

W0. Introduction

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W0.1

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(W0.1) Give a general description of and introduction to your organization.

Cigna Corporation, together with its subsidiaries (either individually or collectively referred to as “Cigna,” the “Company,” “we,” “our,” or “us”) is a global health service organization with a purpose and mission to improve the health, well-being, and peace of mind for those we serve.

Cigna is a champion for affordable, predictable, and simple health care, with expansive and deep capabilities that accelerate our strategy to achieve our mission. We offer a differentiated set of pharmacy, medical, behavioral, dental and supplemental products and services, primarily through two brands: Cigna and Evernorth. Our capabilities include: (1) a broad portfolio of solutions and services, some of which can be offered on a stand-alone basis; (2) integrated behavioral, medical and pharmacy management solutions; (3) leading specialty pharmacy, clinical and care management expertise; and (4) advanced analytics that help us engage more meaningfully with individuals, plan sponsors we serve and our provider partners.

As of December 31, 2020, our total assets were \$155.5 billion, and shareholders’ equity was \$50.3 billion. In 2020, we reported revenues of \$160.4 billion. Our revenues are derived primarily from our pharmacy benefits management, premiums on insured products, and fees for products and services provided to self-insured plans.

This report contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that are subject to risks and uncertainties. Forward-looking statements are based on Cigna’s current expectations and projections about future trends, events and uncertainties. You may identify forward-looking statements by the use of words such as “believe,” “expect,” “plan,” “intend,” “anticipate,” “estimate,” “predict,” “potential,” “may,” “should,” “will,” or other words or expressions of similar meaning, although not all forward-looking statements contain such terms. You should not place undue reliance on forward-looking statements, which speak only as of the date they are made, are not guarantees of future performance or results, and are subject to risks, uncertainties and assumptions that are difficult to predict or quantify. Actual results may differ from those set forth in the forward-looking statements due to a variety of factors, including those contained in Cigna’s Annual Report on Form 10-K for the year ended December 31, 2020 and Cigna’s other filings with the U.S. Securities and Exchange Commission. Cigna undertakes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except as may be required by law. The characterization of items identified throughout this report as “material” should not be construed as a statement by Cigna that the item is material for purposes of U.S. securities laws.

W0.2

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(W0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date
Reporting year	January 1 2020	December 31 2020

W0.3

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(W0.3) Select the countries/areas for which you will be supplying data.

United States of America

W0.4

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(W0.4) Select the currency used for all financial information disclosed throughout your response.

USD

W0.5

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(W0.5) Select the option that best describes the reporting boundary for companies, entities, or groups for which water impacts on your business are being reported.

Companies, entities or groups over which operational control is exercised

W0.6

(W0.6) Within this boundary, are there any geographies, facilities, water aspects, or other exclusions from your disclosure?

Yes

W0.6a

(W0.6a) Please report the exclusions.

Exclusion	Please explain
International Operations	We do not currently have complete water consumption data for our international properties, including those where we have leased office space.
Partial domestic operations	We do not currently have complete water consumption data for some of our smaller domestic properties, including those where we have leased office space.

W1. Current state

W1.1

(W1.1) Rate the importance (current and future) of water quality and water quantity to the success of your business.

	Direct use importance rating	Indirect use importance rating	Please explain
Sufficient amounts of good quality freshwater available for use	Important	Vital	As a company whose mission is to improve the health, well-being, and peace of mind of those we serve, we take a precautionary approach to our environmental sustainability efforts. We believe that environmental stewardship also makes sound business sense because we can identify new efficiencies and make strategic investments that reduce our operating costs. We actively engage with our employees, communities, customers, and leading experts about the link between climate change, human health, and planetary health; building more sustainable health care systems and advancing health equity; and supporting communities experiencing global health emergencies and extreme weather events.
Sufficient amounts of recycled, brackish and/or produced water available for use	Not important at all	Important	We have identified the sufficiency as recycled, brackish, and/or produced water as not applicable to our direct operations but important to our indirect operations and value chain.

W1.2

(W1.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

	% of sites/facilities/operations	Please explain
Water withdrawals – total volumes	76-99	In 2020, our boundary excluded international operations and smaller domestic locations where data is not currently available.
Water withdrawals – volumes by source	76-99	In 2020, our boundary is exclusively based on municipal water withdrawals .
Entrained water associated with your metals & mining sector activities - total volumes [only metals and mining sector]	<Not Applicable>	<Not Applicable>
Produced water associated with your oil & gas sector activities - total volumes [only oil and gas sector]	<Not Applicable>	<Not Applicable>
Water withdrawals quality	76-99	As part of Cigna's Strategic Sustainability Performance Plan and health and safety program, we monitor the quality of water that is withdrawn to maintain our facilities. We do not operate in any locations where water quality is a known risk.
Water discharges – total volumes	76-99	We estimate water discharges based on our water withdrawals at properties. Cigna's operational water use is primary based on cooling towers, condenser systems, landscaping, irrigation, and employee restrooms at applicable properties.
Water discharges – volumes by destination	Not relevant	In most instances, water discharges are believed to be returned to the source, namely sewers for our withdrawals of municipal water.
Water discharges – volumes by treatment method	Not relevant	In most instances, treatment methods would be applicable to local municipalities once our water withdrawals are returned to the source, namely sewers for our withdrawals of municipal water.
Water discharge quality – by standard effluent parameters	Not relevant	In most instances, discharge quality (including standard effluent parameters) would be addressed by local municipalities once our water withdrawals are returned to the source, namely sewers for our withdrawals of municipal water.
Water discharge quality – temperature	Not relevant	In most instances, discharge quality (including temperatures) would be addressed by local municipalities once our water withdrawals are returned to the source, namely sewers for our withdrawals of municipal water. Buildings that have chillers and cooling towers, lower the effluent water temperature where present.
Water consumption – total volume	76-99	In 2020, our boundary is exclusively based on municipal water withdrawals. Water consumption is estimated based on the return of municipal water withdrawals to sewers.
Water recycled/reused	Not monitored	We do not currently measure the amount of water that is recycled or re-used, but we continue to evaluate opportunities for water recycling and re-use within our global real estate portfolio.
The provision of fully-functioning, safely managed WASH services to all workers	100%	In alignment with our values, mission, and comprehensive health and safety program, we ensure that Cigna workers have access to safe, well-functioning services for proper on-the-job sanitation and hygiene. Please note that our global real estate is primarily comprised of high quality, commercial office space. For example, Cigna has 23 LEED® certified properties (including six LEED® Gold and three LEED® Platinum properties) in our global real estate portfolio.

## W1.2b

**(W1.2b) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, and how do these volumes compare to the previous reporting year?**

	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Total withdrawals	915.26	Lower	In 2020, Cigna's total water withdrawals decreased by 8.5% compared to 2019. Please also note that 2019 data has been restated to reflect a change in methodology where we altered how we measured pro-rata data in multi-lease locations.
Total discharges		Lower	We estimate water discharges based on our water withdrawals at properties. In most instances, water discharges are believed to be returned to the source, namely sewers for our withdrawals of municipal water.
Total consumption	915.26	Lower	In 2020, Cigna's total water consumption decreased by 8.5% compared to 2019. Please also note that 2019 data has been restated to reflect a change in methodology where we altered how we measured pro-rata data in multi-lease locations.

## W1.2d

**(W1.2d) Indicate whether water is withdrawn from areas with water stress and provide the proportion.**

	Withdrawals are from areas with water stress	% withdrawn from areas with water stress	Comparison with previous reporting year	Identification tool	Please explain
Row 1	Yes	26-50	Higher	WRI Aqueduct	In 2020, we conducted our first global water risk assessments at the property level, which reflects Cigna's entire real estate portfolio. The reported percentage of water withdrawn from areas with water stress is based on the properties with "high" or "extremely high" stress using the WRI Aqueduct tool.

## W1.2h

**(W1.2h) Provide total water withdrawal data by source.**

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water, including rainwater, water from wetlands, rivers, and lakes	Not relevant	<Not Applicable>	<Not Applicable>	In 2020, the use of fresh surface water was not material within our data boundary. (If measured, we estimate that any applicable 2020 water withdrawals would be less than 1 megaliter.)
Brackish surface water/Seawater	Not relevant	<Not Applicable>	<Not Applicable>	There are no known instances where Cigna currently uses brackish surface water or seawater in our global real estate portfolio, which is comprised primarily of offices, data centers, and distribution centers.
Groundwater – renewable	Not relevant	<Not Applicable>	<Not Applicable>	In 2020, the use of groundwater was not material within our data boundary. (If measured, we estimate that any applicable 2020 water withdrawals would be less than 1 megaliter.)
Groundwater – non-renewable	Not relevant	<Not Applicable>	<Not Applicable>	In 2020, the use of groundwater was not material within our data boundary. (If measured, we estimate that any applicable 2020 water withdrawals would be less than 1 megaliter.)
Produced/Entrained water	Not relevant	<Not Applicable>	<Not Applicable>	There are no known instances where Cigna currently uses produced or entrained water. We are not engaged in manufacturing activities. Our global real estate portfolio is comprised primarily of offices, data centers, and distribution centers.
Third party sources	Relevant	915.26	Lower	In 2020, Cigna's total water consumption decreased by 8.5% compared to 2019. Please also note that 2019 data has been restated to reflect a change in methodology where we altered how we measured pro-rata data in multi-lease locations

## W1.4

**(W1.4) Do you engage with your value chain on water-related issues?**

Yes, our suppliers

Yes, our customers or other value chain partners

## W1.4a

**(W1.4a) What proportion of suppliers do you request to report on their water use, risks and/or management information and what proportion of your procurement spend does this represent?**

**Row 1**

**% of suppliers by number**

None currently, but we plan to request this within the next two years

**% of total procurement spend**

<Not Applicable>

**Rationale for this coverage**

All suppliers are expected to comply with applicable environmental laws and regulations. Additionally, we request that our suppliers read and comply with our Supplier Code of Ethics, which contains a section on "Integrity in the Environment". Our Environmental Policy Statement also addresses our supply chain.

**Impact of the engagement and measures of success**

<Not Applicable>

**Comment**

We seek to identify suppliers that can help reduce Cigna's own water footprint. Measures of success include Cigna's investments in and estimated water savings in efficient cooling systems, condensers, fixtures, and irrigation systems. In 2020, Cigna procured more than \$5 billion in goods and services from over 7,000 suppliers globally in support of our information technology, operations, and internal corporate functions.

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**W1.4b**

**(W1.4b) Provide details of any other water-related supplier engagement activity.**

**Type of engagement**

Onboarding & compliance

**Details of engagement**

Requirement to adhere to our code of conduct regarding water stewardship and management  
Other, please specify (Business continuity planning)

**% of suppliers by number**

76-100

**% of total procurement spend**

76-100

**Rationale for the coverage of your engagement**

All suppliers are expected to comply with all applicable environmental laws and regulations. Additionally, we request that our suppliers read and attest that they comply with our Supplier Code of Ethics, which contains a section on "Integrity in the Environment". Our Environmental Policy Statement also addresses our supply chain. All vendors identified as essential to business continuity are also included in our Business Continuity Plan, which is updated annually. While water risk is not a specific component of our supplier risk management process, having a business continuity plan that includes disasters, including natural disasters is requested in all of our Master Services Agreements with our suppliers

**Impact of the engagement and measures of success**

The greatest impact is our ability to help support our customers when extreme weather events, including hurricanes, strike. We must be prepared to provide our services and offer our products virtually without fail. Measures of success consider the level of support and partnership from key vendors for our Business Continuity Plan program

**Comment**

Cigna's Business Continuity Program 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 and other unexpected disruptions. The plans are updated and documented annually. Cigna's Data Center Recovery plans are tested routinely with end-user evaluations of the restored systems. Cigna's enterprise-wide recovery strategies are also tested on an annual basis.

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**W1.4c**

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(W1.4c) What is your organization's rationale and strategy for prioritizing engagements with customers or other partners in its value chain?

Engagement methods consider the nexus between climate and water. For example, we continue to empower our customers to reduce their environmental impact by providing them with options to receive paperless statements, submit claims online and view plan information. This helps to reduce water consumption from the production of paper and protects the critical role of forests in carbon capturing and regulating the health of ecosystems.

We also engage with customers by encouraging access to virtual telehealth services, which can reduce both greenhouse gas emissions and water consumption associated with in-person visits. Technology is also enabling people to become more involved in their health than ever before, and COVID-19 pandemic has rapidly accelerated the need for more convenient care interactions.

We empower employees to act through job aids, information in the Employee Handbook, and the employee-led environmental action-oriented program called GreenSTEPS ("Sustainability Team for Environmental Protection and Stewardship"). The GreenSTEPS team has worked on a variety of projects, such as building the first production-scale aquaponics system near our corporate headquarters.

Cigna participates in and supports local, national, and international discussions about climate change – specifically the connection between planetary health and human health. Our collaborations in 2020 included the United Nations Global Compact's Action Platform on Climate Ambition.

W2. Business impacts

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W2.1

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(W2.1) Has your organization experienced any detrimental water-related impacts?

No

W2.2

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(W2.2) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

No

W3. Procedures

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W3.3

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(W3.3) Does your organization undertake a water-related risk assessment?

Yes, water-related risks are assessed

W3.3a

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(W3.3a) Select the options that best describe your procedures for identifying and assessing water-related risks.

## Direct operations

### Coverage

Full

### Risk assessment procedure

Water risks are assessed in an environmental risk assessment

### Frequency of assessment

Every three years or more

### How far into the future are risks considered?

More than 6 years

### Type of tools and methods used

Tools on the market  
Enterprise Risk Management

### Tools and methods used

Ecolab Water Risk Monetizer  
WRI Aqueduct  
COSO Enterprise Risk Management Framework  
Other, please specify ( United Nations Environmental Program (UNEP) Global Risk Data; The Federal Emergency Management Agency (FEMA) Flood Zone; and Other Internal Enterprise Risk Management Company Methods )

### Comment

In 2020, Cigna completed a comprehensive water risk assessment which covered our entire environmental data boundary and includes Cigna's offices, claim/call centers, data centers, clinics, distribution centers, pharmacies, parking, storage facilities, and airplane hangars. We assessed both current and future risks across numerous dimensions, including: (1) current water stress, (2) future water stress, (3) business significance of location, (4) size of location, (5) seasonable variability, (6) drought risk, (7) flood risk, (8) hurricane and cyclone risk, and (9) pricing risks.

## Supply chain

### Coverage

Partial

### Risk assessment procedure

Water risks are assessed as part of other company-wide risk assessment system

### Frequency of assessment

More than once a year

### How far into the future are risks considered?

More than 6 years

### Type of tools and methods used

Other

### Tools and methods used

Other, please specify (Third-party supply chain risk management system)

### Comment

While water risk is not a specific component of our supplier risk management process, having a business continuity plan that includes disasters, including natural disasters is requested in all of our Master Services Agreements with our suppliers.

## Other stages of the value chain

### Coverage

Partial

### Risk assessment procedure

Water risks are assessed in an environmental risk assessment

### Frequency of assessment

More than once a year

### How far into the future are risks considered?

More than 6 years

### Type of tools and methods used

Tools on the market

### Tools and methods used

Ecolab Water Risk Monetizer

### Comment

As a health services company, we monitor the linkages between water access, water quality, and human health. As part of our company-wide water assessment, we utilized Ecolab's Incoming Risk Likelihood Score, which places a monetary value on the local environmental, human health, and domestic supply impacts of water depletion and the future costs of incoming water. Environmental risks, including those associated with our downstream value chain, is also an explicit risk within Cigna's enterprise risk register, which is formally reviewed on a quarterly basis.

## W3.3b

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**(W3.3b) Which of the following contextual issues are considered in your organization's water-related risk assessments?**

	Relevance & inclusion	Please explain
Water availability at a basin/catchment level	Relevant, always included	We assess current water availability and quality parameters at the basin level, considering stress and seasonal variations, using the WRI Aqueduct tool.
Water quality at a basin/catchment level	Relevant, always included	We assess current water availability and quality parameters at the basin level, using the Ecolab Water Risk Monetizer's Water Risk Premium.
Stakeholder conflicts concerning water resources at a basin/catchment level	Not relevant, included	Based on our assessment of Cigna's potential water risks over the next five years, we do not currently believe that stakeholder conflicts concerning water is a relevant contextual issue at this time.
Implications of water on your key commodities/raw materials	Relevant, sometimes included	Because we don't manufacture products, key commodities or raw materials are not directly applicable to Cigna. Within our supply chain, we procure goods and services to support Cigna's information technology, operations activities, and internal corporate functions. (Generally, our most critical suppliers – notably information technical suppliers – are not highly water intensive.) Cigna also maintains a Supply Chain and Drug Procurement organization that is responsible for pharmacy network contracting, pharmaceutical and wholesaler purchasing, and manufacturer rebate contracting for our pharmacy benefits business. (Water impacts within the product life cycle of pharmaceuticals are relevant.)
Water-related regulatory frameworks	Not relevant, included	Based on our assessment of Cigna's operational footprint and business model, we do not currently believe that water-related regulatory frameworks is a relevant contextual issue at this time.
Status of ecosystems and habitats	Relevant, always included	We consider risks related to ecosystems and habitats from a global perspective to be relevant to our business model as a health service business. Specifically, the status of ecosystems and habitats is relevant to future drug discoveries, the quality of food and soil, and broader climate-related risks.
Access to fully-functioning, safely managed WASH services for all employees	Relevant, always included	In alignment with our values, mission and comprehensive health and safety program, we ensure that all Cigna workers have access to safe, well-functioning services for proper on-the-job sanitation and hygiene. Please note that our global real estate is primarily comprised of high quality, commercial office space. For example, Cigna has 21 LEED® certified properties (including six LEED® Gold and three LEED® Platinum properties) in our global real estate portfolio. Also, we do not operate in locations where access to WASH services is a known risk.
Other contextual issues, please specify	Relevant, always included	As a health services company, we monitor the linkages between water access, water quality, and human health. We aim to serve as a connector and catalyst for change to protect global access to healthy air, water, soil, and food. Because we are focused on the connection between planetary health and human health, we consider managing environmental risks and opportunities to be important to our business. For example, climate change may present global public health challenges, such as those relating to extreme weather events, decreases in water supply, heat exposure, and declining crop yields.

**W3.3c**

**(W3.3c) Which of the following stakeholders are considered in your organization's water-related risk assessments?**

	Relevance & inclusion	Please explain
Customers	Relevant, always included	We strive to consider all applicable stakeholders when assessing both water risks and opportunities. As a health services company, our customers are especially relevant due to the nexus between climate, water, and human health. Cigna also actively responds to RFPs and RFIs from our employer clients, providing information on our water strategy, performance, and targets.
Employees	Relevant, always included	We strive to consider all applicable stakeholders when assessing both water risks and opportunities. Employee engagement opportunities, including but not limited to Cigna's GreenSTEPS program, is currently our primary consideration.
Investors	Relevant, always included	We remain very focused on considering the needs and interests of our investors with regards to material environmental, social, and governance (ESG) topics (including water security and related risks and opportunities).
Local communities	Relevant, always included	We strive to consider all applicable stakeholders when assessing both water risks and opportunities. Local communities are extremely relevant because they most affected by issues regarding water access and quality.
NGOs	Relevant, always included	We continue to monitor activities and engage with leading NGOs with regards to water and broader environmental, social, and governance (ESG) topics. In our water risk assessment, we utilized tools from the World Resources Institute and United Nations Environmental Program.
Other water users at a basin/catchment level	Relevant, always included	We strive to consider all applicable stakeholders when assessing both water risks and opportunities. However, please note that Cigna does not manufacture products, and is not a significant user of water in local markets. Our water footprint reflects Cigna's global real estate portfolio, which is primarily comprised of offices, data centers and distribution centers.
Regulators	Relevant, always included	Environmental risks, including regulatory risks, is now an explicit risk factor, within Cigna's enterprise risk universe.
River basin management authorities	Not relevant, explanation provided	This stakeholder group is not currently relevant because Cigna is not a significant user of water in local markets. Our water discharges are also limited and not related to any manufacturing activities.
Statutory special interest groups at a local level	Not relevant, explanation provided	This stakeholder group is not currently relevant because Cigna is not a significant user of water in local markets. Our water discharges are also limited and not related to any manufacturing activities.
Suppliers	Relevant, sometimes included	Within our supply chain, we procure goods and services to support Cigna's information technology, operations activities, and internal corporate functions. (Generally, our most critical suppliers – notably information technology suppliers – are not highly water intensive.)
Water utilities at a local level	Relevant, always included	Consideration of potential risks for this stakeholder group is overseen by Cigna's Global Real Estate team and local property managers.
Other stakeholder, please specify	Relevant, always included	Evernorth, our next-generation health services portfolio, also has a dedicated team that manages Cigna's formulary and rebate management, retail pharmacy networks, and pharmaceutical procurement for our owned pharmacies. (Water impacts within the product life cycle of pharmaceuticals are relevant.) We also recognize the importance of affordable and accessible healthcare. We encourage access for customers through telehealth services as a way to support the patient/doctor relationship. Our telehealth coverage not only provides the flexibility for the customer to access their own medical and behavioral providers, as well as a network of telehealth providers for urgent care needs, but also reduces water-related consumption.

### W3.3d

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(W3.3d) Describe your organization's process for identifying, assessing, and responding to water-related risks within your direct operations and other stages of your value chain.

**LEVEL OF COVERAGE:** While Cigna is not a significant water user in local markets and our critical suppliers are generally not water intensive, we aim to consider water-related risks across our entire value chain. As a health services company, we take a precautionary approach to our environmental sustainability efforts, believing that environmental stewardship has a health impact and also makes sound business sense as we strive to identify new efficiencies and make strategic investments that reduce our environmental impacts and our operating costs.

**BOUNDARY AND TIME HORIZON:** We consider our entire global real estate portfolio, Cigna's supply chain and also potential downstream water risks associated with health services. While we consider risks and opportunities within and beyond a 10-year time horizon, we are primarily focused on a 3 to 5-year time horizon for water-related risks. The geographic areas considered include all locations where our Company and its subsidiaries operate, with a focus on North America, where currently a large majority of our revenues are derived.

**COMPANY-LEVEL RISKS:** At the company level, our Corporate Responsibility team maintains daily strategic oversight to identify and manage company-level risks that may impact our reputation, profitability and access to capital. Cross-functional perspectives from our Cigna Connects Corporate Responsibility Governance Council assist in the identification of company-wide market risks and opportunities related to water security. Our Cigna Connects Corporate Responsibility Governance Council contains representation from Cigna's Risk Management and Global Real Estate teams.

Our Risk Management team follows a formal, quarterly review process for physical, regulatory and business risks which includes, but is not limited to, pricing, supply chain and business continuity risks that could be on the horizon. Environmental risks, including those associated with water security, is now an explicit risk factor, within Cigna's enterprise risk universe, which is formally reviewed on a quarterly basis. The quarterly review process considers Cigna's comprehensive risk universe of more than 400 topics. Material risks are shared with Enterprise Compliance, business leaders and reported up through the Audit Committee of the Board of Directors.

**ASSET-LEVEL RISKS:** At the asset level, risk assessments are conducted globally on a country-by-country basis. Each country reviews risks through the participation in regional risk management meetings, which are incorporated into enterprise-level risk review reports that are shared and presented with our Enterprise Leadership and the Board. Additionally, our Cigna Global Real Estate team monitors regulatory risks, water consumption, and water costs for each facility utilizing our utility analysis software tool.

**DECISION MAKING PROCESSES:** The potential impacts related to climate and water-related risks and opportunities are discussed and reviewed by representatives from Cigna's Risk Management and Corporate Responsibility teams. We consider a range of physical climate risks, including changes in precipitation patterns and sea levels. Specifically, we consider the potential for changes in physical climate parameters to present a broader series of global public health challenges, such as those relating to (1) extreme weather events, (2) decreases in water supply, and (3) declining crop yields. In the short-term, extreme weather events have been prioritized as our greatest physical risk.

We also consider how changes in physical and transition risks could also influence a series of socioeconomic challenges and opportunities that would likely impact the delivery of healthcare. Examples could include health and hygiene issues due to migration, malnutrition, and increases in water-borne and other diseases. Additionally, we consider how these negative societal and environmental impacts could present opportunities where Cigna, in particular, could provide products and services to help respond to these changes in physical climate parameters across the markets we serve.

Examples related to water-related issues that have influenced our business strategy and planning process are as follows: (1) Cigna's establishment of environmental targets, (2) investments in water reduction projects to support our targets, (3) the pursuit of LEED® certifications, and (4) the identification of stakeholder engagement activities (including Cigna's GreenSTEPS employee engagement program and our participation in the UN Global Compact.

Following our achievement of our 2020 water consumption reduction targets, we set next generation water reduction targets that aim to achieve (1) 30% reduction in water consumption per square foot from 2019 baseline where Cigna is the customer of contact for the utility invoice and (2) 50% reduction from 2019 baseline for high-risk locations where Cigna is the customer of contact for the utility invoice by 2030.

## W4. Risks and opportunities

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### W4.1

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(W4.1) Have you identified any inherent water-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes, only within our direct operations

## W4.1a

### (W4.1a) How does your organization define substantive financial or strategic impact on your business?

**DEFINITION OF SUBSTANTIVE IMPACT:** We define risk as having a substantial financial and strategic impact using both qualitative and quantitative measures. Qualitative measures consider correlations to our business model, mission and value chain. Quantitatively, we generally consider a risk to be substantive based on a scenario where at least 1% of our net income could be impacted. In 2020, this threshold was approximately \$85 million.

**FACTORS CONSIDERED:** To determine whether a risk is substantive, the probability over a 3 to 5-year time horizon is the most significant factor. The second most significant factor is the frequency for risk. Extreme weather events and stakeholder interest in water stewardship, for example, are identified risks with high probability and frequency within the next 3 to 5-years.

We also consider the potential magnitude of water-related risks. We believe that risks at the nexus of climate, water, and human health have the greater potential magnitude over a time horizon longer than 5-years. However, we do not currently classify these risks as substantive due to the limited probability and frequency over a 5-year time horizon.

We then consider the totality of these factors and apply a value-based lens. For example, even though Cigna's current water costs are minimal in the context of our net income, we believe that increasing water efficiency at our facilities is very important. This is due to cost savings and risk mitigation opportunities, identified value to our stakeholders and alignment with our mission. Based on our prioritization, we have a Strategic Sustainability Performance Plan in place that includes formal policies on water consumption and related best practices.

At the local level, we consider the following in our water assessment: business significance of location, size of location, current water stress, expected future water stress, seasonable variability, drought, flood, hurricane and cyclone risks, and pricing risks.

**METRICS USED:** Net income is used as the primary metric to contextualize risk thresholds because it is inclusive of Cigna's value chain and our key stakeholders, including customers, suppliers, and employees.

To track our progress toward managing water-related risks, current metrics used include (1) water consumption, (2) water intensity, and (3) water consumption relative to our baseline.

We exceeded our 2020 water consumption reduction target and decreased our total water consumption at legacy Cigna facilities by 15.9% from our 2013 baseline. While our goals expired at the end of 2020, due to the majority of our employees working remotely during the year as a result of COVID-19, we consider 2020 consumption data anomalous. As such, we are reporting our progress against our 2013 baseline using the data from the end of 2019.

Following our achievement of our 2020 water consumption reduction targets, we set next generation water reduction targets that reflect our combined operations with Express Scripts and affiliates and aim to achieve (1) 30% reduction in water consumption per square foot from 2019 baseline where Cigna is the customer of contact for utility invoice and (2) 50% reduction from 2019 baseline for high-risk locations where Cigna is the customer of contact for utility by 2030.

## W4.1b

### (W4.1b) What is the total number of facilities exposed to water risks with the potential to have a substantive financial or strategic impact on your business, and what proportion of your company-wide facilities does this represent?

	Total number of facilities exposed to water risk	% company-wide facilities this represents	Comment
Row 1	3	Less than 1%	Within our data boundary, there are three sites where (1) there is high or extremely high-water stress, based on the WRI Aqueduct tool; (2) high business significance was identified; (3) where water consumption is material in the context of Cigna's global real estate portfolio; and (4) where Cigna is the utility invoice contact. These sites are all located within the Lower Colorado River Basin within the U.S. Please note that Cigna's water risk assessment identified at total of 26 sites with "high or "extremely high" business significance and "high or "extremely high" baseline water stress. 24 of these sites are in Arizona and 2 of these sites are in California. Additionally, locations with high water stress were identified domestically (in, Florida, New York, New Jersey and Pennsylvania) and internationally (in Korea and the United Arab Emirates).

## W4.1c

**(W4.1c) By river basin, what is the number and proportion of facilities exposed to water risks that could have a substantive financial or strategic impact on your business, and what is the potential business impact associated with those facilities?**

**Country/Area & River basin**

United States of America	Other, please specify (Lower Colorado River Basin)
--------------------------	--

**Number of facilities exposed to water risk**

3

**% company-wide facilities this represents**

1-25

**Production value for the metals & mining activities associated with these facilities**

<Not Applicable>

**% company's annual electricity generation that could be affected by these facilities**

<Not Applicable>

**% company's global oil & gas production volume that could be affected by these facilities**

<Not Applicable>

**% company's total global revenue that could be affected**

Less than 1%

**Comment**

Within the Lower Colorado River Basin, two clinics and one back-end pharmacy fulfillment site in Arizona were recognized as having the highest water risk in our portfolio, based on business significance and water consumption. These facilities were all identified as having "extremely high" water stress using the WRI Aqueduct Tool.

**W4.2**

**(W4.2) Provide details of identified risks in your direct operations with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.**

**Country/Area & River basin**

United States of America	Other, please specify (Texas Gulf Coast, South Atlantic Gulf Basin, Caribbean)
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**Type of risk & Primary risk driver**

Physical	Severe weather events
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**Primary potential impact**

Reduction or disruption in production capacity

**Company-specific description**

Increases in the frequency and severity of extreme weather events, such as hurricanes, typhoons, and wildfires, could impact our business services distribution capacities, and may cause damage to physical assets. Additionally, Cigna's large supplier network of over 7,000 suppliers globally provide critical goods and services to support operations (including our information technology systems). Extreme weather events have the potential to cause supply chain disruptions, which could potentially impact our ability to provide health services (including pharmacy benefits) to our customers and clients. Cigna is driven by an important mission to help improve the health, well-being, and peace of mind for those we serve. To deliver on our mission, we must be prepared to provide our services and offer our products virtually without fail. We also understand that extreme weather events can pose unique challenges to clients and communities – specifically health and public health systems. Execution on Cigna's Customer Disaster Response Program also 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. Additionally, Cigna's Employee Assistance Program (EAP) may open its telephone lines to offer access to trained clinicians via the telephonic services to members of the impacted communities and provides access to all callers. The EAP may also offer immediate access to on-site Critical Incident Services support for Cigna clients. Through the Cigna Foundation, we also invest in supporting disaster relief efforts for affected communities when extreme weather events occur. The Cigna Foundation provides support to communities impacted by extreme weather events through charitable contributions and partnerships with credible, leading disaster relief organizations.

**Timeframe**

4-6 years

**Magnitude of potential impact**

Low

**Likelihood**

More likely than not

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

84890000

**Potential financial impact figure - minimum (currency)**

<Not Applicable>

**Potential financial impact figure - maximum (currency)**

<Not Applicable>

### Explanation of financial impact

Estimated financial impact assumes the potential for an approximate 1% decrease in 2020 net income should revenue, margins and cost of capital be adversely impacted by our reputation regarding water and broader environmental performance issues.

### Primary response to risk

Amend the Business Continuity Plan

### Description of response

We maintain an online Disaster Resource Center for first responders, health plan customers, and employer clients. The site is continually updated by our Employee Assistance Consultant team, which has intimate knowledge of our provider network and can make real-time updates to help impacted stakeholders. We also support customers during extreme weather events through our Customer Disaster Response Program, which offers access to trained clinicians through our Employee Assistance Program; on-site Critical Incident support; and flexibility to make temporary policy changes, such as waiving various medical requirements, refilling prescriptions, and expanding our help line to proactively address customer service issues and provide personal assistance and support for all affected by a disaster. Cigna's Business Continuity and Data Center Recovery plans sets forth procedures for data recovery, continuation of business functions, and the use of supporting technology to recover critical business processes. The plans are updated and documented annually. Cigna's Data Center Recovery plans are tested routinely with end-user evaluations of the restored systems as part of the testing protocol. Cigna's enterprise-wide recovery strategies are also tested on an annual basis. Cigna's critical applications run in "hardened sites" protected by an emergency generator. We've also repatriated core elements of our recovery capability including infrastructure to recover the top prioritized business functions and related computer applications through data and server replication. Our Corporate Security and Business Continuity teams work with our owned, leased, and managed assets that are deemed to be business critical and develop risk profiles. Based on the risk profile, a recovery time objective (RTO) is determined, and appropriate business recovery solutions are designed for the location to meet that objective. All managed properties are also provided an emergency preparedness guide. Cigna also maintains a dedicated 24/7 toll free number for property managers to report critical incidents and immediately receive guidance and support in managing the event. When any event occurs within a pre-designated radius of the property, Cigna gets an email alert along with the senior leaders and property manager for that location. This allows us to receive an early warning system and permits us to proactively take measures to minimize the adverse impact of the event.

### Cost of response

5000000

### Explanation of cost of response

We estimate annual expenditures of approximately between \$5 to 8 million based on (i) maintenance costs for the emergency generators at our facilities and for our data centers; (ii) costs associated with employee time and associated investments to maintain Cigna's Disaster Response, Employee Assistance, Business Continuity, and Data Center Recovery programs; and (iii) insurance and resiliency investments to protect our facilities from physical weather risks.

### Country/Area & River basin

United States of America	Other, please specify (All river basins in United States (where currently a large majority of revenues were generated in 2020))
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### Type of risk & Primary risk driver

Reputation & markets	Increased stakeholder concern or negative stakeholder feedback
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### Primary potential impact

Reduction in capital availability

### Company-specific description

Corporate reputation on performance related to environmental responsibility, particularly on issues related to climate change, is increasingly important to Cigna's corporate employer clients as evidenced by the frequent occurrence of sustainability questions on RFPs for potential corporate clients and RFIs from existing ones. Also, Cigna's reputation on performance related to climate change and broader environmental, social, and governance (ESG) issues is becoming increasingly important to our employees, investors, and other stakeholders. For example, a recent Cone study found that 83% of Gen Z respondents surveyed consider a company's purpose when deciding where to work. 87% of Gen Z respondents stated that they were inspired by climate activism of Greta Thunberg. Among investors, Cigna has observed increased investor interest in climate change and broader ESG issues, and this interest has also continued throughout the COVID-19 pandemic. For example, BlackRock – one of Cigna's largest investors – expects companies to disclose a plan for transitioning to a lower carbon economy. Cigna has been included in the flagship Dow Jones Sustainability World Index for the past three consecutive years. In 2020, we were named the industry leader for the third time in the Corporate Sustainability Assessment used to select Dow Jones Sustainability Index members.

### Timeframe

Current up to one year

### Magnitude of potential impact

Low

### Likelihood

Unlikely

### Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

### Potential financial impact figure (currency)

84890000

### Potential financial impact figure - minimum (currency)

<Not Applicable>

### Potential financial impact figure - maximum (currency)

<Not Applicable>

### Explanation of financial impact

Estimated financial impact assumes the potential for an approximate 1% decrease in 2020 net income should revenue, margins and cost of capital be adversely impacted by our reputation regarding water and broader environmental performance issues.

### Primary response to risk

Engage with customers

### Description of response

Following the achievement of our 2020 water reduction targets, Cigna implemented new 2030 environmental targets that aim to achieve (1) a 30% reduction in water

consumption per square foot from 2019 baseline where Cigna is the customer of contact for utility invoice and (2) a 50% reduction from 2019 baseline for high-risk locations where Cigna is the customer of contact for utility. The baseline for these goals reflect our combined operations with Express Scripts and its affiliates. Cigna continues to implement significant water reduction techniques, including low-water landscape designs, faucet sensors in all large facilities, irrigation optimization through climate and weather sensing technology, and the upgrading of HVAC equipment. To reduce water consumption, save energy, and increase sustainability, we use a variety of strategies and technologies that lessen the burden on the potable water supply and wastewater systems. We also continue to enhance the data integrity and quantity of reported water usage and have implemented guidelines for improvements with vendors to avoid data discrepancies, while increasing the number of sites we are collecting water usage information from. This process allows us to make informed decisions about where to implement improvements. Cigna closely monitors and responds to requests from corporate clients (including RFPs and RFIs) and requests related to climate change and corporate responsibility. We also actively engage employees to enhance continuous improvement in the implementation of sustainability programs, which include our GreenSTEPS employee engagement program. In addition to being internal advocates for Cigna's environmental sustainability efforts, Cigna's GreenSTEPS members also engage with their communities through local environmental projects. For example, members of the GreenSTEPS and Service Operations teams volunteered their time to help build the first production-scale aquaponics system near our corporate headquarters in Hartford, Connecticut. Additionally, Cigna participates in and supports local, national, and international discussions about climate change – specifically the connection between planetary health and human health through engagement with our community partners, business partners, industry associations, and intergovernmental organizations.

**Cost of response**

40982404

**Explanation of cost of response**

Since 2017, we have invested approximately \$41 million in completed environmental footprint projects that address the linkages between water consumption and greenhouse gas emissions in our global real estate portfolio. Please note that this investment figure largely represents HVAC system replacements that were undertaken as part of Cigna's comprehensive, multi-year renovation at our corporate headquarters. We also invest in professional services to support our ESG performance measurement and reporting efforts.

**W4.2c**

**(W4.2c) Why does your organization not consider itself exposed to water risks in its value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact?**

	Primary reason	Please explain
Row 1	Risks exist, but no substantive impact anticipated	Potential risks within our value chain include (1) potential supply chain disruptions from hurricanes and floods, (2) potential correlations between the cost of water and the price of pharmaceuticals, and (3) community health risks associated with declining water quality and climate change in the key markets where we operate. No substantial impact is currently identified for these types of potential value chain. Quantitatively, we generally consider a risk to be substantive based on a scenario where at least 1% of our net income could be impacted. To determine whether a risk is substantive, the probability over a 5-year time horizon is the most significant factor that we have applied. The second most significant factor is the anticipated frequency for risk. Our mission is to improve the health, well-being, and peace of mind of those we serve. As such, we take a precautionary approach to our environmental sustainability efforts. Cigna's long-term environmental strategy is focused on advancing planetary health, specifically the importance of clean air, water, soil, and food.

**W4.3**

**(W4.3) Have you identified any water-related opportunities with the potential to have a substantive financial or strategic impact on your business?**

Yes, we have identified opportunities, and some/all are being realized

**W4.3a**

**(W4.3a) Provide details of opportunities currently being realized that could have a substantive financial or strategic impact on your business.**

**Type of opportunity**

Resilience

**Primary water-related opportunity**

Increased resilience to impacts of climate change

**Company-specific description & strategy to realize opportunity**

Cigna is expanding its emphasis on virtual care. We encourage access for customers through telehealth services to support the patient/doctor relationship. Our telehealth coverage provides the flexibility for the customer to access their own medical and behavioral providers, as well as a network of telehealth providers for urgent care needs and reduces climate-related impacts. After achieving our 2020 GHG emissions, energy and water reduction goals, we implemented our next generation environmental targets, which also include context-specific water reduction goals. By 2030, we aim to achieve (1) 30% reduction in water consumption per square foot from 2019 baseline where Cigna is the customer of contact for utility invoice and (2) 50% reduction from 2019 baseline for high-risk locations where Cigna is the customer of contact for utility. We believe that the further development of our Cigna Connects corporate responsibility platform will foster innovation; engage our employees, corporate clients, customers and communities; and help to reduce operational costs. Specifically, we are focused on helping to increase community resilience against climate and environmental risks in the markets we serve and near our corporate headquarters in Connecticut. For example, we engage our employees through Cigna’s Green Sustainability Team for Environmental Protection and Stewardship (GreenSTEPS) program, which gives employee volunteers the opportunity to work together to carry out localized environmental projects. Other financial benefits may include (1) attracting investors who are increasingly interested in environmental, social and governance (ESG) performance and (2) establishing competitive advantage with customers in the markets that we serve. We also see great opportunity in continuing to deepen our engagement with leading experts on the intersection between climate change, planetary health and human health. For example, as part of Cigna’s recent multi-dimensional stakeholder assessment, we convened some of the nation’s most prominent leaders on the intersection between the planetary and human health to inform the evolution of Cigna’s environmental programs and our Cigna Connects platform. We continue to pursue green building certifications and improved building energy and water performance. For example, Cigna now has 23 LEED® certified properties (including six LEED® Gold and three LEED® Platinum properties) in our global real estate portfolio.

**Estimated timeframe for realization**

4 to 6 years

**Magnitude of potential financial impact**

Low

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

84890000

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact**

Estimated financial impact assumes the potential for an approximate 1% increase in 2020 net income should margins, revenues and cost of capital be positively impacted by our climate strategy in addition to our broader Cigna Connects corporate responsibility platform.

**W5. Facility-level water accounting**

**W5.1**

**(W5.1) For each facility referenced in W4.1c, provide coordinates, water accounting data, and a comparison with the previous reporting year.**

**Facility reference number**

Facility 1

**Facility name (optional)**

Cigna Health Care of Arizona

**Country/Area & River basin**

United States of America	Other, please specify (Lower Colorado River Basin)
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**Latitude**

33.4736

**Longitude**

-112.22139

**Located in area with water stress**

Yes

**Primary power generation source for your electricity generation at this facility**

<Not Applicable>

**Oil & gas sector business division**

<Not Applicable>

**Total water withdrawals at this facility (megaliters/year)**

6.33

**Comparison of total withdrawals with previous reporting year**

Higher

**Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes**

0

**Withdrawals from brackish surface water/seawater**

0

**Withdrawals from groundwater - renewable**

0

**Withdrawals from groundwater - non-renewable**

0

**Withdrawals from produced/entrained water**

0

**Withdrawals from third party sources**

6.33

**Total water discharges at this facility (megaliters/year)**

**Comparison of total discharges with previous reporting year**

Please select

**Discharges to fresh surface water**

**Discharges to brackish surface water/seawater**

**Discharges to groundwater**

**Discharges to third party destinations**

**Total water consumption at this facility (megaliters/year)**

6.33

**Comparison of total consumption with previous reporting year**

Higher

**Please explain**

Our Cigna HealthCare of Arizona site in Phoenix, Arizona is currently identified as having "extremely high" water stress using the WRI Aqueduct Tool. This site, which is a clinic, has been prioritized for water risk due to its business significance and level of water consumption (relative to other Cigna locations). To minimize water use at this site, we use drip irrigation and drought tolerant landscaping, and installed interior shut-off valves .

**Facility reference number**

Facility 2

**Facility name (optional)**

Glendale, AZ (Clinic)

**Country/Area & River basin**

United States of America	Other, please specify (Lower Colorado River Basin)
--------------------------	--

**Latitude**

33.60858

**Longitude**

-112.18545

**Located in area with water stress**

Yes

**Primary power generation source for your electricity generation at this facility**

<Not Applicable>

**Oil & gas sector business division**

<Not Applicable>

**Total water withdrawals at this facility (megaliters/year)**

1.78

**Comparison of total withdrawals with previous reporting year**

Lower

**Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes**

0

**Withdrawals from brackish surface water/seawater**

0

**Withdrawals from groundwater - renewable**

0

**Withdrawals from groundwater - non-renewable**

0

**Withdrawals from produced/entrained water**

0

**Withdrawals from third party sources**

1.78

**Total water discharges at this facility (megaliters/year)**

**Comparison of total discharges with previous reporting year**

Please select

**Discharges to fresh surface water**

**Discharges to brackish surface water/seawater**

**Discharges to groundwater**

**Discharges to third party destinations**

**Total water consumption at this facility (megaliters/year)**

1.78

**Comparison of total consumption with previous reporting year**

Lower

**Please explain**

Our clinic in Glendale, Arizona is currently identified as having "extremely high" water stress using the WRI Aqueduct Tool. This site has been prioritized for water risk due to its business significance and level of water consumption (relative to other Cigna locations). As this site is a clinic with high hot water consumption, a new ENERGY STAR rated water heater was installed to reduce water usage.

**Facility reference number**

Facility 3

**Facility name (optional)**

Tempe, AZ (High Volume Filler)

**Country/Area & River basin**

United States of America	Other, please specify (Lower Colorado River Basin)
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**Latitude**

33.34594

**Longitude**

-111.9532

**Located in area with water stress**

Yes

**Primary power generation source for your electricity generation at this facility**

<Not Applicable>

**Oil & gas sector business division**

<Not Applicable>

**Total water withdrawals at this facility (megaliters/year)**

1.96

**Comparison of total withdrawals with previous reporting year**

Lower

**Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes**

0

**Withdrawals from brackish surface water/seawater**

0

**Withdrawals from groundwater - renewable**

0

**Withdrawals from groundwater - non-renewable**

0

**Withdrawals from produced/entrained water**

0

**Withdrawals from third party sources**

1.96

**Total water discharges at this facility (megaliters/year)**

**Comparison of total discharges with previous reporting year**

Please select

**Discharges to fresh surface water**

**Discharges to brackish surface water/seawater**

**Discharges to groundwater**

**Discharges to third party destinations**

**Total water consumption at this facility (megaliters/year)**

1.96

**Comparison of total consumption with previous reporting year**

Lower

**Please explain**

Our Back-End Pharmacy Fulfillment Site in Tempe, Arizona is currently identified as having “extremely high” water stress using the WRI Aqueduct Tool. This site has been prioritized for water risk due to its business significance and level of water consumption (relative to other Cigna locations). To minimize water use at this site, we installed high efficiency fixtures with low-flow features. Additionally, hot water is also recirculated at this site.

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**W5.1a**

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(W5.1a) For the facilities referenced in W5.1, what proportion of water accounting data has been externally verified?

**Water withdrawals – total volumes**

% verified  
Not verified

What standard and methodology was used?  
<Not Applicable>

**Water withdrawals – volume by source**

% verified  
Not verified

What standard and methodology was used?  
<Not Applicable>

**Water withdrawals – quality**

% verified  
Not verified

What standard and methodology was used?  
<Not Applicable>

**Water discharges – total volumes**

% verified  
Not verified

What standard and methodology was used?  
<Not Applicable>

**Water discharges – volume by destination**

% verified  
Not verified

What standard and methodology was used?  
<Not Applicable>

**Water discharges – volume by treatment method**

% verified  
Not verified

What standard and methodology was used?  
<Not Applicable>

**Water discharge quality – quality by standard effluent parameters**

% verified  
Not verified

What standard and methodology was used?  
<Not Applicable>

**Water discharge quality – temperature**

% verified  
Not verified

What standard and methodology was used?  
<Not Applicable>

**Water consumption – total volume**

% verified  
Not verified

What standard and methodology was used?  
<Not Applicable>

**Water recycled/reused**

% verified  
Not verified

What standard and methodology was used?  
<Not Applicable>

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**W6. Governance**

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**W6.1**

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**(W6.1) Does your organization have a water policy?**

Yes, we have a documented water policy that is publicly available

W6.1a

**(W6.1a) Select the options that best describe the scope and content of your water policy.**

	Scope	Content	Please explain
Row 1	Company-wide	Description of business dependency on water Company water targets and goals Commitments beyond regulatory compliance Commitment to stakeholder awareness and education Commitment to water stewardship and/or collective action Acknowledgement of the human right to water and sanitation Recognition of environmental linkages, for example, due to climate change	Cigna's Environmental Policy Statement is publicly available at: <a href="https://www.cigna.com/about-us/corporate-responsibility/environmental-policy-statement">https://www.cigna.com/about-us/corporate-responsibility/environmental-policy-statement</a> . Cigna's Environmental Policy Statement discusses our water stewardship activities. We demonstrate water stewardship by reducing water consumption and utilizing water conservation strategies in high-risk areas. We also believe that access to clean, safe, potable water is a human right. The Policy is overseen and was formally reviewed by the Corporate Governance Committee of our Board of Directors prior to publication. Cigna's Managing Director of Corporate Real Estate is responsible for annually reviewing and updating Cigna's Environmental Policy.

W6.2

**(W6.2) Is there board level oversight of water-related issues within your organization?**

Yes

W6.2a

**(W6.2a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for water-related issues.**

Position of individual	Please explain
Board-level committee	The highest level of responsibility within Cigna Corporation for the oversight 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 efforts, which include oversight of the Environmental Policy Statement. Within Cigna's Board of Directors, the Audit Committee also maintains oversight over enterprise risks, including but not limited to those related to water.

W6.2b

**(W6.2b) Provide further details on the board's oversight of water-related issues.**

	Frequency that water-related issues are a scheduled agenda item	Governance mechanisms into which water-related issues are integrated	Please explain
Row 1	Scheduled - some meetings	Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding strategy	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. The Committee is regularly updated on corporate responsibility and sustainability considerations and feedback raised by shareholders, proxy advisory firms and other stakeholders. For example, Cigna's Environmental Policy, which references water-related issues, including those related to climate change, was formally reviewed by the Committee prior to publication. Cigna has implemented practices so that the Board and its committees are regularly briefed on material issues related to the Company's risk profile. Environmental risks, including those associated with water and climate change, are an explicit risk factor, within Cigna's enterprise risk register. Cigna's Chief Risk Officer meets with the Audit Committee regularly during its executive sessions and provides reporting to the Board at least annually. These reports are designed to provide visibility to the Board about the identification, assessment, monitoring, and management of critical risks, along with leadership's risk mitigation strategies. Water-related concerns may be addressed in the context of Cigna's areas of focus, which includes strategic, operational, financial reporting, succession and compensation, cyber-security, compliance, reputational, governance, and other risks. Periodically, external surveys, emerging risk trends, and other pertinent content are shared with the Audit Committee during regular executive sessions. Cigna's full Board also maintains oversight on strategic, financial and execution risks and exposures associated with Cigna's business strategy, including impact of changes to laws and regulations, significant litigation and regulatory exposures and other current matters that may present material risk to financial performance, operations, infrastructure, plans, prospects, reputation, acquisitions, and divestitures.

W6.3

(W6.3) Provide the highest management-level position(s) or committee(s) with responsibility for water-related issues (do not include the names of individuals).

**Name of the position(s) and/or committee(s)**

Environment/Sustainability manager

**Responsibility**

Both assessing and managing water-related risks and opportunities

**Frequency of reporting to the board on water-related issues**

Quarterly

**Please explain**

Our Corporate Real Estate Managing Director oversees our facilities-related environmental sustainability strategy and initiatives, including our water reduction targets. She is supported by the Cigna Connects Corporate Responsibility Governance Council, which is a cross-functional committee comprised of approximately 25 leaders across the company, including our Corporate Secretary, Enterprise Risk Director, Corporate Services Director, Corporate Global Real Estate Manager, Chief Procurement Officer, and Senior Director of Corporate Responsibility. Our Senior Director of Corporate Responsibility chairs the Council and is responsible for implementing Cigna's corporate responsibility strategy and managing our reporting to stakeholders on our environmental, social, and governance (ESG) performance.

W6.4

(W6.4) Do you provide incentives to C-suite employees or board members for the management of water-related issues?

	Provide incentives for management of water-related issues	Comment
Row 1	No, and we do not plan to introduce them in the next two years	The management of material environmental, social and governance issues (including water) supports Cigna's mission, which is to improve the health, well-being, and peace of mind of the people we serve. Because Cigna is not a significant water user, we do not expect that specific water-related incentives would be introduced at the C-suite or Board level in the next two years. Meeting our environmental targets, which includes water performance targets, is an incentivized performance indicator in Cigna's defined annual performance objectives for our Corporate Real Estate teams. Communicating Cigna's strategy and performance internally and externally is an annual performance objective for Cigna's Senior Director of Corporate Responsibility.

W6.5

(W6.5) Do you engage in activities that could either directly or indirectly influence public policy on water through any of the following?

Yes, other

W6.5a

(W6.5a) What processes do you have in place to ensure that all of your direct and indirect activities seeking to influence policy are consistent with your water policy/water commitments?

In 2020, Cigna belonged to the following industry trade associations to which the Company paid \$50,000 or more in annual dues: America's Health Insurance Plans, Association of Behavioral Health & Wellness; Association of California Life & Health Insurance Companies; The Business Roundtable; Connecticut Association of Health Plans; Florida Association of Health Plans; Healthcare Distribution Alliance; Massachusetts Association of Health Plans; National Association of Dental Plans; New Jersey Association of Health Plans; Pharmaceutical Care Management Association; Texas Association of Health Plans; U.S. Chamber of Commerce; The Insurance Federation of Pennsylvania, Inc.; and Virginia Association of Health Plans.

With the exception of the Business Roundtable and U.S. Chamber of Commerce, these organizations typically do not have explicit water or climate-related policy positions.

Our processes to ensure that indirect activities are consistent includes the following: Prior to entering new affiliations or expanding the scope of current affiliations, an organization's policy positions are among the several factors that we consider.

W6.6

(W6.6) Did your organization include information about its response to water-related risks in its most recent mainstream financial report?

Yes (you may attach the report - this is optional)

2021-Proxy-Statement.pdf

Please see Pg.2 of Cigna's 2021 Proxy Statement (Cigna's Environmental, Social and Governance Framework); Pg. 24 (Corporate Responsibility Oversight); Pg. 26 (Corporate Governance Committee: Primary Responsibilities and Risk Oversight Focus Areas); and pgs. 27-28 (Corporate Responsibility).

## W7. Business strategy

### W7.1

(W7.1) Are water-related issues integrated into any aspects of your long-term strategic business plan, and if so how?

	Are water-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	Yes, water-related issues are integrated	5-10	ISSUES INCORPORATED: As a global health services company, Cigna considers the management of risks and opportunities associated with climate, water, and health (including water access and quality) to be a significant aspect of its corporate responsibility platform and a factor that can affect our business strategy. INFLUENCE ON PLANNING: Our mission is to improve the health, well-being, and peace of mind of the people we serve. As such, we make the connection between personal health and the health of our environment. We also aim to serve as a connector and catalyst for change to protect global access to healthy air, water, soil, and food. In 2020, we launched a new enterprise business strategy that centered around Cigna's role to serve as a champion for a health care system that is affordable, predictable, and simple. As we execute on our new enterprise business strategy, we are cognizant of our responsibility to make the connection between personal health and the health of our planet. To support our business strategy, we are focused on (1) reducing our water consumption; and (2) engaging with our customers, suppliers, communities, and other key stakeholders to support our Cigna Connects corporate responsibility platform.
Strategy for achieving long-term objectives	Yes, water-related issues are integrated	5-10	ISSUES INCORPORATED: We consider a range of issues, including changes in temperatures, precipitation patterns, and sea levels. Specifically, we consider the potential for changes in physical climate parameters to present a broader series of global public health challenges, such as those relating to (1) extreme weather events, (2) decreases in water supply, (3) heat exposure, and (4) declining crop yields. INFLUENCE ON PLANNING: After exceeding our 2020 water reduction target, we set next generation water reduction targets that aim to achieve (1) 30% reduction in water consumption per square foot from 2019 baseline where Cigna is the customer of contact for utility invoice and (2) 50% reduction from 2019 baseline for high-risk locations where Cigna is the customer of contact for utility by 2030. These new targets reflect our combined operations with Express Scripts and its affiliates. To support Cigna's new water reduction targets, our Global Real Estate team updated the company's Strategic Sustainability Performance Plan. This plan outlines our process to increase water efficiency through best practices and implement mitigation measures to reduce water-related risks.
Financial planning	Yes, water-related issues are integrated	5-10	ISSUES INCORPORATED: The most significant issues that we consider are (1) the need to mitigate risks associated with potential increases in the cost of water, and (2) the need to reduce Cigna's operational footprint from a reputational perspective as we work to meet our environmental performance targets. INFLUENCE ON PLANNING: Water efficiency opportunities often influence our decision to make capital expenditures. We continue to implement water reduction techniques, including low-water landscape designs, faucet sensors in all large facilities, irrigation optimization through climate and weather sensing technology, and the upgrading of HVAC equipment. To reduce water consumption, save energy, and increase sustainability, we use a variety of strategies and technologies that lessen the burden on the potable water supply and wastewater systems. To better inform our investment decisions within our facilities, we also continue to enhance the data integrity and quantity of reported water usage and have implemented guidelines for improvements with vendors to avoid data discrepancies, while increasing the number of sites we are collecting water usage information from. We also continue to increase the number of LEED® certified buildings in our global real estate portfolio. For example, Cigna now has 23 LEED® certified properties (including six LEED® Gold and three LEED® Platinum properties) in our global real estate portfolio.

### W7.2

(W7.2) What is the trend in your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

Row 1

Water-related CAPEX (+/- % change)

0

Anticipated forward trend for CAPEX (+/- % change)

0

Water-related OPEX (+/- % change)

0

Anticipated forward trend for OPEX (+/- % change)

0

Please explain

Cigna intends to track and report on CAPEX and OPEX trends in future disclosures.

### W7.3

(W7.3) Does your organization use climate-related scenario analysis to inform its business strategy?

	Use of climate-related scenario analysis	Comment
Row 1	Yes	CLIMATE RELATED SCENARIO ANALYSIS: Our new targets support the path to long-term decarbonization and aim to promote health and well-being. By 2030, we aim to reduce scope 1 and 2 emissions by 50% (from a 2019 baseline) and achieve 100% renewable electricity. By 2040, we also aim to be carbon neutral for scope 1 and 2 emissions. We consider our entire global real estate portfolio and our business model as a global health services company. WATER-RELATED OUTCOMES: Our next generation water reduction targets aim to reduce water consumption per square foot by 30% by 2030 where Cigna is the customer of contact for utility invoice. We also set a context-based water target to reduce consumption by 50% for high-risk locations where Cigna is the customer of contact for utility by 2030. These targets reflect our combination with Express Scripts and its affiliates, complement our decarbonization path forward, and support our mission to improve health, well-being, and peace of mind.

### W7.3a

(W7.3a) Has your organization identified any water-related outcomes from your climate-related scenario analysis?

Yes

W7.3b

(W7.3b) What water-related outcomes were identified from the use of climate-related scenario analysis, and what was your organization’s response?

	Climate-related scenarios and models applied	Description of possible water-related outcomes	Company response to possible water-related outcomes
Row 1	2DS	We consider a range of potential opportunities driven by physical climate risks, including changes in temperatures, precipitation patterns, and sea levels. Specifically, we consider the potential for changes in physical climate parameters to present a broader series of global public health challenges, such as those relating to (1) extreme weather events, (2) decreases in water supply, and (3) declining crop yields. In the short-term, extreme weather events have been prioritized as our greatest physical risk. We also consider how changes in physical and transition risks could also influence a series of socioeconomic challenges and opportunities that would likely impact the delivery of healthcare. Additionally, we consider how these negative societal and environmental impacts could present opportunities where Cigna, in particular, could provide products and services to help respond to these changes in physical climate parameters across the markets we serve.	In 2020, Cigna completed a comprehensive water risk assessment that covered our entire global real estate portfolio. As part of this water risk assessment, we considered future scenarios regarding baseline water stress, increases in water costs and potential community impacts associated with water scarcity. We leveraged the findings from the water risk assessment to develop a context-based water target that aims to achieve a deeper reduction at high-risk locations and aim to achieve a 50% reduction from 2019 baseline for high-risk locations where Cigna is the customer of contact for utility by 2030. We will also focus our water reduction initiatives at these sites moving forward. Cigna participates in and supports local, national, and international discussions about climate change – specifically the connection between planetary health and human health through engagement with our community partners, business partners, industry associations, and intergovernmental organizations. We also support local environmental projects as part of our GreenSTEPS employee engagement program. Additionally, Cigna’s health services are evolving to further emphasize telehealth care, which may help to support global and local challenges to water-related risk scenarios that we have considered. For example, in 2021, Evernorth, Cigna’s health services business, completed the acquisition of virtual care provider MDLive.

W7.4

(W7.4) Does your company use an internal price on water?

Row 1

Does your company use an internal price on water?

No, and we do not anticipate doing so within the next two years

Please explain

Because Cigna is not a significant water user, we do not expect to introduce an internal price on water in the next two years. As a health services company, we remain focused on monitoring externalities at the intersection of water access, water quality, climate change, and human health. Over the next decade, we plan to execute on context-based, localized water strategies to address these types of externalities.

W8. Targets

W8.1

(W8.1) Describe your approach to setting and monitoring water-related targets and/or goals.

	Levels for targets and/or goals	Monitoring at corporate level	Approach to setting and monitoring targets and/or goals
Row 1	Company-wide targets and goals Site/facility specific targets and/or goals	Targets are monitored at the corporate level	Following our achievement of exceeding our 2020 water consumption reduction targets, we set next generation water reduction targets that aim to achieve a 30% reduction in water consumption per square foot from 2019 baseline where Cigna is the customer of contact for utility invoice. We also developed a context-based water target that aims to achieve a deeper reduction at high-risk locations and aim to achieve a 50% reduction from 2019 baseline for high-risk locations where Cigna is the customer of contact for utility by 2030. These targets were developed using results from Cigna’s first-ever, portfolio-wide water risk assessment to develop context-based water reduction goals at priority sites. Additionally, we incorporated feedback from Cigna’s most recent materiality assessment – where we engaged some of the nation’s most prominent leaders on the intersection between the environment, human health, and planetary health. These next-generation water targets also (1) reflect our combination with Express Scripts and its affiliates, (2) complement our decarbonization path forward over the next decade, and (3) support our mission to help improve the health, well-being, and peace of mind for those we serve. Monitoring performance against Cigna’s current and future water targets is overseen by Cigna’s (1) Global Real Estate team, (2) Senior Director of Corporate Responsibility, (3) cross-functional Corporate Responsibility Governance Council; and (4) Corporate Governance Committee at the Board level.

W8.1a

(W8.1a) Provide details of your water targets that are monitored at the corporate level, and the progress made.

Target reference number

Target 1

Category of target

Water withdrawals

Level

Company-wide

Primary motivation

Reduced environmental impact

Description of target

In 2017, we set a second-generation target for Cigna legacy sites to achieve a 10% absolute reduction in water from 2013-2020. Please note, baseline water consumption for this target was set in 2013 based on information available at that time. This represented approximately 40% of our then-existing facilities. To measure our achievement, we adjusted our baseline to reflect (1) the data available in 2013 and (2) extrapolated 2019 data to better reflect water consumption of sites that were not included in the original 2013 baseline.

**Quantitative metric**

Absolute reduction in total water withdrawals

**Baseline year**

2013

**Start year**

2017

**Target year**

2020

**% of target achieved**

100

**Please explain**

Legacy Cigna facilities exceeded the 10% water consumption reduction target by 15.9% (resulting in a 25.9% reduction) from our 2013 baseline. While our goals expired at the end of 2020, due to the majority of our employees working remotely during the year as a result of COVID-19, we consider 2020 consumption data anomalous. As such, we are reporting our progress against our 2013 baseline using the data from the end of 2019. Following the achievement of Cigna's 2020 water reduction target, we set two new next generation water reduction targets. We also continue to work toward improving the integrity of water usage data and are also focused on continuing to deploy best practices, including efficient water distribution systems and low-flow fixtures across our properties.

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**Target reference number**

Target 2

**Category of target**

Water withdrawals

**Level**

Company-wide

**Primary motivation**

Reduced environmental impact

**Description of target**

We set a new next generation water reduction target, in which we aim to reduce water consumption per square foot (from 2019 baseline) where Cigna is the customer of contact for utility invoice by 30% by 2030.

**Quantitative metric**

% reduction of water withdrawals from municipal supply

**Baseline year**

2019

**Start year**

2020

**Target year**

2030

**% of target achieved**

100

**Please explain**

Cigna set a new next generation water reduction target, in which we aim to reduce water consumption per square foot (from 2019 baseline) where Cigna is the customer of contact for utility invoice by 30% by 2030. The sites in which Cigna is the customer of contact for the utility invoice are also noted as higher priority sites for our company. Please note that reporting on 100% achievement reflects significant decreases in 2020 water intensity at sites where Cigna is the customer of contact for utility invoice due to remote working conditions during the COVID-19 pandemic. Cigna expects water intensity to increase at these sites, compared to 2020 data once employees return to work. We will continue to work toward improving the integrity of water usage data and are also focused on continuing to deploy best practices, including efficient water distribution systems and low-flow fixtures across our properties.

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**Target reference number**

Target 3

**Category of target**

Water withdrawals

**Level**

Site/facility

**Primary motivation**

Risk mitigation

**Description of target**

We set a new next generation context-based water reduction target in which we aim to reduce water consumption per square foot (from 2019 baseline) for high-risk locations where Cigna is the customer of contact for utility invoice by 50% by 2030.

**Quantitative metric**

% reduction of water withdrawals from municipal supply

**Baseline year**

2019

**Start year**

2020

Target year

2030

% of target achieved

0

Please explain

Cigna set a context-based target to reduce water consumption per sq. foot (from 2019 baseline) for high-risk locations where Cigna is the customer of contact for utility invoice by 50% by 2030. High-risk is defined as locations in high or extremely high baseline water stress using the WRI Aqueduct tool. Several factors contributed to increased water usage at these sites in 2020. These sites are located in Arizona where there is an increased demand on heating and cooling. Two sites are clinics and were used as COVID-19 testing locations resulting in increased water consumption due to an increase in HVAC operations and elevated cleaning protocols. Additionally, one site is a back-end pharmacy, which saw an increase in heating and cooling demands and elevated cleaning protocols to support clients and customers during COVID-19. We continue to work to improve the integrity of water data and deploy best practices including efficient water distribution systems and low-flow fixtures.

W9. Verification

W9.1

(W9.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1a)?

No, we do not currently verify any other water information reported in our CDP disclosure

W10. Sign off

W-FI

(W-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

W10.1

(W10.1) Provide details for the person that has signed off (approved) your CDP water response.

	Job title	Corresponding job category
Row 1	Senior Director of Corporate Responsibility	Other, please specify (Responsible for ESG strategy, goals and performance reporting)

W10.2

(W10.2) Please indicate whether your organization agrees for CDP to transfer your publicly disclosed data on your impact and risk response strategies to the CEO Water Mandate's Water Action Hub [applies only to W2.1a (response to impacts), W4.2 and W4.2a (response to risks)].

No

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I am submitting to	Public or Non-Public Submission
I am submitting my response	Investors	Public

Please confirm below

I have read and accept the applicable Terms