

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

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

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

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

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

STRATEGY

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

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

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

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

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

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1. Resource efficiency (short term): *Opportunity to leverage flexible work arrangements to decrease GHG emissions as well as operational costs*
2. Products and services (medium term): *Opportunity to advocate for improved access to culturally relevant, healthy food, leading to less GHG emissions and ultimately healthier members*
3. Products and services (short term): *Opportunity to engage providers on climate-related issues to better respond to climate change, build resiliency, and slow or mitigate its impact*
4. Markets (short term): *Opportunity to demonstrate action on climate to create meaningful industry differentiation*

Refer to sections C2.3 and C2.4 of our 2022 CDP response for further details on the climate-related risks and opportunities the organization has identified over the short, medium, and long term.

STRATEGY

b. Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning.

Centene operates in an industry with relatively limited carbon impact. However, our members’ health will likely be impacted by climate change, and we are committed to being good stewards of the earth by making investments today that will address these effects and deliver health benefits for years to come. While climate change impacts everyone, its results often disproportionately affect vulnerable populations due to poor health and limited access to fresh food, reliable transportation, safe housing, and green spaces needed to promote active lifestyles. Life-threatening weather events have the potential to displace thousands, and poor air quality negatively affects individuals with respiratory diseases, such as asthma. Thus, while our business may be impacted by innumerable climate risks, our climate risk assessment process generally focuses on the impact to our more than 25 million members.

The COVID pandemic drove the declaration of a public health emergency that in turn impacted the Company’s financial planning. We are cognizant that similar effects could occur as a result of climate-related risks such as extreme weather events.

Refer to sections C3.3 and C3.4 of our 2022 CDP response.

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

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

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

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METRICS AND TARGETS	<i>a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.</i>	Refer to sections C5, C6, C7 and C8 of our 2022 CDP response for Centene’s disclosure of our emissions methodology, scope 1, 2 and 3 GHG emissions, and energy usage.																
METRICS AND TARGETS	<i>b. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.</i>	<table border="1" data-bbox="800 459 1583 597"> <thead> <tr> <th>GHG Emissions (mTons CO2e)</th> <th>2021</th> <th>2020</th> <th>2019</th> </tr> </thead> <tbody> <tr> <td>Scope 1</td> <td>45,790</td> <td>35,418</td> <td>36,194</td> </tr> <tr> <td>Scope 2</td> <td>119,988</td> <td>125,370</td> <td>117,596</td> </tr> <tr> <td>Scope 3</td> <td>2,209,481</td> <td>2,991,268</td> <td>3,035,064</td> </tr> </tbody> </table> <p data-bbox="800 639 1503 669">Refer to sections C5, C6, and C7 of our 2022 CDP Response.</p>	GHG Emissions (mTons CO2e)	2021	2020	2019	Scope 1	45,790	35,418	36,194	Scope 2	119,988	125,370	117,596	Scope 3	2,209,481	2,991,268	3,035,064
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METRICS AND TARGETS	<i>c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.</i>	<p data-bbox="800 675 1919 740">Environmental sustainability considerations are integrated into Centene’s day-to-day business operations. We pursue opportunities to minimize our impact on the environment including:</p> <ul data-bbox="848 748 1990 959" style="list-style-type: none"> • Facilities built to LEED Silver and Gold building standards • Construction partners diverting waste from landfills • Using recycled building materials • Energy efficient HVAC and lighting systems that outperform energy code standards • Locally sourced food in Centene cafés, eco-friendly or reusable utensils, and converting food waste into renewable resources <p data-bbox="800 1005 1986 1211">Centene is in the early stages of evaluating the impact of climate change on our businesses and strategies and we have started our reporting journey by disclosing issues related to governance, strategy, and risk management practices, as well as the GHG emissions information provided above. We have not set climate-related targets but as our climate-related disclosure and risk management processes mature, Centene will evaluate, as necessary, disclosure of the metrics and targets used to assess and manage climate-related issues.</p> <p data-bbox="800 1253 1369 1281">Refer to section C4.1 of our 2022 CDP response.</p>																



Important Information About This Report

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

Forward-Looking Statements

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