward achieving sustainability goals while saving on operational costs. Our Enterprise Associate and Business Solutions team works closely with vendors to identify projects, submit budget requests, and oversee progress toward our goals while maintaining our facilities. The time horizon of this influence is in the short-term for annual efficiency measures, however, it also affects our capital investments in the long-term. We also engaged our stakeholders in a robust ESG Material Topic Assessment in 2022, which we re-evaluate annually, to obtain feedback on topics that they believe have the most impact on Humana's business and its communities served. This assessment included feedback on climate-related risks and opportunities, which are incorporated within Humana's material topic matrix used for scoping our ESG strategy.

• Describe the insurer's plan to assess, reduce, or mitigate its greenhouse gas emissions in its operations or organizations.

Humana has set SBTi approved targets on its scope 1, 2, and 3 emissions. In meeting those targets, Humana is increasing the efficiency of its buildings, vehicle fleet and operations and decarbonizing its supply and value chain. Increasing the use of renewable energy and tracking precisive GHG data will allow Humana to achieve these targets.

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

Climate-related issues potentially arising in each time horizon that could have a material financial impact on Humana include (short-term): - Acute Physical Risk: Hurricanes, floods, tornados, ice storms, and wildfires are significant weather events most likely to impact Humana employees, facilities, suppliers, and our customers. These events can disrupt our business offices, data centers, and medical centers or other facilities. Our Florida, Puerto Rico, and Texas operations are in areas that often experience severe storms. Extreme weather events impact vulnerable populations, often leading to fatalities. Humana's premium pricing is sensitive to several factors that may be impacted by climate change, including severe weather (e.g., hurricanes) or public health epidemics. - Resilience: Humana strives to engage vendors that can support our progress toward achieving sustainability goals while saving on operational costs. For example, our current facilities management vendor has specific sustainability requirements formalized in our contract for services. In 2023 Humana saw a 7% decrease in greenhouse gas emissions in per agreed upon baseline emissions.

In describing the climate-related risks and opportunities the insurer has identified over the short, medium, and longer term, insurers should consider including the following:

- Define short, medium, and long-term, if different than 1-5 years as short term, 5-10 years as medium term, and 10-30 years as long term.
  Humana's process for identifying, assessing and responding to climate-related risks and opportunities assumes short-, medium- and long-term time horizons of zero to three years, three to five years and five to ten years respectively.

B. Describe the impact of climate-related risks and opportunities on the insurer's business, strategy, and financial planning.

Humana's financial planning has been affected by climate-related risks and opportunities across many financial elements. The Enterprise Associate and Business Solutions team is working to drive operational efficiency across our portfolio at our offices, data centers and clinical locations through capital improvement projects. In doing so, we are reducing operational expenses and improving overall profitability. This is often accomplished through advocating and seeking access to capital through our annual budget, for which expenditures are allocated to raise funds for new, more efficient equipment, or repairs to existing infrastructure and equipment. As we consider the impacts of emerging regulations and investing in more efficient technology, there is a possibility for assets to become stranded, including less efficient fleet vehicles or equipment.

In describing the impact of climate-related risks and opportunities on the insurer's business, strategy, and financial planning, insurers should consider including the following:

• Discuss if and how the insurer provides products or services to support the transition to a low carbon economy or helps customers adapt to climate-related risk.

• Discuss if and how the insurer makes investments to support the transition to a low carbon economy.

C. Describe the resilience of the insurer's strategy, taking into consideration different climate-related scenarios, including a 2 degree Celsius or lower scenario.

Humana has not used scenario analysis to inform climate resilience strategy but plans to in the coming years.

RISK MANAGEMENT

3. Disclose how the insurer identifies, assesses, and manages climate-related risks.

In disclosing how the insurer identifies, assesses, and manages climate-related risks, insurers should consider including the following:

• Describe how the insurer considers the impact of climate related risks on its underwriting portfolio, and how the company is managing its underwriting exposure with respect to physical, transition and liability risk. *

Humana does not have direct underwriting in its business activities, yet it is tracking insurance underwriting on its assets and the inclusion of climate related risk topics to ensure accurate valuation and coverage.

• Describe any steps the insurer has taken to encourage policyholders to manage their potential physical and transition climate related risks, if applicable. *

Humana, in 2023, has created a new policy allowing for members to preload their prescription medicine in case of a physical disaster that threatens to damage the facilities in which they rely on for their medicine. Humana has also increased the readiness plan and resilience of its assets by using new sandbags for flooding and investing in physical hardening.

• Describe how the insurer has considered the impact of climate-related risks on its investment portfolio, including what investment classes have been considered. *

In 2023, Humana completed a comprehensive analysis on its investment portfolio. This covered all PCAF asset classes and all applicable asset classes included in the SBT FI scope 3 category 15 target setting guidance. The analysis led to a better understanding as to the exposure of the portfolio, especially to high-risk assets such as traditional fossil fuel companies. Humana has set a target to be validated by SBTi on this portfolio and plans to work with external asset managers to understand the trajectory in which it will decrease absolute emissions as well as emissions intensity over time.

A. Describe the insurers' processes for identifying and assessing climate-related risks.

In describing the insurers' processes for identifying and assessing climate-related risks, insurers should consider including the following:

• Discuss whether the process includes an assessment of financial implications and how frequently the process is completed. *

i. Definition: When identifying or assessing climate-related risks, substantive impact is often dependent on the business area affected. Crisis management processes use a 3-tier structure to evaluate thresholds (of criticality). The thresholds utilize specific criteria based on the risk's impact to members, reputation, employees, compliance, facilities, financials, and technology to differentiate between levels of criticality, ranging from an Incident, Significant Event and Crisis Event. The CLO will inform the Board once a Significant Event and/or Crisis Event is declared. Facilities managers are continuously monitoring crisis events and report through appropriate channels to document losses and damage. An incident is considered a day-to-day occurrence, while a significant event is defined as a non-enterprise, regional event impacting access to care, employees or facilities, while a crisis event is considered a corporate level event impacting brand, members and/or employees. Humana's materiality assessments also inform the definition of substantive strategic impact to our business. Core issues that achieve the highest ranking against indicators evaluating environmental and social impacts as well as civil society & NGO priorities pose the most shareholder, customer, and internal employee concern, and are therefore considered to be substantive in nature.

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

B. Describe the insurer's processes for managing climate-related risks.

Humana's Enterprise Risk Management (ERM) governance structure includes a three lines of defense model to delegate responsibility for critical risk management processes across the business functions and operational areas, as well as risk management, compliance, and audit teams. Business areas and operational teams across the Company are responsible for identifying, assessing, mitigating, monitoring, and managing risk and opportunities within their respective areas. The process for managing risks versus opportunities is similar in that the same business owners evaluate potential impacts to their specific areas within Humana, whether it be reducing impacts of physical risks, such as extreme weather-related events or addressing transition risks, such as capitalizing on energy rebates for efficiency projects. Regarding physical risks, Enterprise Crisis Management and Business Continuity teams as well as Humana's Safety and Security group, which oversees the Environmental Health and Safety group, continuously evaluate the potential impact of acute physical risks, such as extreme weather events. The Safety & Security Fusion Center partners and shares real-time information with the Enterprise Critical Incident Response Team to ensure information is available to respond to emergency events across the enterprise. Humana's tools, including Everbridge's Visual Command Center, provide access to real-time weather data to track potential events and is critical to our preparations before hurricane season. This was seen in recent instances of extreme weather events, including considerable damage to two sites from hurricane Idalia in 2023. The storm damage resulted in 606k of damage in New Smyrna and 195k in Kissimmee

FL. As a response to these events, new sandbags will be placed outside facilities to help limit flooding as well as increased hours and staffing to allow for more flexible prescription pick up. The Fusion Center conducted outreach to the individuals in locations before and after hurricane like Idalia through the Humana Notification System. Humana also provides resources such as HR's information, the Employee Assistance Program, and Helping Hands applications. In relation to Humana's insurance program including property coverage, there has been a shift in availability of capacity and higher rates due to climate change and catastrophic losses. Humana has increased its understanding of property values and ensuring formulas to calculate values are as accurate as possible. For underwriting purposes, Humana receives advanced questions, groups them, and ensures there are talking points around climate change and risk. Thus far, access to coverage hasn't been a limiting factor to M&A or the extent of Humana's large profile of facilities. Facilities track their own activities now, but Humana is preparing to understand impacts and dependencies on identified risk and opportunities to operations. New preparedness plans are in place from 2023 that include working with Red Cross to donate water bottles and materials and adding a new vendor to help with community outreach and response. Humana's sustainability leaders alongside facility management vendors and consultancy partners work to collectively identify and implement strategies to ensure compliance with regulations. The team will report to upper-level management on necessary improvements, particularly those requiring capital, as well as progress toward compliance.

C. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the insurer's overall risk management.

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

In describing how processes for identifying, assessing, and managing climate-related risks are integrated into the insurer's overall risk management, insurers should consider including the following:

- Discuss whether climate-related risks are addressed through the insurer's general enterprise-risk management process or a separate process and how frequently the process is completed.

  Fully integrated in the organization's ERM.

METRICS AND TARGETS

4. Disclose the metrics and targets used to assess and manage relevant collateralized risks and opportunities where such information is material.

In disclosing the metrics and targets used to assess and manage relevant collateralized risks and opportunities where such information is material, insurers should consider including the following:

- Discuss how the insurer uses catastrophe modeling to manage the climate-related risks to your business. Please specify for which climate-related risks the insurer uses catastrophe models to assess, if any.

A. Disclose the metrics used by the insurer to assess climate-related risks and opportunities in line with its strategy and risk management process.

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

In disclosing the metrics used by the insurer to assess climate-related risks and opportunities in line with its strategy and risk management process, insurers should consider including the following:

• In describing the metrics used by the insurer to assess and monitor climate risks, consider the amount of exposure to business lines, sectors, and geographies vulnerable to climate-related physical risks [answer in absolute amounts and percentages if possible], alignment with climate scenarios, [1 in 100 years probable maximum loss, Climate VaR, carbon intensity], and the amount of financed or underwritten carbon emissions.

Climate-related issues potentially arising in each time horizon that could have a material financial impact on Humana include (short-term): - Acute Physical Risk: Hurricanes, floods, tornados, ice storms, and wildfires are significant weather events most likely to impact Humana employees, facilities, suppliers, and our customers. These events can disrupt our business offices, data centers, and medical centers or other facilities. Our Florida, Puerto Rico, and Texas operations are in areas that often experience severe storms. Extreme weather events impact vulnerable populations, often leading to fatalities. Humana tracks the financial impact of these acute physical risks on facilities annually and the total number of facilities affected by these weather events. This has been done at the site level, but Humana is determined to centralize this effort under the current ERM structure headed by the CRO with data flows from accounting and facilities management. Humana’s premium pricing is sensitive to several factors that may be impacted by climate change, including severe weather (e.g., hurricanes) or public health epidemics. Humana engages with its insurers in understanding the climate-related assessments embedded in premiums and analysis of potential locations where Humana will build or acquire assets.

In 2022, we completed a third-party facilitated ESG Material Topic assessment, for which the last materiality assessment was conducted in 2018 and each year between we revisited the results of that assessment with an internal, cross-functional team. The assessment helped us identify and prioritize climate related risk issues that matter most to our business and stakeholders. The identified climate related issues revolve around the transition to a low carbon economy, physical risk damage from the increase in intensity of weather, and the tracking of GHG emissions while meeting our approved science-based targets. These results are published in our 2022 Impact Report and subsequent tracking of those results in our 2023 impact report. We understand that our employees and members and the community at large consider many topics important. We invest our resources where it makes sense for our business to do so to yield the greatest impact. The quantifiable indicators used to define substantive financial impact are based on the severity to which our financials, employees, customers, technology, reputation, and ability to meet compliance standards are impacted. We utilize a substantive financial impact indicator of $100 million of P&L impact to identify “Crisis” level events, which pose the most risk.

B. Disclose Scope 1, Scope 2, and if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.

2023 data: Scope 1 GHG emissions: 47,447 metric tons CO_2e Scope 2 (location-based) GHG emissions: 70,404 metric tons CO_2e Scope 2 (market-based) GHG emissions: 75,266 metric tons CO_2e Scope 3 GHG emissions: 3,362,785 metric tons CO_2e

C. Describe the targets used by the insurer to manage climate-related risks and opportunities and performance against targets.

Reduce absolute Scope 1 and 2 emissions by 54.6% by 2032 against a 2019 base year. Reduce absolute Scope 3 emissions by 30% by 2032 against a 2021 base year.