

# Task Force on Climate-related Financial Disclosures Index

Cigna has aligned its Task Force on Climate-related Financial Disclosure (TCFD) Index with the four sections of the TCFD framework: governance, strategy, risk management, and metrics and targets. For additional information about TCFD, please visit: <https://www.fsb-tcfid.org>.

## GOVERNANCE

Our governance around climate-related risks and opportunities.

DISCLOSURE	RESPONSE AND REFERENCES
Board's oversight of climate-related risks and opportunities	<p>The highest level of responsibility within Cigna Corporation for the management of climate-related issues is held by the Corporate Governance Committee of our Board of Directors. Specific responsibilities of the Corporate Governance Committee include oversight over the Cigna Connects corporate responsibility framework and related sustainability policies, practices, and initiatives. The Corporate Governance Committee monitors the Company's social responsibility and environmental sustainability policies, practices and initiatives, reviews the annual corporate responsibility report, and periodically updates and makes recommendations to the Board with respect to such matters.</p> <p>Within Cigna's Board of Directors, the Audit Committee also maintains oversight over enterprise risks, including but not limited to those related to climate change.</p> <p><b>References:</b>  <a href="#">2022 CDP Climate Change</a>, C1.1  <a href="#">Environmental Policy Statement</a>  <a href="#">Corporate Governance Committee Charter</a>, pg. 2  <a href="#">2022 Proxy Statement</a>, pg. 26</p>
Management's role in assessing and managing climate-related risks and opportunities	<p>In 2021, we evolved our Corporate Responsibility governance structure and established a new ESG Advisory Committee to replace our former Corporate Responsibility Council. The Committee comprises several senior leaders from across the Company to support Cigna's ongoing commitment to environmental stewardship, health and safety, corporate social responsibility, corporate governance and sustainability. Ultimately, this Committee, with support from our Risk Management and Corporate Responsibility teams, seeks to further integrate into and align sustainability with Cigna's enterprise strategy and operations.</p> <p>Our Corporate Real Estate Managing Director oversees our facilities-related environmental sustainability strategy and initiatives, manages the Corporate Real Estate Director responsible for oversight of energy and emissions targets and reduction activities and oversees our Environmental Policy Statement. Our Corporate Real Estate Managing Director reports directly to the Senior Vice President of Service Operations.</p> <p><b>References:</b>  <a href="#">2022 CDP Climate Change</a>, C1.2 and C1.2a  <a href="#">Leadership and Accountability</a>  <a href="#">Environmental Policy Statement</a></p>

INTRODUCTION	HEALTHY ENVIRONMENT	HEALTHY SOCIETY	HEALTHY WORKFORCE	HEALTHY COMPANY	ESG PERFORMANCE METRICS
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## STRATEGY

Our actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy and financial planning.

DISCLOSURE	RESPONSE AND REFERENCES
Climate-related risks and opportunities identified over short-term, medium-term and long-term horizon	<p><b>Short-term:</b> We typically consider the 1-3 year time horizon when establishing short-term objectives and monitoring near-term climate-related risks and opportunities.</p> <p><b>Medium-term:</b> We typically consider the 4-6 year time horizon when establishing medium-term objectives and monitoring associated climate-related risks and opportunities that are not imminent in the short-term but are pertinent around the 5-year term.</p> <p><b>Long-term:</b> We typically consider the 7-10 year time horizon when establishing long-term objectives and monitoring associated climate-related risks and opportunities within a long-term time horizon. (While using a 7-10 year time horizon, we also try to look ahead toward economic, social and environmental trends over the next few decades that may affect our Company and the health care industry).</p>

## CLIMATE-RELATED RISKS

CATEGORY	TYPE	RISK DESCRIPTIONS	TIME HORIZONS
Physical	Acute	Cigna, as a global health services organization, has operations and facilities in geographical areas that are subject to natural hazards and extreme weather events. In a high-carbon scenario where the global temperature reaches above 2°C, the frequency, length, and severity of hurricanes will likely be exacerbated and could impact our business services distribution capacities, and have potential to cause damage to physical assets in our high-risk locations. Over the past three years, Cigna has experienced approximately \$1.5M in direct physical and business operation loss costs related to natural disasters events in these high-risk locations. Cigna completes an annual due diligence review of its operations by partnering with our insurance brokers and internal subject matter experts to evaluate the exposures of our key locations, risk tolerance, industry benchmarking data, historical loss trends, plus an assessment of coverages available in the insurance marketplace to ensure the most effective risk financing solutions are implemented. Additionally, these risks are mitigated and managed through our Business Continuity and Global Risk Management teams that have built out processes to prepare our operations in the wake of business disruptions. We also understand that climate change and environmental acute physical risks may pose unique challenges to clients and communities - specifically health and public health systems. In the event of extreme hurricanes and flooding disasters, the execution of Cigna's Customer Disaster Response Program may result in making temporary policy changes, such as waiving various medical requirements, assisting with replacement medications, transferring prescriptions, and expanding its help line to proactively address customer service issues and provide personal assistance and support for all affected by a disaster.	Short-term
Transition	Market	Uncertainty in the price of energy and fuel could continue to increase our direct and indirect operating costs. It is expected that electricity rates will rise as utilities and regulators make improvements to the electricity grid to increase resiliency against climate-related weather events and as broad electrification increases to reduce GHG emissions. Additionally, we consider geo-political impacts on the price of fuel, and how the use of transportation in our operations will be impacted by rising prices of fuel. Due to the rising economic prices of oil and gas globally in recent years, this risk has been identified as having a moderate-very high probability of occurrence. In 2021, Cigna's energy spend was approximately \$24 million which is anticipated to increase based on current market trends. Through internal forecasted analysis, we anticipate that utility grid improvements and upgrades could potentially pose a substantive impact on Cigna's electricity bills in the medium-term time frame, due to the prolonged time it will take for utilities and regulators to make such transformative changes.	Medium-term

## CLIMATE-RELATED OPPORTUNITIES

CATEGORY	OPPORTUNITY DESCRIPTIONS	TIME HORIZONS
Resource efficiency	Our Global Real Estate team is guided by Cigna's Strategic Sustainability Performance Plan, and our next-generation environmental targets. In 2021 we set a target to reduce our Scope 1 and 2 emissions by 50% by 2030 from 2019 baseline. Additionally, we set targets to become carbon neutral for Scope 1 and 2 emissions by 2040, and to achieve 100% renewable electricity purchased by 2030 as part of our RE100 commitment. Increasing the energy efficiency of buildings in our real estate portfolio presents the opportunity to reduce our operating costs from energy consumption and reduce emissions generated from our buildings, thereby helping us achieve our climate goals. Cigna's global real estate portfolio has a footprint of 11.9 million square feet, with an operational footprint of 11.7 million square feet of which 10.5 million square feet are part of our Scope 1 and 2 emissions initiatives. A commitment to energy-efficient operations is consistent with Cigna's corporate values, which includes caring deeply, acting with purpose, and creating a better future together.	Medium-term

### References:

[2022 CDP Climate Change](#), C2.3a and C2.4a

INTRODUCTION	HEALTHY ENVIRONMENT	HEALTHY SOCIETY	HEALTHY WORKFORCE	HEALTHY COMPANY	ESG PERFORMANCE METRICS
--------------	---------------------	-----------------	-------------------	-----------------	-------------------------

DISCLOSURE	RESPONSE AND REFERENCES
Impact on businesses, strategy and financial planning	<p><b>Impact on Businesses and Strategy</b></p> <p>Potential risks associated with product and services (including Cigna's health care plans and pharmacy benefits management services) include extreme weather events and shifts in consumer preferences. Upstream potential risks associated with our supply chain include changes in the cost of energy, fuel, and commodities in addition to broader uncertainty in market signals associated with climate change. Downstream potential risks within Cigna's value chain (our health services customers and the key markets we serve) include those associated with extreme weather events and correlations between chronic climate change risks and human health. The management of these risks may also present the opportunity for Cigna to increase long-term profitability and establish competitive advantages. Potential risks associated with operations (including Cigna's global real estate portfolio) include potential increases in the price of energy and fuel. Potential opportunities include the move to more energy-efficient buildings and participating in renewable energy programs.</p> <p>These risks have been integrated into our business strategy and planning process through (1) Cigna's establishment of new third-generation environmental targets; and (2) our investments to maintain and continue to enhance Cigna's Disaster Response, Employee Assistance, Business Continuity, and Data Center Recovery programs. The management of risks also present the opportunity for Cigna to increase operational efficiency and establish competitive advantages. The potential magnitude of these risks and opportunities are currently considered to be low (in the context of Cigna's current pre-tax adjusted income from operations and net income) and difficult to accurately forecast over the next one to 10 years.</p> <p><b>Impact on Financial Planning</b></p> <p>The most significant risk identified as having a potential impact to our revenues is related to reputation, as corporate employer clients are increasingly interested in climate change and broader corporate responsibility performance. The management of these risks also presents the potential opportunity to increase revenue through competitive differentiation. The most significant risk identified as having a potential impact to our operating costs is changes in the cost of energy, fuel and commodities. Potential opportunities associated with managing this risk include the move to more energy-efficient buildings and participating in renewable energy programs. The most significant risks identified as having a potential impact to our capital expenditures are (1) the need to mitigate risks associated with increases in the cost of energy, fuel, and commodities and (2) the need to reduce Cigna's operational footprint from a reputational perspective and work to meet our environmental targets. Potential opportunities associated with managing this risk include the move to more energy-efficient buildings and participating in renewable energy programs.</p> <p>These risks have been integrated into our business strategy and planning processes.</p> <p><b>References:</b>  <a href="#">2022 CDP Climate Change</a>, C3.3 and C3.4  <a href="#">Sustainable Operations</a></p>
Impact of different scenarios, including a 2°C scenario	<p>The findings from qualitative and quantitative scenario analyses related to climate change informed our strategy and approach to managing climate-related risks and opportunities through our (1) establishment of Cigna's targets toward carbon neutrality for Scope 1 and 2 emissions by 2040, (2) identification of emissions reduction projects to support our interim 2030 targets, (3) pursuit of LEED® certification and ENERGY STAR® building ratings, and (4) investments in renewable electricity consumption.</p> <p><b>References:</b>  <a href="#">2022 CDP Climate Change</a>, C3.2, C3.2a and C3.2b  <a href="#">Sustainable Operations</a>  <a href="#">Environmental Policy Statement</a></p>

INTRODUCTION	HEALTHY ENVIRONMENT	HEALTHY SOCIETY	HEALTHY WORKFORCE	HEALTHY COMPANY	ESG PERFORMANCE METRICS
--------------	---------------------	-----------------	-------------------	-----------------	-------------------------

## RISK MANAGEMENT

Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy and financial planning.

DISCLOSURE	RESPONSE AND REFERENCES
Process for identifying and assessing climate-related risks	<p><b>Company-Level Process Overview</b> Cigna uses both bottom-up and top-down approaches to identify climate-related risks and opportunities within the Company. The Corporate Responsibility and Business Continuity (BC) teams maintain daily identification and oversight of any company-level risks (i.e., acute and chronic physical risks) related to climate change that may impact Cigna's physical assets, reputation, profitability and access to capital. Cross-functional perspectives from the ESG Advisory Committee provide additional assistance in the identification of company-wide market risks and opportunities related to climate change.</p> <p><b>Asset-Level Process Overview</b> At the asset level, the Global Real Estate Sustainability Manager oversees our Inventory Management Program to identify additional climate-related risks and opportunities with the support of the Senior Director of Corporate Responsibility.</p> <p><b>References:</b> <a href="#">2022 CDP Climate Change, C2.2 Leadership and Accountability</a></p>
Processes for managing climate-related risks	<p>Cigna responds to climate-related risks and opportunities through a decision-making process with respect to mitigation, transfer, acceptance and/or control of potential climate change risks and opportunities which considers the degree of potential regulatory, physical and other business impacts to Cigna identified through the assessment stage. We consider all geographic locations and markets where we operate, in addition to potential new markets, during the evaluation. The Company's BC Team sets forth plans and procedures for the continuation of business functions and the use of supporting technology to recover critical business processes in the event of hurricanes, wildfires, and other unexpected disruptions, including pandemics. The plans and procedures are updated and documented annually, and the enterprise-wide recovery strategies are conducted on an annual basis. Our Global Real Estate team has a formal process for proposing, evaluating and budgeting for consumption reduction projects that serve as opportunities to improve the efficiency of our operations and support our environmental sustainability targets.</p> <p><b>References:</b> <a href="#">2022 CDP Climate Change, C2.2 Sustainable Operations Environmental Policy Statement</a></p>
Integration into overall risk management	<p>Cigna's Risk Management Team also facilitates a formal annual review process for business stakeholders to identify physical, regulatory and business risks which include, but are not limited to, energy and natural resource pricing, supply chain, and business continuity risks. Environmental risk, including risk drivers associated with climate change, is an explicit risk within Cigna's enterprise risk register. Within Cigna's Board of Directors, the Audit Committee also maintains oversight over enterprise risks, including but not limited to those related to climate change.</p> <p><b>References:</b> <a href="#">2022 CDP Climate Change, C1.1a and C2.2 Community Resilience Environmental Policy Statement</a></p>

INTRODUCTION	HEALTHY ENVIRONMENT	HEALTHY SOCIETY	HEALTHY WORKFORCE	HEALTHY COMPANY	ESG PERFORMANCE METRICS
--------------	---------------------	-----------------	-------------------	-----------------	-------------------------

## METRICS AND TARGETS

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities.

DISCLOSURE	RESPONSE AND REFERENCES
Metrics used by the organization to assess climate-related risks and opportunities	<p>Cigna monitors and reports on our Scope 1 and 2 emissions and our Scope 3 (business travel) greenhouse gas (GHG) emissions. Cigna also monitors and reports on indirect and direct energy consumption, including renewable energy and energy intensity metrics. We also track and report on green building certifications and ratings throughout our global real estate portfolio.</p> <p><b>References:</b>  <a href="#">2022 CDP Climate Change</a>, C4-C9  <a href="#">Sustainable Operations Performance Tables</a></p>

## SCOPE 1, 2 AND 3 GREENHOUSE GAS EMISSIONS

The following metrics represent Cigna's 2021 GHG performance data and, with respect to Scope 1 and 2 emissions, have been third-party assured.

GREENHOUSE GAS EMISSIONS	2021 PERFORMANCE (METRIC TONS OF CO <sub>2</sub> E)
Scope 1	14,049
Scope 2 (location based)	98,570
Scope 2 (market based)	94,596
Scope 3 (business travel)	2,822
<p><b>References:</b>  <a href="#">2022 CDP Climate Change</a>, C4-C7.9  <a href="#">Performance Tables</a>  <a href="#">GHG Assurance Statement</a></p>	
Targets used and performance against targets	<p>We set the following targets to drive progress on operational sustainability:</p> <ul style="list-style-type: none"> <li>• Reduce Scope 1 and 2 greenhouse gas emissions by 50% by 2030 from 2019 baseline.</li> <li>• Achieve carbon neutrality for Scope 1 and 2 greenhouse gas emissions by 2040.</li> <li>• Source renewable electricity for 100% of our global power needs by 2030.</li> <li>• Reduce overall water consumption per square foot by 30% at facilities where Cigna is the customer of contact on the utility invoice by 2030 from 2019 baseline.</li> <li>• Reduce water consumption per square foot by 50% for high-risk facilities where Cigna is the customer of contact on the utility invoice by 2030 from 2019 baseline.</li> <li>• Achieve zero paper, plastic and e-waste for all sites where Cigna is the customer of contact on the hauler invoice by 2030.</li> </ul> <p>For its 2030 and 2040 targets, Cigna will use a new 2019 baseline that reflects the global portfolio. The new baseline inventory takes the revised 2019 inventory as a base, adjusts for divestitures and increases the coverage of international data to include all sites in the portfolio. In total, the baseline for the international portfolio includes 996,223 square feet. In 2021, Cigna announced a divestiture of its life, accident and supplemental benefits businesses in Hong Kong, Indonesia, South Korea, New Zealand, Taiwan, and Thailand. The divestiture was completed on July 1, 2022. These exclusions are reflected in the 2019 Baseline Inventory. Cigna has not set any targets for Scope 3 emissions. Our current emissions targets are only inclusive of Scope 1 and Scope 2 emissions. Similar to emissions calculations, the baseline data for water consumption will also include sites that were previously not included in the inventory due to lack of complete data. This was accomplished via pro-rating the water consumption for the full 12 months for these locations.</p> <p><b>References:</b>  <a href="#">2022 CDP Climate Change</a>, C4  <a href="#">Sustainable Operations Performance Tables</a></p>

## UNITED NATIONS GLOBAL COMPACT: COMMUNICATION ON PROGRESS

Cigna was the first U.S. health service company to sign on to the [United Nations Global Compact](#) (UNGC) in 2015. As a signatory, we are committed to living out the Compact's 10 principles on human rights, labor standards, environment and anti-corruption (business integrity) in our everyday business operations.

### HUMAN RIGHTS

PRINCIPLE	CIGNA POLICIES AND STATEMENTS	2021 PERFORMANCE AND APPROACH
1. Businesses should support and respect the protection of internationally proclaimed human rights.	<a href="#">Human Rights Statement</a> <a href="#">Supplier Code of Conduct</a>	<a href="#">Business Ethics and Compliance</a> <a href="#">Responsible Supply Chain</a> <a href="#">Diversity, Equity and Inclusion</a>
2. Businesses should make sure that they are not complicit in human rights abuses.	<a href="#">Human Rights Statement</a>	<a href="#">Business Ethics and Compliance</a> <a href="#">Responsible Supply Chain</a> <a href="#">Diversity, Equity and Inclusion</a>

### LABOR

PRINCIPLE	CIGNA POLICIES AND STATEMENTS	2021 PERFORMANCE AND APPROACH
3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	<a href="#">Human Rights Statement</a>	<a href="#">Business Ethics and Compliance</a> <a href="#">Responsible Supply Chain</a>
4. Businesses should uphold the elimination of all forms of forced and compulsory labor.	<a href="#">Human Rights Statement</a>	<a href="#">Business Ethics and Compliance</a> <a href="#">Responsible Supply Chain</a>
5. Businesses should uphold the effective abolition of child labor.	<a href="#">Human Rights Statement</a>	<a href="#">Business Ethics and Compliance</a> <a href="#">Responsible Supply Chain</a>
6. Businesses should uphold the elimination of discrimination in respect of employment and occupation.	<a href="#">Code of Ethics and Principles of Conduct</a> <a href="#">Supplier Code of Conduct</a> <a href="#">Equal Employment Opportunity</a>	<a href="#">Business Ethics and Compliance</a> <a href="#">Responsible Supply Chain</a> <a href="#">Diversity, Equity and Inclusion</a>

INTRODUCTION	HEALTHY ENVIRONMENT	HEALTHY SOCIETY	HEALTHY WORKFORCE	HEALTHY COMPANY	ESG PERFORMANCE METRICS
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## ENVIRONMENT

PRINCIPLE	CIGNA POLICIES AND STATEMENTS	2021 PERFORMANCE AND APPROACH
7. Businesses should support a precautionary approach to environmental challenges.	<a href="#">Environmental Policy Statement</a>	<a href="#">Sustainable Operations</a> <a href="#">Community Resilience</a> <a href="#">2022 CDP Climate Change</a> <a href="#">2022 CDP Water Security</a>
8. Businesses should undertake initiatives to promote greater environmental responsibility.	<a href="#">Environmental Policy Statement</a>	<a href="#">Sustainable Operations</a> <a href="#">Community Resilience</a> <a href="#">2022 CDP Climate Change</a> <a href="#">2022 CDP Water Security</a>
9. Businesses should encourage the development and diffusion of environmentally friendly technologies.	<a href="#">Environmental Policy Statement</a>	<a href="#">Sustainable Operations</a> <a href="#">Community Resilience</a> <a href="#">2022 CDP Climate Change</a> <a href="#">2022 CDP Water Security</a>

## ANTI-CORRUPTION

PRINCIPLE	CIGNA POLICIES AND STATEMENTS	2021 PERFORMANCE AND APPROACH
10. Businesses should work against corruption in all its forms, including extortion and bribery.	<a href="#">Code of Ethics and Principles of Conduct</a> <a href="#">Anti-Corruption Policy</a>	<a href="#">Business Ethics and Compliance</a>