

AA1000 Assurance Statement



Assurance of UnitedHealth Group's CDP Submission

To: The Stakeholders of UnitedHealth Group

UnitedHealth Group is a diversified health care company that seeks to enhance the performance of the health system and improve the overall health and well-being of the people we serve and their communities. The two complementary businesses – Optum and UnitedHealthcare – uniquely enable UnitedHealth Group to meet the evolving needs of a changing health care environment and consumers' expectations.

UnitedHealthcare provides health care benefits, serving individuals and employers, and Medicare and Medicaid beneficiaries. UnitedHealthcare is dedicated to improving the value health care consumers receive by reducing the total cost of care, enhancing the quality of care received, improving health and wellness and simplifying the health care experience.

Optum is a health services business serving the broad health care marketplace, including payers, care providers, health systems, employers, governments, life sciences companies and consumers. Using market leading information, data analytics, technology and clinical insights, Optum helps improve overall health system performance: optimizing care quality, reducing health care costs and improving the consumer and physician experience.

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 2020 to 31 December 2020.

SCOPE OF WORK

UHG engaged Upstream to provide independent assurance of:

Environmental data including energy (natural gas, diesel, corporate jet fuel, sulphur free gas oil (SFGO), propane, fuel oil no. 2 and grid purchased electricity), Unbundled Renewable Energy Credits (RECs), water metrics, waste metrics (landfill, recycling and organics) and Confidential Paper Shredding and Recycling Program (Shred All Program).

GHG data including Scope 1 GHG Emissions (natural gas, diesel, jet fuel, sulphur free gas oil (SFGO), propane, fuel oil no. 2 and refrigerants), Scope 2 GHG Emissions (market-based grid purchased electricity and location-based grid purchased 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 v3 (2020) standard which consisted of:

- A. Providing moderate assurance against the AA1000AS v3 assurance standard of selected environmental data and the AA1000 AccountAbility Principles (2018) sustainability principles (inclusivity, materiality, responsiveness and impact)
- 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 UnitedHealth Group; Michelle Murosky, Global Energy & Sustainability Program Director at JLL Energy and Sustainability Services and Joe Galambos, Strategic Energy Manager at JLL Energy and Sustainability Services about UHG's environmental 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 a limited sample of renewable energy contracts against the stated location, dates and amount supplied where applicable.
- 6) 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 sampling of the 2020 calendar year data for electricity (581 sites), natural gas (311 sites) and water (220 sites) representing the U.S. portfolio business operations (which includes Administrative, Integrated Clinic, Data Center and Pharmaceutical), EMEA portfolio business operations and APAC portfolio business operations. Additional data and evidence was reviewed across the following data groups: diesel consumption (17 sites); fuel oil no. 2 consumption (12 sites); Sulphur Free Gas Oil (SFGO) consumption (1 site); propane consumption (15 sites); refrigerants (13 sites); corporate jet fuel consumption; and waste, recycling and organics reporting (121 sites).

Other metrics included in the review: Confidential Paper Shredding and Recycling Program (Shred All Program) figures and Unbundled Renewable Energy Credits (RECs) through energy supply contracts supply (41) facilities in the U.S. portfolio business operations.

The GHG emission factors applied were included in the review; Scope 1 GHG Emission Factors (natural gas, diesel, jet fuel, sulphur free gas oil (SFGO), propane, fuel oil no. 2 and refrigerants); Scope 2 GHG Emissions Factors (market-based grid purchased 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 commercial flights, rental cars and rail travel), GHG 7. Employee Commuting, and GHG 8. Upstream Leased Assets).

A: EVALUATION OF UHG'S ADHERENCE TO THE AA1000 ACCOUNTABILITY PRINCIPLES (2018) 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 2020 to 31 December 2020.

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

UHG has expressed an understanding of the role the environment plays in the health of every community as expressed through its Environmental Impact Statement (revised in 2021). Employees, customers, investors and suppliers have been identified as UHG's key environmental stakeholders. It is evident that UHG's sustainability strategy is a collaborative process with the participation of both internal and external stakeholders, and is supported through appropriate process and initiatives.

A standing cross-functional environmental workgroup has been created which meets quarterly with representation across internal stakeholder groups and the UHG business functions. This includes a position for the newly created role of Director of Sustainability, who is accountable for the management of UHG's ESG strategy.

The culture of employee empowerment is demonstrated through the success of an employee "Green Team", expanded from a self-initiated forum at the Minnesota-based Optum Headquarters into a platform open to employees across the global business. UHG recognizes the opportunity for a two-way channel of engagement, such as business-led education, as well as employee feedback.

External stakeholders are engaged through corporate communications, investor relations communications, the company website (including the Environmental Impact Statement, Corporate Environmental Policy and Sustainability Report), as well as CDP and DJSI filings. There has been an ongoing expansion of out-reach into the supply chain to formally review sustainability practices and goals of critical suppliers; specifically, UHG reviews supplier sustainability practices for the most critical suppliers through a targeted supplier assessment program. UHG still expects all suppliers to comply with the UHG Code of Conduct, as defined by the UHG Ethics office.

The development and implementation of the Corporate Environmental Policy is overseen by the Public Policy Strategies and Responsibility Committee Charter, a committee of the UHG Board of Directors. The primary purpose of this committee is to carry out and perform the responsibilities and duties outlined 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

Climate change and weather-related risk have risen to become globally recognized issues, and there is acknowledgment by UHG that extreme weather is becoming more impactful and more frequent over time. UHG has in place a formal risk management and business continuity assessment process to regularly identify and evaluate material risks as they pertain to the health care services marketplace.

More specifically, UHG's Environmental Management Team provides oversight of UHG's Environmental Management System (EMS), and is accountable for monitoring risks and opportunities and bringing items of potential materiality to UHG's Enterprise Risk Management Team for evaluation. This ensures appropriate resourcing, internal stakeholder awareness, and board-level oversight as required. At an asset level, the focus of climate-related impacts is firmly on the physical impacts associated with extreme weather which are monitored by UHG's Enterprise Resiliency and Response (business continuity) team.

The Environmental Impact Statement, revised in 2021, reflects the wider values and material issues of UHG's stakeholders. The overall measurement and management of energy, carbon, water efficiency, waste and recycling has remained a consistent priority within UHG's real estate portfolio. UHG uses peer reviews, benchmarking, stakeholder engagement and other channels to remain informed on areas of potential material risk and opportunity. Of note, UHG recognizes the opportunity that the deregulated energy markets offer to manage the risk associated with increased fuel and energy rates.

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

UHG's Environmental Management Team in partnership with the Director of Sustainability reviews stakeholders' sustainability concerns and environmental risks. The purpose of this partnership is to prioritize risks and establish an adequate response, which may require engagement with other relevant stakeholders. The Corporate Environmental Policy, introduced in 2009, and revised in 2020, serves as a guide to Enterprise programmatic alignment and responsiveness.

External stakeholders are informed about UHG's sustainability efforts through corporate communications, investor relations communications, the company website (including the Environmental Impact Statement, Corporate Environmental Policy and Sustainability Report), as well as CDP and DJSI filings. After the publication of the inaugural sustainability report, there was an iterative process to collect customer and stakeholder feedback. The feedback is used to help inform the evolution of UHG's sustainability messaging to ensure relatability to its set of stakeholders.

UHG continues to take steps to annually increase the scope of their GHG reporting footprint. UHG publicly discloses environmental performance, greenhouse gas emissions and environmental KPI's. The emissions calculation methodology aligns with GHG protocol and the opportunities to align with other best practice reporting frameworks are recognized.

UHG is in the second year a 5-year (2019-2023) goal to reduce Scope 1 and Scope 2 (Market-Based) GHG emissions by 3% against a 2017 baseline. These goals were set as a continuation of the previous 3-year greenhouse gas reduction targets and benchmarking against peers. Numerous efficiency measures have been implemented and these targets and remain on track despite the disruptions caused by COVID-19 during 2020.

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. UHG has established environmental KPIs through their CDP Climate Change response, their Sustainability 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 Sites 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.
- **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.

UHG has reacted to the COVID-19 global pandemic in 2020 to prevent disruption to its ESG strategy, and in some instances their COVID-19 response resulted in favorable tactical progress. For example, the business undertook large scale environmental health and wellbeing measures in 2020, with HVAC filters upgraded and touchless water fixtures installed across the U.S. Administrative Portfolio.

OBSERVATIONS & RECOMMENDATIONS

- UHG remained committed to their external facing ESG goals during the COVID-19 global pandemic through 2020.
- 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, and 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 environmental impact 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 the supply chain as a key stakeholder, and continues to engage its critical suppliers on relevant expectations and benchmarking.
- Although UHG demonstrates adherence to all AA1000AP (2018) principles, there is opportunity to enhance its sustainability practices by:
 - Formally documenting the criteria used for determining the relevance of stakeholders and sustainability issues to UHG's strategic sustainability strategy.
 - Strive to consistently measure the social impact of business action beyond the initial investment.
 - Continue to explore additional areas of materiality, especially as the company conducts deeper dive Scope 3 emissions due diligence in the future.

- Aligning the assessment of climate-related risks and opportunity to best practice frameworks. Ensuring that both physical and transitional aspects are considered and that the chronic aspects of climate-related risks are evaluated at an asset level, beyond the acute weather-related impacts.
- Setting more stretching carbon reduction targets that supports The Paris Agreement, and evaluation of the applicability of Science Based Targets in its strategy.
- Continue exploring the broader value chain as a part of its overall ESG strategy.

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 environmental data specified in the scope of works 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 2020 to 31 December 2020 includes the following additional data sources not previously reported:

- Scope 1 GHG Emissions: Fuel oil no. 2
- Scope 3 GHG Emissions: GHG 6. Business Travel was expanded to include business travel integrated global employees for commercial flights and rental cars. Rail travel for integrated global employees was included for the first time.
- UHG is reporting over 2.1 M sq.ft. of Integrated Clinic Portfolio for the first time.

Environmental data assured

Energy consumption (Scope 1 & Scope 2): 381,692 MWh ^{Note 1}

Energy consumption (Scope 2 Renewable): 19,647 MWh ^{Note 2}

Municipal water use: 0.557190 mio. m³ ^{Note 3}

Total water discharged: 0.01801 mio. m³ ^{Note 4}

Total waste generated: 14,366 metric tons ^{Note 5}

Total waste used/recycled/sold: 6,709 metric tons ^{Note 5}

Total waste disposed: 7,658 metric tons ^{Note 5}

Confidential Paper Shredding and Recycling Program (Shred All Program): 4,888 U.S. tons ^{Note 6}

GHG data assured

Scope 1 GHG emissions: 24,487 metric tons CO₂e natural gas, diesel, jet fuel, sulphur free gas oil (SFGO), propane, fuel oil no. 2 and refrigerant leakage ^{Note 7}

Scope 2 GHG emissions: 148,741 metric tons CO₂e (market-based) from grid purchased electricity ^{Note 8}

Scope 2 GHG emissions: 156,751 metric tons CO₂e (location-based) from grid purchased electricity ^{Note 8}

Scope 3 GHG emissions: 24,354 metric tons CO₂e from GHG 5. Waste Generated ^{Note 9}

Scope 3 GHG emissions: 21,653 metric tons CO₂e from GHG 6. Business Travel (Commercial Flights, Rental Cars and Rail) ^{Note 10}

Scope 3 GHG emissions: 65,007 metric tons CO₂e from GHG 7. Employee Commuting ^{Note 11}

Scope 3 GHG emissions: 102,481 metric tons CO₂e from GHG 8. Upstream Leased Assets ^{Note 12}

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: +38.27% ^{Note 7}

Year-on-year change in Scope 2 GHG emissions (market-based): -0.45% ^{Note 8}

Year-on-year change in Scope 2 GHG emissions (location-based): +2.45% ^{Note 8}

Year-on-year change in Scope 1 GHG emissions and Scope 2 GHG emissions (market-based): +3.65% ^{Note 7, Note 8}

Year-on-year change in Scope 1 GHG emissions and Scope 2 GHG emissions (location-based): +6.17% ^{Note 7, Note 8}

Year-on-year change in Scope 3 GHG emissions (GHG 5. Waste Generated): -6.09% ^{Note 9}

Year-on-year change in Scope 3 GHG emissions (GHG 6. Business Travel): -65.63% ^{Note 10}

Year-on-year change in Scope 3 GHG emissions (GHG 7. Employee Commuting): -74.27% ^{Note 11}

Year-on-year change in Scope 3 GHG emissions (GHG 8. Upstream Leased Assets): +16.21% ^{Note 12}

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, fuel oil no. 2 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 v3 (2020). 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 2016, 2017 and 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. The 2020 environmental data represents the U.S. portfolio business operations (which includes Administrative, Integrated Clinic, Data Center and Pharmaceutical), EMEA and APAC business operations.

² Renewable Energy: The 2018, 2019 and 2020 Unbundled Renewable Energy Credits (RECs) represents the U.S. portfolio business operations (which includes Administrative, Integrated Clinic, Data Center and Pharmaceutical).

³ Municipal Water Use: Municipal water sources include water, fire line and irrigation. The 2017-2019 municipal water data represents the U.S. portfolio business operations (which includes Administrative, Integrated Clinic, Data Center and Pharmaceutical). The 2020 municipal water data represents the U.S. portfolio business operations (which includes Administrative, Integrated Clinic, Data Center and Pharmaceutical) and EMEA business operations.

⁴Total Water Discharged: Water discharge sources include sites where storm water and wastewater flows are metered by the local utility provider. The 2020 water data represents the U.S. portfolio business operations (which includes Administrative, Integrated Clinic, Data Center and Pharmaceutical).

⁵ Waste: The 2018-2020 waste data represents the U.S. portfolio business operations (which includes Administrative, Integrated Clinic, Data Center and Pharmaceutical).

⁶ Paper recycling includes confidential paper shredding and recycling. The data represents the U.S. portfolio business operations (which includes Administrative, Integrated Clinic, Data Center and Pharmaceutical).

⁷ Scope 1 GHG Emissions: The 2017 and 2018 carbon emissions data represents the U.S. portfolio business operations (which includes Administrative, Integrated Clinic, Data Center and Pharmaceutical). The 2019 and 2020 carbon emissions data represents the U.S. portfolio business operations (which includes Administrative, Integrated Clinic, Data Center and Pharmaceutical) and EMEA business operations.

⁸ Scope 2 GHG Emissions: The 2017 and 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. The 2020 carbon emissions data represents the U.S. portfolio business operations (which includes Administrative, Integrated Clinic, Data Center and Pharmaceutical), EMEA and APAC business operations.

⁹ Scope 3 GHG 5. Waste Generated: The 2018, 2019 and 2020 carbon emissions data represents the U.S. portfolio business operations (which includes Administrative, Integrated Clinic, Data Center and Pharmaceutical).

¹⁰ Scope 3 GHG 6. Business Travel: The 2017, 2018 and 2019 data set represents business travel (Commercial Air Travel and Rental Cars) for integrated U.S. based employees. The 2020 data set represents business travel (Commercial Air Travel, Rental Cars and Rail) for integrated global employees.

¹¹ Scope 3 GHG 7. Employee Commuting: The 2018, 2019 and 2020 carbon emissions data represents the U.S. portfolio business operations (which includes Administrative, Integrated Clinic, Data Center and Pharmaceutical).

¹² 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 and 2020 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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