

UNITEDHEALTH GROUP®

SUSTAINABILITY REPORT

Fulfilling Our Mission

2020



RESPONSIBLE BUSINESS PRACTICES



MORE THAN 40 YEARS OF DEVELOPING STRONG AND EFFECTIVE GOVERNANCE PRACTICES

UnitedHealth Group's ability to help in the development of a modern, high-performing health system is supported by the management structure and responsible business practices we have developed over our more than 40-year history.

Our principles of ethics and corporate governance outline the behaviors and responsibilities that provide the foundation for our actions, how we protect the data with which we are entrusted, and the expectations we set for our suppliers. These practices ensure we are working to achieve our mission in a manner consistent with our values and those of society at large.

WHAT WE'RE FOCUSED ON:

Maintaining strong and effective corporate governance to drive sustained shareholder value and respond to the interests of our shareholders.

Adhering to our values through ethics and compliance that guide our behavior and help us remain a trusted partner.

Maintaining data privacy and cybersecurity, recognizing our obligation to build and maintain the trust and confidence of our stakeholders and customers, ensuring we can protect the information for all those we serve.

Partnering with suppliers to maximize value in our supply chain to ensure we buy the right goods and services, from the right suppliers, for the right price, in a timely manner.

Committing to supplier diversity by developing a supplier base that reflects the communities and customers we are privileged to serve.

CORPORATE GOVERNANCE

Strong and effective governance practices are essential to UnitedHealth Group’s long-term value creation. Our board has enhanced governance policies over time to align with best practices, drive sustained shareholder value and be responsive to the interests of our shareholders.

To strengthen our governance, the Board of Directors’ Nominating and Corporate Governance Committee reviews corporate governance practices at least annually and recommends modifications to the board for approval.

Additional information on our corporate governance policies and board committees is available in our [proxy statement](#) and on our [Corporate Governance webpage](#).

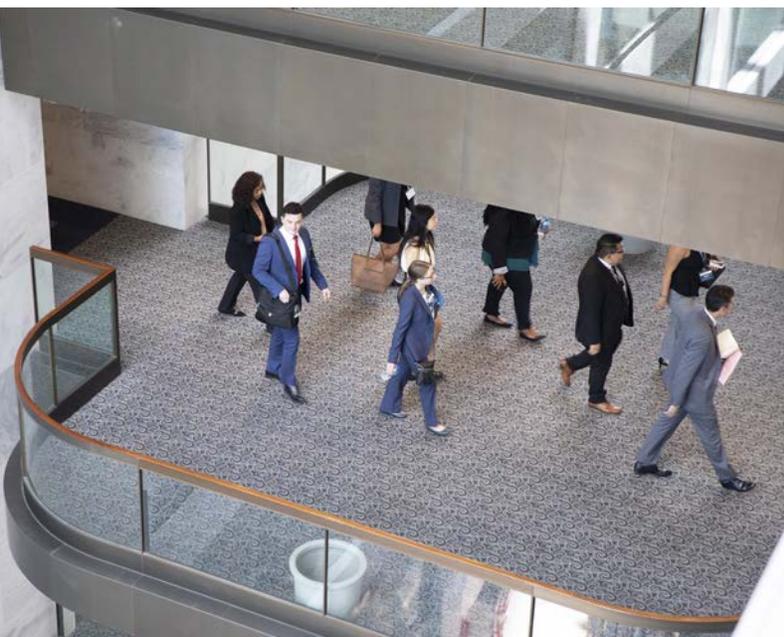
We believe an effective board consists of a diverse group of individuals who bring a variety of complementary skills and a range of personal and business experience to their positions. The collective experience of our directors covers a wide range of geographies and industries including health care and clinical practice, insurance, consumer products, technology, capital markets and financial services, and roles in academia, corporate governance, government and business leadership. Our directors may serve on no more than three other public company boards and our CEO may serve on no more than one other public company board.

We also strive to maintain a balance of tenure on the board. Since January 2017, six new directors have been appointed and five directors have retired. Independent board leadership is another important component of our governance structure. We separate the positions of CEO and chair, and our bylaws require the company to have either an independent chair of the board or a lead independent director.

We value and respect the rights of our shareholders and have implemented strong shareholder practices. Our directors are elected annually by a majority vote of our shareholders. UnitedHealth Group does not have a dual class share structure and we have no supermajority shareholder approval provisions, as each share of common stock is entitled to one vote.

We do not have a shareholder rights plan, commonly referred to as a “poison pill.” Shareholders have the right to call a special meeting and to act by written consent. Our bylaws also contain proxy access with standard market provisions.

UnitedHealth Group has a long-standing commitment to sustainability. The Public Policy Strategies and Responsibility Committee oversees UnitedHealth Group’s public policy, health care reform and modernization activities, political contributions, and sustainability and social responsibility initiatives. The executive vice president of Corporate Affairs has management responsibility for these activities and engages external stakeholders on ESG initiatives.



ETHICS AND COMPLIANCE

At UnitedHealth Group, we understand our tremendous responsibility to do what is best for the health and well-being of the millions of people we are privileged to serve. Our values – integrity, compassion, relationships, innovation and performance – guide our behavior and help us maintain the trust that comes with this responsibility.

By adhering to our values, we are well-positioned to achieve our mission to help people live healthier lives and help make the health system work better for everyone.



Our **Code of Conduct** provides guidelines for helping us sustain the highest possible standards of ethical behavior. The code sets expectations for ethical conduct across our company, including:

- Integrity
- Accountability
- Fair Competition and Fair Dealing
- Privacy and Information Security
- Our Assets and the Environment
- Government Interactions
- Communications
- A Safe and Supportive Working Environment

UnitedHealth Group's Compliance and Ethics Office maintains our Code of Conduct, reviewing it regularly to ensure continued support of our commitment to integrity and good corporate conduct.

Collectively, the expectations set forth in our Code of Conduct provide a clear guide for our employees to navigate potentially challenging ethical situations, including corruption and bribery, discrimination, confidentiality of information, conflicts of interest, and anti-competitive practices. The Code of Conduct applies to all employees, contractors and subsidiaries. New team members are required to complete training on the code as part of their onboarding, and employees confirm annually they have read the code and will adhere to its principles.

Senior leadership oversees our Compliance and Ethics program and provides regular reports to the Audit Committee of the UnitedHealth Group Board of Directors that detail performance on key ethics and compliance indicators. UnitedHealth Group's Internal Audit & Advisory Services department provides objective audit and advisory services that identify and mitigate risks throughout the company including periodic audits of the Compliance and Ethics program.

98%
of employees
annually attest to the
Code of Conduct

COMPLIANCE AND ETHICS POLICIES AND RELATED DOCUMENTS

UnitedHealth Group maintains internal policies at the enterprise, business segment and department levels that provide more specific direction beyond the core elements of the [Code of Conduct](#). Examples of key Compliance and Ethics policies include:

- Anti-Corruption Policy
- Anti-Kickback Policy
- Anti-Trust Policy
- Conflicts of Interest Policy
- Economic Sanctions and Sanctions Monitoring Policy
- False Claims Acts Compliance Policy
- Gifts and Entertainment Policy
- [Human Rights Policy](#)
- [Environmental Health and Safety Policy](#)
- Insider Trading Policy
- Interactions with Pharmaceutical, Medical Device or Biotech Manufacturers, Wholesalers or Distributors
- Non-Discrimination Policy
- Non-Retaliation Policy
- [Personal Information Privacy and Data Protection](#)
- Reporting Misconduct
- [Political Contributions Policy](#)
- Outside Directorships Policy
- [Related-Person Transactions Approval](#)
- Social Media Policy and Guidelines
- [Statement of Ethical Marketing](#)
- Travel and Expense Management Policy
- U.S. Federal Government Contracting Policy

We encourage our employees to speak up if they see an apparent violation of company policy, laws, regulations or contractual obligations. We provide many ways to report ethical, legal, regulatory and policy concerns, including the Compliance and Ethics HelpCenter. Any team member or outside party can report ethical concerns through the HelpCenter anonymously, where permitted by law, and is protected from retaliation whenever they report a concern in good faith. Reports are reviewed, analyzed and investigated by the appropriate individuals within UnitedHealth Group.

Our communications with customers, members, employees, clinicians and other stakeholders reflect our values and commitment to high standards of personal and institutional integrity. Our sales and marketing activities serve our business objectives, foster enduring relationships with our stakeholders, and build trust one person at a time. Our reputation stands upon the relationships we maintain with the public, the media and those who interact with our company.

Our marketing materials are reviewed for accuracy and clarity and for compliance with applicable laws and regulations, such as the Medicare Communications and Marketing Guidelines established by the U.S. Centers for Medicare & Medicaid Services. These materials seek to contain straightforward descriptions of the services we offer so our members can make informed decisions about their health care.

DATA PRIVACY AND CYBERSECURITY



We believe health care data and related information should be used solely for the purposes of improving individual health, advancing health system performance and to aid in new health care discoveries.

While health care data and information are critical to our ability to serve our customers and the health system, this information is highly sensitive and personal. As a result, we have an obligation to build and maintain the trust and confidence of our customers and stakeholders, ensuring we can protect the information for all those we serve and fulfill our obligation to appropriately and properly use this information. The primary tools we use to fulfill these obligations are our cybersecurity and privacy and data governance programs.

UnitedHealth Group manages cybersecurity and privacy and data governance through a framework that provides our team members with training and resources that support their day-to-day activities, assesses the risks our company faces and establishes policies and safeguards to protect our systems and the information of those we serve.

Our Code of Conduct outlines our commitment to protecting the information with which we are entrusted.

Supported by a comprehensive set of principles, our policies and programs describe appropriate uses of data and the safeguards that protect the confidentiality and integrity of our systems, including:

- Enterprise information security policies.
- An enterprise resiliency and response program.
- An incident management program that encompasses cybersecurity, privacy and compliance obligations.
- [Privacy and data protection policies](#), including guidance on information handling.
- An enterprise data governance program, including related policies.
- Enterprise risk management and information risk analysis programs.
- The Safe with Me employee training and awareness program.

UnitedHealth Group's chief information officer, chief privacy officer and chief information security officer are responsible for administering our data privacy and security programs. The Audit Committee of the Board of Directors receives regular updates on critical issues related to our information security risks, cybersecurity strategy and business continuity capabilities.

We are establishing a Cybersecurity Leadership Council (CLC) to enable aligned executive ownership and delivery of information security initiatives across UnitedHealth Group. The chief information officer of each line of business or a chief information security officer will sponsor each initiative and lead implementation. The CLC will oversee analysis, risk tolerance, policy, funding and implementation of information security initiatives, and the transition to standard operating processes to ensure sustainability.

We regularly evaluate the security maturity of our systems. This assurance program includes vulnerability assessments and penetration tests conducted by our internal team and qualified external assessors. These efforts allow us to identify operational and design risks and vulnerabilities in our systems. We use these tests to help us identify opportunities to address emerging security threats and improve the security of our systems as we continually work to enhance our ability to protect the information and data to which we have access.

Annually, we conduct an enterprise information risk assessment (EIRA) in conjunction with UnitedHealth Group's overall enterprise risk management assessment. In the EIRA, we complete a comprehensive review of internal and external threats and evaluate changes to the information risk landscape to inform the investments and program enhancements we will make in the coming year.

Our IT infrastructure and information security management system have been audited by external auditors in the last fiscal year – including HITRUST CSF – and through internal audits.

We believe protecting personal health information is the responsibility of the entire health care system. In 2008, UnitedHealth Group entered into a partnership with organizations from across our industry to develop a common security framework for the health care industry. The result of this collaboration is the HITRUST Risk Management Framework, which combines best practice standards from frameworks such as HIPAA, ISO, EU GDPR, NIST and PCI to provide a scalable, risk-based certification for health care organizations and organizations that participate in the health care supply chain. UnitedHealth Group uses this framework in conjunction with other vulnerability and risk assessments as part of our continuous monitoring framework to assess our key application and technical systems and continually enhance our cybersecurity practices.

SUPPLY CHAIN MANAGEMENT

UnitedHealth Group partners with suppliers who are integral to helping us achieve our mission. **Our supply chain** consists of two distinct supplier bases: direct and indirect suppliers. UnitedHealth Group purchases pharmaceuticals and health care products through our direct suppliers and other goods and services through our indirect suppliers.

Our procurement departments collaborate with our business segments to identify, engage and manage our supplier base to meet business objectives, enable growth and mitigate risk for UnitedHealth Group and the individuals we serve. We maximize value in our supply chain by creating competitive markets for our internal business needs to ensure we buy the right goods and services, from the right suppliers, for the right price, in a timely manner.

UnitedHealth Group executes an enterprisewide Supplier Risk Management Program that is centrally managed by our Enterprise Sourcing & Procurement (ES&P) team. This program provides the structure and framework for supplier risk management and includes a set of common standards, including regulatory and compliance requirements, applicable to suppliers that participate in the health care value chain.

Because UnitedHealth Group is entrusted with the protection of individuals' most sensitive and personal health data, we place the utmost importance on protecting our data and information systems. We require suppliers with access to our information systems, customer data or health plan member data to have the appropriate security controls in place prior to doing business with us, including maintaining their HITRUST certification or an acceptable third-party validated assessment.

We ensure our suppliers meet our performance expectations through a systematic Supplier Performance Management Program that monitors our most critical suppliers' performance on a monthly basis on contractual Service Level Agreements related to service delivery, quality and value delivery.

Data-driven supplier performance scorecards are shared quarterly with executive leadership to identify performance trends and areas of opportunity in order

to develop improvement plans for underperforming suppliers. Suppliers are evaluated on criteria such as financial stability, cybersecurity and regulatory compliance, organization resiliency, diversity participation and NPS.

We are adding value and reducing costs in the health care supply chain. Pharmacy is the most frequent touch point in health care. OptumRx works directly with pharmaceutical manufacturers to secure discounts that lower the overall cost of medications and create tailored formularies – or drug lists – to ensure people get the right medications. We then negotiate with pharmacies to lower costs at the point of sale.

We also operate prescription home delivery – which has led to 20% better medication adherence – provide multidose packaging and function as a specialty pharmacy and infusion provider. We work directly with drug wholesalers and distributors to ensure consistency of the brand and generic drug supply, and a reliance on that drug supply.

We engage our suppliers and business partners to reduce the environmental impact of our supply chain and ensure efficient distribution and logistics. We formally review the sustainability practices of our most critical suppliers to identify supplier policies and goals for waste and carbon reduction, recycling and other sustainability measurements.

SUPPLIER DIVERSITY

UnitedHealth Group's supplier diversity demonstrates our commitment to developing a supplier base that reflects the communities and customers we are privileged to serve. Fulfilling this commitment helps drive value creation for our businesses, positively impacts the communities we serve, and allows us to extend our societal impact beyond our members and customers.



Supplier diversity is managed by our ES&P team.

Every request for proposal (RFP) managed by the Enterprise Sourcing & Procurement (ES&P) team targets inclusion of at least one diverse supplier, where available. RFPs are evaluated through a balanced scorecard that considers supplier diversity alongside key factors such as cost, quality and service delivery. In addition, supplier diversity objectives are built into the development strategies and the annual performance objectives for all categories managed by the ES&P team.

Our ES&P team works to identify opportunities for certified minority-owned, women-owned, veteran-owned, disability-owned, LGBTQ+-owned and other historically underutilized businesses. We also work with state and local governments, minority business groups and nonprofit organizations to identify sourcing opportunities for diverse suppliers where possible.

We extend our supplier diversity efforts deeper into our supply chain by working with Tier 2 suppliers. Participating suppliers are expected to incorporate supplier diversity into their own sourcing practices. We receive a supplier diversity spending report from each participating supplier on a quarterly basis.

Diverse suppliers played a notable role in supporting our STOP COVID initiative by securing much needed PPE and providing print and fulfillment services, public relations support and temporary labor resources for underserved communities affected by COVID-19.

We developed a pro bono accelerator model to build the capacity of diverse suppliers, with the goal of growing their business with us, as well as other companies. In 2020, we piloted the program with Bracane, a Black- and woman-owned consultancy focused on clinical research in minority populations and health disparities. Through this partnership, Bracane was better positioned to help more clients create an equitable care environment and increase their own revenue growth. We plan to expand this program in 2021 and beyond.

Additionally, over the past two years, we've established a Supplier Diversity Ambassador Program, a cross-functional working group of business partners who help to build awareness of the value of supplier diversity and drive greater use of diverse suppliers across our company. Since its inception, the program has helped increase centrally managed spend with diverse suppliers by 10% annually.



Over the past decade, UnitedHealth Group has spent over \$3.5 billion with diverse suppliers.

We have conducted an impact assessment of our diverse supplier spending to better understand how our efforts are supporting local communities. This study considers the direct economic impact our spending has on suppliers, the indirect impact our suppliers have on their suppliers and the impact our investments have on the communities where our suppliers operate.

In 2021, we're excited to host our inaugural Diverse Supplier Summit, at which external partners can learn more about our company and connect with our business and procurement community, as well as our prime suppliers who are also interested in engaging with diverse suppliers.

In 2020 our direct spending on diverse suppliers resulted in

\$1.1B

in revenues earned by businesses in our diverse supply chain

8.2k+

jobs supported

\$443M*

in employee wages

SUPPLIER DIVERSITY PARTNERSHIPS AND RECOGNIZED CERTIFICATIONS

- National Minority Supplier Development Council and 23 Regional Affiliates
- Women Business Enterprise National Council and 14 Regional Partner Organizations
- U.S. Department of Veterans Affairs
- National Veterans Business Development Council
- Disability:IN
- National LGBT Chamber of Commerce
- National Association of Women Business Owners
- Diversity Alliance for Science

*Economic impact modeling developed by Supplier.IO based on an analysis of data provided by UnitedHealth Group and information from additional sources.

ABOUT THIS REPORT

This report covers the complete fiscal year, dating January 1, 2020, to December 31, 2020. Please contact sustainability@uhg.com with any questions regarding this report or our sustainability efforts.

Forward-Looking Statements

The statements, estimates, projections, guidance or outlook contained in this document include “forward-looking” statements which are intended to take advantage of the “safe harbor” provisions of the federal securities law. The words “believe,” “expect,” “intend,” “estimate,” “anticipate,” “forecast,” “outlook,” “plan,” “project,” “should” and similar expressions identify forward-looking statements. These statements may contain information about financial prospects, economic conditions and trends and involve risks and uncertainties. We discuss certain risks that may affect our business operations, financial condition and results of operations more fully in our filings with the Securities and Exchange Commission, including our reports on Forms 10-K, 10-Q and 8-K. By their nature, forward-looking statements 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 vary materially from expectations expressed or implied in this document or any of our prior communications. You should not place undue reliance on forward-looking statements, which speak only as of the date they are made. We do not undertake to update or revise any forward-looking statements, except as required by law.

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