

AA1000 Assurance Statement



To: The Stakeholders of UnitedHealth Group

UnitedHealth Group is a diversified health care company dedicated to helping people live healthier lives and helping make the health system work better for everyone. UnitedHealth Group offers a broad spectrum of products and services through two distinct platforms: UnitedHealthcare, which provides health care coverage and benefits services; and Optum, which provides information and technology-enabled health services.

Independent assurance statement by Upstream Sustainability Services, JLL (“Upstream”) to the stakeholders of UnitedHealth Group (“UHG”) concerning the data used in its Carbon Disclosure Project (“CDP”) and associated sustainability information for the period 1 January 2019 to 31 December 2019.

SCOPE OF WORK

UHG engaged Upstream to provide independent assurance of:

Environmental data including energy (natural gas, Sulphur Free Gas Oil (SFGO), propane, diesel, corporate jet fuel and electricity), water metrics, waste metrics (waste and recycling) and Confidential Paper Shredding and Recycling Program (Shred-All Program).

GHG data including Scope 1 GHG Emissions (natural gas, Sulphur Free Gas Oil (SFGO), propane, diesel, corporate jet fuel and refrigerants), Scope 2 GHG Emissions (market-based electricity and location-based electricity), Scope 3 Emissions (GHG 5. Waste Generated, GHG 6. Business Travel, GHG 7. Employee Commuting and GHG 8. Upstream Leased Assets), GHG emission factors relevant to the CDP submission and year-over-year change in GHG Emissions (Scope 1, Scope 2 and Scope 3). The engagement was Type 2 moderate assurance in accordance with the AA1000AS (2019) standard which consisted of:

- A. Providing moderate assurance against the AA1000 assurance standard of selected environmental data and the AA1000 sustainability principles (inclusivity, materiality and responsiveness);
- B. Providing an assurance statement suitable for public disclosure to support UHG’s disclosure against the requirements of the CDP.

RESPONSIBILITY

The UHG Corporate Services Team is responsible for the completion of the CDP and all statements and figures contained therein. Upstream’s responsibility was to complete the assurance process and preparation of this assurance statement.

METHODOLOGY

Upstream undertook the following assurance activities:

- 1) Interviewed David Black, Vice President of Global Operations and Facilities Management for Real Estate Services at UHG; Michelle Murosky, Global Portfolio Energy Manager and Joe Galambos, Strategic Energy Manager at JLL Energy and Sustainability Services about UHG's sustainability principles, their development and implementation.
- 2) Discussed data and evidence with the data managers and users.
- 3) Conducted limited testing of selected data back to its source material (e.g. energy consumption invoices, meter readings, fuel purchase sheets).
- 4) Tested a limited sample of detailed GHG emissions data by recalculating the emissions from the energy data report used in the CDP.
- 5) Reviewed internal and publicly available information relating to the principles of inclusivity, materiality, responsiveness and impact.

LEVEL OF ASSURANCE AND LIMITATIONS

Upstream provided a moderate level of assurance which included desktop review, management and asset level data verification and evidence gathering from internal sources and third parties. The verification did not include financial data, technical descriptions of or information relating to buildings or other information not related to sustainability.

The scope of our data testing was limited to a sample of from the calendar year 2019 for electricity (311 sites), natural gas (135 sites) and water (116 sites) representing the U.S. portfolio business operations (which includes Administrative, Integrated Clinic, Data Center and Pharmaceutical). Additional data and evidence reviewed across data groups of 6 sites with diesel consumption, 6 sites using refrigerants, 1 site using Sulphur Free Gas Oil (SFGO), 2 sites using propane, corporate jet fuel consumption, and 107 sites reporting waste and recycling.

Other metrics included in the review: Confidential Paper Shredding and Recycling Program (Shred-All Program) figures, GHG emission factors applied; Scope 1 GHG Emission Factors (natural gas, Sulphur Free Gas Oil (SFGO), propane, diesel, jet fuel, and refrigerants); Scope 2 GHG Emissions Factors (market-based electricity and location-based electricity) and Scope 3 GHG emissions factors and calculation methodology (GHG 5. Waste Generated, GHG 6. Business Travel (covering long, medium and short haul flights and rental cars), GHG 7. Employee Commuting, and GHG 8. Upstream Leased Assets).

A: EVALUATION OF UHG'S ADHERENCE TO THE AA1000 ACCOUNTABILITY PRINCIPLES (AA1000APS 2019) OF INCLUSIVITY, MATERIALITY AND RESPONSIVENESS

Based on the scope of work described above, nothing has come to our attention to suggest that UHG did not adhere to the majority of the criteria under the principles of inclusivity, materiality, responsiveness and impact for the period 1 January 2019 to 31 December 2019.

Inclusivity - how the organization engages with stakeholders and enables their participation in identifying issues and finding solutions.

UHG has a public commitment to being accountable to those on whom it has an impact or who have an impact on it, through its Environmental Impact Statement (revised 2020). Employees, customers, investors and suppliers have been identified as UHG's key stakeholders. It is clear that implementing UHG's sustainability strategy and reporting on sustainability efforts within UHG is a collaborative process, with a large group of internal stakeholders from across the organization continuously contributing. Employees were identified as one of UHG's key stakeholders and this reflected through the recognition of employee initiatives such as the self-generated team forums for sustainability, which grew from the Optum Corporate Headquarters. The Optum Corporate Headquarters Green Team's efforts will frame strategies to broaden future employee engagement opportunities. This form of engagement allows UHG to enhance the understanding of internal sustainability-related concerns.

External stakeholders are engaged through corporate communications, investor relations communications, the company website (including the Environmental Impact Statement and Environmental Policy), as well as CDP and DJSI filings. 2019 saw an increase in the participation and interest of stakeholders in sustainability issues across the Optum and UnitedHealth Care businesses. Proactive engagement with stakeholder through new channels such as internal advisory groups has provided insights which are informing the sustainability vision of the business. There has also been an expansion of out-reach into the supply-chain to formally review sustainability practices and goals of critical suppliers. The results of the assessments will be used evaluate supplier environmental risks and performance in the future. The supply chain team is targeting to launch a sustainability program in 2020.

The development and implementation of the Environmental Policy is overseen by the Public Policy Strategies and Responsibility Committee Charter, a committee of the Board of Directors. The primary purpose of this committee is to carry out and perform the responsibilities and duties set forth in its Charter, including reviewing and recommending to the Board policies, positions and practices concerning broad public policy issues and corporate social responsibility. The committee also oversees responsible environmental practices.

Materiality – how the organization determines the relevance and significance of an issue to itself and to its stakeholders

UHG has in place a comprehensive risk management and business continuity assessment process to regularly identify and evaluate material risks as they pertain to the health care services marketplace. UHG also continuously relies on their alliance partner, the JLL Energy and Sustainability team, to provide information on market trends. This process allows UHG to analyze current trends and plan an appropriate response to them. The Environmental Impact Statement is updated annually to reflect the wider values and material issues of UHG's stakeholders. Energy, carbon, water efficiency, waste and recycling continue to be material to UHG's real estate portfolio. UHG therefore incorporates comprehensive energy and sustainability management into its Enterprise Real Estate Services platform. The energy and sustainability management program inherently encompasses a climate change risk management process to assess the materiality of climate change risks and opportunities, in cooperation with UHG's Enterprise Resiliency and Response team and aligned to the overall Enterprise Risk Management process.

The recognition of climate-related risks and opportunities has increased within the business, which has responded through appropriate resourcing and board-level oversight. The vice president of Global Operations and Facilities Management facilitates the enterprise's environmental management efforts, including but not limited to goal setting, strategy development, performance and risk management, project execution and reporting. Oversight is provided by UnitedHealth Group's chief financial officer and senior vice president of Corporate Services. Through the responsibilities of the environmental management team and the implementation of an EMS, emerging climate-related risks and opportunities are identified and reported to UHG's Enterprise Risk Management team for further review. At an asset level, climate-related physical impacts associated with extreme weather are monitored by UHG's Enterprise Resiliency and Response team where critical sites are identified and managed. Beyond physical risks, other climate-related risk types are considered in the risk review such as regulation and reputational risks, recognized as being transitional risks.

Responsiveness – how the organization demonstrates that it responds to its stakeholders and is accountable to them

UHG's sustainability team reviews stakeholders' sustainability concerns and environmental risks. The purpose of this review is to prioritize risks and establish an adequate response, which may require engagement with other relevant stakeholders. For instance, if a climate related risk is considered to be high, the Enterprise Real Estate Services team engages with the Enterprise Resiliency and Response team. The team's task is to constantly monitor weather conditions in key geographies and use established processes and systems to avoid weather-related business interruption. The Corporate Environmental Policy, introduced in 2009, and updated in 2020, serves as a guide to Enterprise programmatic alignment and responsiveness. This policy is under the general purview of the Public Policy Strategies and Responsibility Committee Charter of the Board of Directors. In 2019, UHG began the first year of new 5-year (2019-2023) goal to reduce Scope 1 and Scope 2 (Market-Based) GHG emissions by 3% against a 2017 baseline. These new goals were set as continuation of the previous 3-year greenhouse gas reduction targets and benchmarking against peers. Numerous efficiency measures have been implemented and these targets are on track. External stakeholders are informed about UHG's sustainability efforts through corporate communications, investor relations communications, the company website (including the

Environmental Impact Statement and Environmental Policy), as well as CDP and DJSI filings. UHG anticipates issuing a Sustainability Report in 2020 to provide additional strategic perspective on its sustainability objectives and performance.

Impact – how the organization monitors and measures the effects of its behavior and performance on the economy, the environment, and the society.

UHG communicates its sustainability performance through regular, transparent internal and external reporting throughout the year, aligned with best practice industry standards like CDP and DJSI. As part of the responsibilities under its Corporate Environmental Policy, UHG reports on sustainability performance to Public Policy Strategies and Responsibility Committee Charter of the Board of Directors, which oversees and monitors the implementation and performance of objectives, as well as progress against goals and targets for addressing climate-related issues. UHG has established environmental KPIs through their CDP Climate Change response, their Corporate Social Responsibility report and their Corporate Environmental Policy. The KPIs are published in UHG's Environmental Impact Statement.

- **GHG Emissions Reduction:** reduce 2017 Scope 1 and Scope 2 (Market-Based) GHG emission by 3% by the end of 2023 (for our U.S. Administrative Portfolio, U.S. Large Pharmaceutical and directly managed international sites);
- **Water:** implement water efficiency measures across the controllable domestic office portfolio (70 U.S. locations in 18 states) to ensure a minimum of 75% of the occupied square footage meet or exceed LEED Guidelines for indoor water efficiency by the end of 2020; which is on track to being met.
- **Waste & Recycling:** implement an enhanced waste management strategy at one of our headquarters office complexes, focused on food waste management and evolved recycling practices, to increase the amount of waste diverted from landfills. This will allow for future portfolio-wide diversion rate goal to be established.

OBSERVATIONS & RECOMMENDATIONS

- UHG demonstrates continuous “good faith” efforts to ensure that all relevant stakeholders participate in its strategic response to sustainability. UHG encourages and promotes genuine, environmentally responsible behavior. Stakeholders across the organization actively participate in UHG’s sustainability efforts and there is a high level of collaboration between these stakeholders.
- UHG’s process used to identify material issues is well-established, continuous and fully integrated across the organization. Material issues are translated into multiyear sustainability objectives and they guide the implementation of on-site efficiency measures. UHG engages with internal and external parties to ensure a comprehensive understanding of potential risks and involves appropriate teams to support the prioritization of identified risks.
- UHG has a clear, consistently applied process to respond to material issues in place. Where required, relevant parties participate in establishing an adequate response to a material issue. There is a wide range of methods and communication channels for UHG to respond to stakeholders and identified material issues.
- UHG monitors and measures its impact on the environment in line with best practice industry standards, setting clear targets, and reporting on progress internally and externally in a transparent and regular manner.
- UHG identifies supply chain as a key stakeholder and through engagement has actioned the development of supplier risk profiles and put in place mechanisms to 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.
- Although UHG demonstrates adherence to the AA1000 principles, there is scope to enhance the sustainability practices by:
 - Formally documenting the criteria used for determining the relevance of stakeholders and sustainability issues to UHG’s strategic response to sustainability.
 - Monitoring and measuring the impact of UHG sustainability practices on society and the economy (beyond the environmental impact).
 - Expand the time-horizons of the risk review to capture impacts from chronic climate-related risks associated with longer timelines.

B: EVALUATION OF THE RELIABILITY OF THE SPECIFIED SUSTAINABILITY PERFORMANCE INFORMATION AND ASSOCIATED DATA COLLECTION AND MANAGEMENT PROCESSES AND SYSTEMS

Based on the scope of work described above, nothing has come to Upstream's attention that causes it to believe that the specified energy (natural gas, Sulphur Free Gas Oil (SFGO), propane, diesel, corporate jet fuel and electricity), water metrics, waste metrics (waste and recycling) and Confidential Paper Shredding and Recycling Program (Shred-All Program) are not fairly stated.

Based on the scope of work described above, nothing has come to Upstream's attention that causes it to believe that the specified Scope 1 GHG Emissions, Scope 2 GHG Emissions and Scope 3 GHG Emissions data of UHG's CDP submission are not fairly stated.

The period 1 January 2019 to 31 December 2019 includes the following additional data sources not previously reported:

- Scope 1 GHG Emissions: Propane and Sulphur Free Gas Oil (SFGO).
- Scope 1 GHG Emissions: EMEA business operations
- Scope 2 GHG Emissions: EMEA business operations
- Scope 3 GHG Emissions: GHG 8. Upstream Leased Assets expanded to include EMEA & APAC business operations

Environmental data assured

Energy consumption (Scope 1 & Scope 2): 375,673 MWh ^{Note 1}

Energy consumption (Scope 2 Renewable): 8,216 MWh ^{Note 2}

Water use: 0.648570 mio. m³ ^{Note 3}

Total waste generated: 15,361 metric tons ^{Note 4}

Total waste used/recycled/sold: 7,964 metric tons ^{Note 4}

Total waste disposed: 7,398 metric tons ^{Note 4}

Confidential Paper Shredding and Recycling Program (Shred-All Program): 6,415 U.S. tons ^{Note 4}

GHG data assured

Scope 1 GHG emissions: 17,709 metric tons CO₂e from natural gas, Sulphur Free Gas Oil (SFGO), propane, diesel, corporate jet fuel and refrigerants ^{Note 5}

Scope 2 GHG emissions: 149,418 metric tons CO₂e (market-based) from electricity ^{Note 6}

Scope 2 GHG emissions: 153,004 metric tons CO₂e (location-based) from electricity ^{Note 6}

Scope 3 GHG emissions: 25,934 metric tons CO₂e from GHG 5. Waste Generated ^{Note 7}

Scope 3 GHG emissions: 63,005 metric tons CO₂e from GHG 6. Business Travel (Air Travel and Rental Cars) ^{Note 8}

Scope 3 GHG emissions: 252,683 metric tons CO₂e from GHG 7. Employee Commuting ^{Note 9}

Scope 3 GHG emissions: 88,189 metric tons CO₂e from GHG 8. Upstream Leased Assets ^{Note 10}

Year-on-year change in Scope 1, Scope 2, as well as Scope 3 GHG emissions

Year-on-year change in Scope 1 GHG emissions: +27.10% ^{Note 5}

Year-on-year change in Scope 2 GHG emissions (market-based): -4.03% ^{Note 6}

Year-on-year change in Scope 2 GHG emissions (location-based): -0.49% ^{Note 6}

Year-on-year change in Scope 1 GHG emissions and Scope 2 GHG emissions (market-based): -1.48% ^{Note 5, Note 6}

Year-on-year change in Scope 1 GHG emissions and Scope 2 GHG emissions (location-based): +1.80% ^{Note 5, Note 6}

Year-on-year change in Scope 3 GHG emissions (GHG 5. Waste Generated): +5.00% ^{Note 7}

Year-on-year change in Scope 3 GHG emissions (GHG 6. Business Travel): -4.16% ^{Note 8}

Year-on-year change in Scope 3 GHG emissions (GHG 7. Employee Commuting): +80.24% ^{Note 9}

Year-on-year change in Scope 3 GHG emissions (GHG 8. Upstream Leased Assets): +29.60% ^{Note 10}

OBSERVATIONS & RECOMMENDATIONS

- Systems and processes used to gather and hold data and evidence are well-established and have been improved upon year on year. The online platform used for managing electricity, natural gas, water, propane data and evidence is efficient and easy to use which results in a clear, transparent audit trail.
- It should be noted that records of evidence and calculations were made readily available with record of version control and accountability through the cloud. It is clear that previous recommendations have been actioned, for example, logs of refrigerant use are now stored in an accessible location.
- There was a very good level of engagement and responsiveness with, and between, different data managers and originators.
- There was an improved transparency in GHG emission calculations and updated emission factors were used. To continue to improve, necessary assumptions used in calculating some Scope 3 GHG emissions should have the basis of the assumptions and sources provided as supporting evidence.
- Where third-parties have made conversions and estimations for waste weights, these were made available on request. To improve, such methods should be kept in the records of calculations.

INDEPENDENCE OF ASSURANCE

Due to our expertise and experience with non-financial information, sustainability management and social and environmental issues, we have the competencies required to conduct this independent assurance engagement. We are bound by the JLL Code of Business Ethics and are independent as defined by AA1000AS (2019). Whilst other JLL divisions provide managing agent and sustainability data services to UHG, Upstream did not participate in these activities or in preparing the sustainability information included in the CDP submission.

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Notes:

¹ Energy: The 2018 environmental data represents the U.S. portfolio business operations (which includes Administrative, Integrated Clinic, Data Center and Pharmaceutical). The 2019 environmental data represents the U.S. portfolio business operations (which includes Administrative, Integrated Clinic, Data Center and Pharmaceutical) and EMEA business operations.

² Energy: The 2019 renewable energy data represents the U.S. portfolio business operations (which includes Administrative, Integrated Clinic, Data Center and Pharmaceutical).

³ Water: The 2018-2019 water data represents the U.S. portfolio business operations (which includes Administrative, Integrated Clinic, Data Center and Pharmaceutical).

⁴ Waste: The 2018-2019 waste data represents the U.S. portfolio business operations (which includes Administrative, Integrated Clinic, Data Center and Pharmaceutical).

⁵ Scope 1 GHG Emissions: The 2018 carbon emissions data represents the U.S. portfolio business operations (which includes Administrative, Integrated Clinic, Data Center and Pharmaceutical). The 2019 carbon emissions data represents the U.S. portfolio business operations (which includes Administrative, Integrated Clinic, Data Center and Pharmaceutical) and EMEA business operations.

⁶ Scope 2 GHG Emissions: The 2018 carbon emissions data represents the U.S. portfolio business operations (which includes Administrative, Integrated Clinic, Data Center and Pharmaceutical). The 2019 carbon emissions data represents the U.S. portfolio business operations (which includes Administrative, Integrated Clinic, Data Center and Pharmaceutical) and EMEA business operations.

⁷ Scope 3 GHG 5. Waste Generated: The 2018 and 2019 carbon emissions data represents the U.S. portfolio business operations (which includes Administrative, Integrated Clinic, Data Center and Pharmaceutical).

⁸ Scope 3 GHG 6. Business Travel (Air Travel and Rental Cars): The 2018 and 2019 carbon emissions data represents the U.S. portfolio business operations (which includes Administrative, Integrated Clinic, Data Center and Pharmaceutical).

⁹ Scope 3 GHG 7. Employee Commuting: The 2018 and 2019 carbon emissions data represents the U.S. portfolio business operations (which includes Administrative, Integrated Clinic, Data Center and Pharmaceutical).

¹⁰ Scope 3 GHG 8. Upstream Leased Assets: The 2018 carbon emissions data represents the U.S. portfolio business operations (which includes Administrative, Integrated Clinic, Data Center and Pharmaceutical). The 2019 carbon emissions data represents the U.S. portfolio business operations (which includes Administrative, Integrated Clinic, Data Center and Pharmaceutical), EMEA and APAC business operations.

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