



MAKING AN IMPACT

Corporate Social Responsibility Report | 2021

BEGIN





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In response to COVID-19, the majority of CNO associates worked remotely in both 2020 and 2021. Therefore, many photos used in this report represent events prior to 2020 and before mask use and social distancing guidance were in place.





A Message from Gary C. Bhojwani

CNO's Commitment to Making an Impact

At CNO, we are doing our part to do what's right for our associates, agents, customers and shareholders, build a sustainable business, and help improve our communities and the environment. This commitment starts with our purpose. Our associates and agents secure the future of middle-income America. It's why CNO exists, and we relish the role we play.

In our third Corporate Social Responsibility Report, we share the various ways CNO is advancing our environmental, social and governance (ESG) commitment and continuously embedding these principles into our business. Our ESG strategy remains critical to ensuring that CNO continues to deliver on our promises to associates, customers and communities when they need us most.

In 2021, our notable accomplishments included:

- Performed our second greenhouse gas emissions inventory.
- Funded \$167 million in new impact investments, exceeding our goal of \$100 million.
- Developed our Responsible Insurance Sales and Marketing Statement.
- Enhanced associates' benefits, including enhanced COVID-related time off, mental well-being and caregiver resources.
- Signed the Indy Racial Equity Pledge to help take significant steps to address issues of racial equity.
- Earned the Great Place to Work® certification for the second year.
- Named as one of *Forbes'* Best Employers for Diversity for the second year.
- Ranked first on the Healthiest 100 Workplaces in America®.

I continue to be inspired by our associates who volunteered more than 8,500 hours of corporate-sponsored and personal community service projects in 2021. Together, the value of all of CNO's philanthropic efforts provided \$2.5 million in total community impact to the neighborhoods where we live and work.

As we look to 2022 and beyond, CNO will continue to invest in and focus on our ESG program to create a more just and sustainable future. Thank you for your support of, and interest in, corporate social responsibility at CNO.

Regards,

Gary C. Bhojwani
Chief Executive Officer
CNO Financial Group, Inc.





Committed to Corporate Social Responsibility

At CNO Financial Group, our mission is to secure the future of middle-income America by providing insurance and financial services that help protect their health, income and retirement needs, while building enduring value for all our stakeholders.

Our Approach to Corporate Social Responsibility

As a financial services provider, we commit to:

- Help secure the future of middle-income America by providing financial services that help protect their health, income and retirement needs.
- Build enduring value for all our stakeholders.
- Strive for excellence in our products, services and business processes.
- Fulfill the promises and financial commitments we make to our policyholders.

As an employer, we commit to:

- Build a more diverse workforce, cultivate an inclusive culture, and affirm equality and enable equity for all individuals.
- Promote healthy lifestyles and support mental well-being.
- Encourage all associates to pursue their professional goals and career objectives through coaching, education and advancement opportunities.
- Do our part to reduce our carbon footprint.

As a purchaser, we commit to:

- Partner with vendors that share our ethical business practices, standards of conduct and sustainability.
- Make investments in areas that can make a difference in our communities or potentially help mitigate climate change.
- Monitor the carbon footprint of our investment portfolio and manage the related risks.

As a community partner, we commit to:

- Actively work to make life better in the places where we live and work.
- Make service in our communities a part of our culture.
- Positively impact our communities by supporting local events and nonprofit organizations.



Our Six Focus Areas

This report focuses on the six key environmental, social and governance (ESG) areas that are most relevant to our business. These areas were identified through consultation with key internal stakeholders, our Board of Directors (Board), and various external resources.

- 1. Promoting ethical and responsible business practices, including protecting privacy and security.**
- 2. Serving our customers.**
- 3. Developing and supporting our associates.**
- 4. Investing prudently.**
- 5. Caring for the environment.**
- 6. Giving back to our communities.**

The data in this report focuses on calendar year 2021. CNO expects to update this report annually to provide insight into our continued progress in making a positive difference for our customers, associates, environment and communities.

Recognizing the strategic importance of ESG matters, in 2021 **CNO formed a Council on Sustainability** led by our chief financial officer.

ESG Governance

CNO's Board oversees our ESG strategy and progress. Each committee of the Board has key responsibilities related to ESG and oversees certain ESG-related risks. Additional information on the ESG-related oversight responsibilities of our Board and committees can be found in our Proxy Statement filed with the Securities and Exchange Commission on March 29, 2022 (2022 Proxy Statement), and the committee charters located at [CNOinc.com](https://www.cnoinc.com).

Our chief risk officer has primary management responsibility for overseeing our enterprise-wide risk management activities, including our climate-related risks and opportunities.

Recognizing the strategic importance of ESG matters, CNO formed a Council on Sustainability in 2021, which is comprised of senior leaders and associates and is led by our chief financial officer. The Council, in coordination with the Board and its committees, partners with key groups across the company to continue to drive the advancement of our ESG strategy. The goals and benchmarks that reflect CNO's ESG program are managed by the Council. The leader of the Council acts as the central point of contact to support and monitor company-wide ESG-related initiatives.

The Board and its committees are updated regularly on ESG progress, developments and risks, including our responsible investment strategy, ESG disclosures, corporate governance, human capital management, associate development, diversity, equity and inclusion initiatives, climate-related issues, cybersecurity and enterprise risk management.



CNO Family of Brands



BANKERS LIFE®

Bankers Life offers life and health insurance products, annuities and investments that are designed for Americans who are near or in retirement.



Colonial Penn makes buying insurance simple with easy-to-understand, affordable insurance products designed for middle-income retirees.



Washington National is a leading provider of supplemental health and life insurance for middle-income Americans in the worksite and individual markets.



Optavise is a one-stop-shop for employee benefits programs, offering a combination of products, technology and expert guidance—all from one company.



PMA USA is a group of agents across the nation who bring decades of excellence in marketing, sales and customer service to the voluntary benefits business.



DirectPath®

DirectPath guides employees to make better healthcare decisions with individualized education for selecting the right benefits plan and expert assistance in making informed care choices.



myHealthPolicy.com is an online insurance marketplace focused on helping consumers learn about and enroll in health plans such as Medicare Advantage, Medicare Supplement insurance and prescription drug plans.



WEB BENEFITS DESIGN CORPORATION

Web Benefits Design helps employers to integrate and automate their benefits enrollment to improve the enrollment experience for employees.



40|86 manages the investment portfolios of CNO's insurance subsidiaries. It specializes in fixed-income portfolio management. As of December 31, 2021, 40|86 managed over \$29 billion in assets.



CNO At-A-Glance

As of December 31, 2021, AM Best rating as of January 2022.

Our Customers

3.2 million

We help protect the health, income and retirement needs of our customers with 3.2 million policies.



Our Ratings

A

CNO's primary insurance company subsidiaries are rated A (Excellent) by AM Best, the global rating agency for the insurance industry.

Our Associates

3,400

We employ approximately 3,400 full-time associates.



Our Locations

260+

We have offices in more than 260 communities in the U.S., including our headquarters in Carmel, Indiana, and corporate offices in Birmingham, Chicago, Milwaukee, Orlando and Philadelphia.



Our Agents

9,000+

We contract with approximately 4,500 exclusive insurance agents and 4,700 partner agents nationwide.



Claims Paid

\$2.1 billion

Claims paid to policyholders in 2021.



Total Assets

\$36 billion



Our Registered Agents

1 in 6

The number of our Bankers Life agents who are dually licensed as insurance agents and financial representatives and/or investment advisors.





Our COVID-19 Response

During 2021, in our continuing response to the COVID-19 pandemic, CNO remained focused on the health and safety of our customers, associates and agents, and the continuity of service to the policyholders who depend on us.

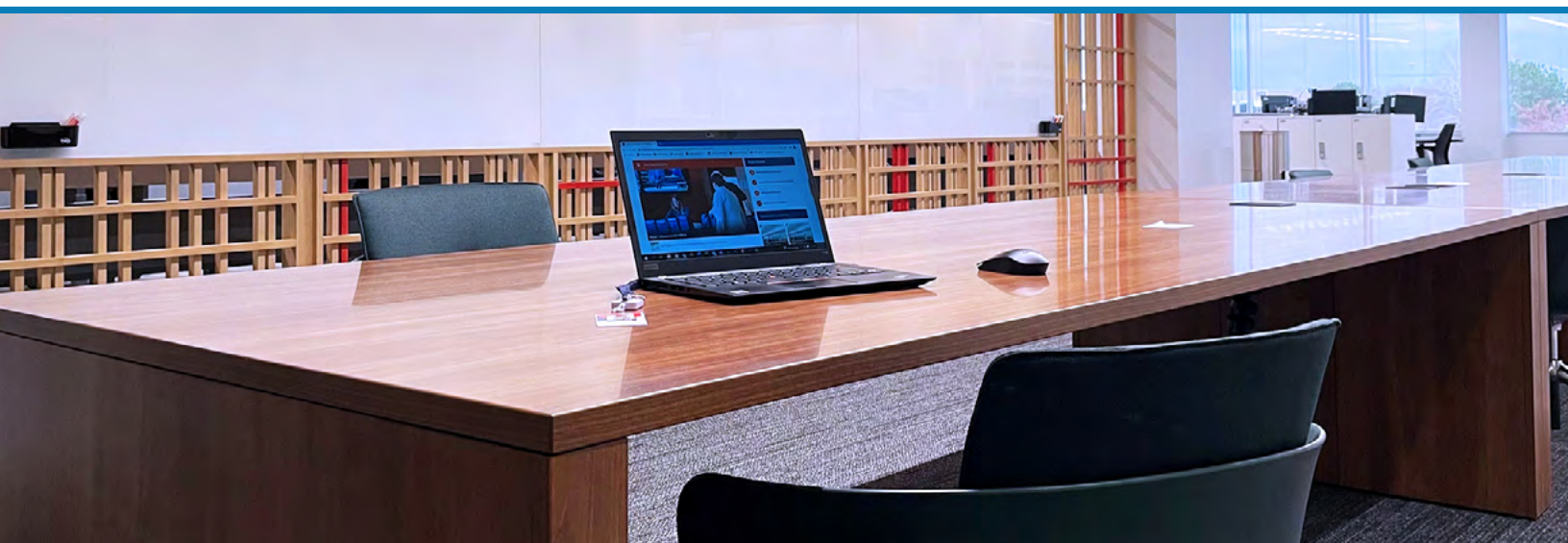
CNO maintained its COVID Task Force, which ensured that our response to the pandemic was aligned with guidelines set forth by the Centers for Disease Control and Prevention (CDC) and state and local governments.

At the onset of the pandemic, we moved 97% of our home office associates to remote work, and those associates continued to work remotely during 2021. For business-critical associates whose jobs do not allow them to work remotely, we have taken significant steps to safeguard their health and safety at our offices.

CNO's associate medical benefit plans cover 100% of the costs for COVID-19 vaccinations and at-home COVID test kits for associates and their families. We continued to offer paid-time off (PTO) to associates in response to the COVID-19 pandemic. Up to 10 days of additional PTO is available for eligible associates who are fully vaccinated in the event that they experience an illness or event directly tied to a COVID-19 infection. To encourage our associates to receive the COVID-19 vaccine, we provide additional PTO for vaccination appointments. CNO's onsite and community network clinics also offer free COVID-19 testing for associates and medically covered family members. We also hosted COVID-19 vaccination events for associates, their families and the community.

86%

Percentage of associates who reported feeling supported by their team members and managers during COVID-19.





PROMOTING ETHICAL AND RESPONSIBLE BUSINESS PRACTICES



Promoting Ethical and Responsible Business Practices

Our business is built on trust, and we are committed to operating with the highest levels of integrity.

Our Five Corporate Values



Diversity, Equity and Inclusion

We embrace diversity, actively pursue equity and foster an inclusive work environment.



Integrity

We're honest and ethical, operating within the letter and spirit of the law.



Customer Focus

We care deeply about our customers' financial well-being. We work together to meet their needs and deliver on our promises.



Excellence

We strive for excellence in our products, services and business processes. We are passionate about winning in the marketplace.



Teamwork

We work—and win—as a team, exemplifying commitment, participation and collaboration.

At CNO, our culture is defined first and foremost by what we do—**secure the future of middle-income America** by providing insurance and financial services that help protect their health, income and retirement needs, while building enduring value for all our stakeholders.





Leading by Example: Our Code of Conduct

At CNO, our business is built on trust and promises.

- **Our customers trust us** with their healthcare and retirement planning, and we promise to honor our policy commitments and serve their needs.
- **Our shareholders trust us** to return fair value for their investment, and we promise to be responsible stewards of our company resources.
- **Our agents and associates trust one another**, and we promise to be accountable and respectful to each other and to our company.

We recognize that the decisions we make as a company, and the actions of our associates and agents, directly impact our ability to keep our promises and maintain the trust that we hold essential.

CNO's Code of Conduct outlines our expectations surrounding key issues and business practices, including anti-money laundering, anti-corruption, political activities and contributions, conflicts of interest, fraud prevention, anti-trust, improper payments, data security, confidentiality, gift giving, and fair competition. Our Code of Conduct applies to all CNO associates and Board members.

Mandatory Code of Conduct Training

Adherence to our Code of Conduct and other CNO workplace policies is a condition of employment. All associates receive training on our Code of Conduct, with new associates receiving training within weeks of hire. In addition, all employees participate in an annual curriculum of training that includes modules on:

- Data privacy.
- HIPAA.
- Cybersecurity.
- Fraud awareness.
- Anti-money laundering.
- Workplace harassment.

The annual training includes role-based compliance scenarios that highlight ethical dilemmas and provide tools to address them.

Training is monitored by management to ensure timely completion. To increase awareness and adoption, CNO produces regular Code of Conduct campaigns to reach associates.

All associates and Board members also are required to complete an annual conflict of interest questionnaire that confirms compliance with the Code of Conduct and reports any potential conflicts for review and resolution. New associates complete Code of Conduct training and attest to their compliance with the Code.



[Read CNO's Code of Conduct](#)



24/7 Ethics Hotline and Confidential Email

We maintain an ethics hotline and email reporting system for associates and agents to confidentially and anonymously report ethical concerns; misconduct; violations of laws, regulations and company policies; and/or abuse of CNO resources. These resources are proactively shared with associates through employee communications and are permanently displayed on our intranet page.

The ethics hotline is hosted by an independent third party, 24 hours a day, seven days a week. Callers connect to a live operator who guides them through a confidential process to document their concerns. A caller's identifying information is not included in the report absent the caller's express permission. These resources also are available to vendors, customers and other third parties.

CNO investigates all reports to determine whether an allegation is substantiated. As appropriate, our Human Resources and Legal departments determine any suitable action or discipline. In addition, the Vice President of Internal Audit, who is independent of management, monitors all reports to ensure that any allegations made against a member of executive management is reported to the Board.

We prohibit retaliation against any associate for reporting, filing, testifying, assisting or participating in any manner in any investigation, proceeding or hearing conducted by us or a federal or state enforcement agency. Procedures in place ensure protection of whistle-blowers' employment status and protect against harassment in the workplace. Claims of retaliation are taken seriously. Every claim is investigated and, if substantiated, a retaliator will be disciplined up to and including termination. There are no incentives or rewards given to those who report.

CNO has processes in place to track submissions to help shape its compliance, training and communications procedures. Our Board receives updates on compliance trends.

Online Policy Library

Through our company intranet, associates have access to all of our policies and procedures. This includes policies concerning information security, privacy practices, insider trading, foreign corrupt practices, anti-harassment, anti-money laundering, employment, workplace safety, and disaster recovery, among others.

Providing Equal Opportunity

CNO is firmly committed to Equal Employment Opportunity for all individuals. We make employment decisions (including hiring, promotion, demotion, firing and treatment during employment, along with rates of pay or other forms of compensation and terms of employment) without regard to race, color, religion, gender, gender identity, sexual orientation, marital status, citizenship status, ancestry or national origin, age, disability, military or veteran status, or any other occupationally irrelevant characteristics protected under federal, state or local law.

CNO takes appropriate steps to provide reasonable accommodations upon request to qualified individuals with physical or mental disabilities or in situations in which an associate's sincerely held religious beliefs or practices are impacted by job requirements.



[Read our Equal Employment Opportunity and Anti-Harassment Policy](#)



Upholding Human Rights

CNO's policies, practices and community programs support our belief that every person should be treated with respect and dignity and is entitled to basic internationally recognized human rights as outlined in the United Nations Universal Declaration of Human Rights and United Nations Guiding Principles on Business and Human Rights.

We comply with all applicable laws pertaining to fair employment practices, freedom of association, privacy, collective bargaining, immigration, working time, wages and hours. Our workforce is predominantly located in the United States where unionization is not the prevalent system for managing employee relations in the financial services and insurance industries. We abide by laws prohibiting forced and compulsory child labor, employment discrimination and human trafficking.

We support our associates' right to speak out about matters of public concern or engage in certain activities related to the terms and conditions of their employment. We will not tolerate abuse of human rights in our operations or be complicit in human rights violations in our supply chain.

Political Advocacy

It is important to CNO that state and federal legislators and regulators understand our industry and the benefits of the services that we provide to our policyholders, and how any proposed changes might affect our ability to enhance the retirement security of our middle-income clients.

Although insurance is primarily regulated at the state level, it is increasingly clear that potential changes in law and regulation at the federal level, in addition to the state level, can have a direct impact on the success of our enterprise and our ability to continue to deliver quality services to our clients. Positive interaction with both state and federal legislators and regulators concerning issues that impact our business remains a priority.

In addition to interacting with legislators and regulators when appropriate, we advocate through our membership in industry trade associations. The CNO Concerned Citizens Federal Political Action Committee (CNO PAC) supplements these efforts.



[Read our Human Rights Statement](#)

[Read our Policy Statement
on Political Activity and Political
Activity Report](#)

CNO's policies, practices and community programs support our belief that **every person should be treated with respect and dignity** and is entitled to basic internationally recognized human rights as outlined in the United Nations Universal Declaration of Human Rights and United Nations Guiding Principles on Business and Human Rights.



Managing the Mission: Corporate Governance

The CNO Board and its committees oversee the company's business and, together with management, set the culture and values of the enterprise. Our directors bring a diverse range of leadership, business, professional and personal experiences to the Board. Our Board frequently discusses our strategy and holds a multi-day, long-term strategy session each year. Management and the Board routinely discuss the implementation and refinement of strategic goals, and the Board holds management accountable for evaluating and executing our strategy.

Our Board is guided by its fiduciary duties and by corporate governance principles that outline its responsibilities and form the framework for the control and oversight of the company. We incorporate prevailing governance practices relating to our Board structure, stockholder rights and governance philosophy. Our directors are expected to exercise leadership, sound judgment, high ethical standards and a commitment to the current and future success of the company.

Governing with a Diversity of Viewpoints

The Board and the company benefit from a variety of viewpoints, professional experiences, educational backgrounds and skills, and from the different perspectives that may be brought to the Board by individuals with different characteristics. To that end, the Governance Committee considers numerous factors in evaluating, recruiting and recommending candidates to fill Board positions. Such factors include, among others, diversity in gender, ethnicity, race, age, cultural framework, economic background and geographic origin. The Governance Committee reviews the skills and experiences of each director, and the composite of Board skills and experiences, to assess its progress in building an effective and diverse Board. Additional information on each director's background and relevant experience can be found in our 2022 Proxy Statement.

BOARD INDEPENDENCE

Eight of our nine directors are independent, including our Board Chair.





CNO Board of Directors

As of July 15, 2022

Board Tenure

6 years
AVERAGE TENURE



- 3 Directors: <1–3 years
- 2 Directors: 4–6 years
- 4 Directors: 7+ years

Board Age Diversity

67 years
AVERAGE AGE



- 1 Directors: 50–59 years
- 4 Directors: 60–69 years
- 4 Directors: 70+ years

Board Diversity

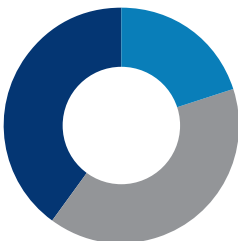
44%
DIVERSE BOARD



- 2 Ethnically/Racially Diverse
- 2 Women

Board Committee Chairs

60%
DIVERSE COMMITTEE
CHAIRS



- 1 Ethnically/Racially Diverse
- 2 Women



Stockholder Rights

Our approach to stockholder rights includes provisions for:

- Proxy access.
- Annual election of directors.
- Majority voting for directors.
- Extensive shareholder outreach program to obtain feedback on executive compensation, corporate governance and ESG.

Governance and Executive Compensation Practices

Key components of our governance and compensation practices include:

- Stock ownership guidelines for directors and senior officers.
- Pay-for-performance philosophy.
- Strong clawback rights.
- No excise tax gross-ups.
- Prohibition of hedging company stock held by insiders.
- Regular review of executive succession planning and talent development.

Additional information on our key practices pertaining to shareholder rights and our governance philosophy can be found in our 2022 Proxy Statement.



Managing Business Risk

CNO's Enterprise Risk Management (ERM) Committee provides management-level oversight of the ERM function, which is responsible for developing and maintaining a risk management framework to assess, manage and mitigate evolving risks. The ERM framework includes a formalized process for assessing the evolving risk profile of the enterprise, as well as quarterly reviews of our key risks to ensure that the organization is operating within its stated risk appetite. CNO also has a Chief Risk Officer who is responsible for the oversight of enterprise-wide risk management activities.

The Board is responsible for overseeing the company's risk profile and management's processes for managing risk. The oversight of certain risks, including those relating to the company's capital structure and capital management, is performed by the full Board. The Board's oversight of risk also includes frequent discussion of our strategy, engaging with management in an annual, multi-day, long-term strategy session, approving annual business and strategic plans, and approving significant transactions. In addition, the Board receives regular reports on the company's business and financial results, as well as targeted presentations on various risks.

Certain risk areas, and management's strategies and processes for managing those risks, are first examined in the respective committee(s) that are responsible for the subject matter of the risk. Each committee regularly reports to the full Board on risk areas within its purview. In addition, management regularly reports both to committees, and to the full Board, on various risks.

The Board and its committees receive regular reports on the ERM process. The Board and its committees also review the company's risk appetite statement and overall risk function, senior management's establishment of appropriate systems and processes for managing various risks, including insurance risk, interest rate and investment risk, credit and counterparty risk, liquidity risk, operational risk, cybersecurity and data privacy risk, climate-related risk, and reputational risk, among others. The Board and its committees also receive regular reports on legal, regulatory and compliance matters from our General Counsel and members of the Law department.



Board committees that oversee risk management include:

- **Audit and Enterprise Risk Committee (AERC):** The AERC oversees management's processes for managing enterprise risk, including those associated with financial controls, insurance reserves, legal, regulatory and compliance, cybersecurity and technology, climate, and the overall risk management structure, process and function.
- **Investment Committee:** This committee oversees our investment strategies, policies, programs and tolerances, including those related to responsible investing. This committee also oversees our asset liability management practices.
- **Human Resources and Compensation Committee (HRCC):** The HRCC oversees risks associated with our executive compensation and human capital management, including with respect to succession planning, diversity, equity and inclusion (DE&I) and compensation program design.
- **Governance and Nominating Committee:** This committee oversees risks associated with our governance structure and controls, including governance-related legal and regulatory compliance, corporate citizenship and sustainability, and public policy advocacy and political activities.

Open communication with management is an important element of the Board's risk management and oversight. The Board and its committees regularly meet with senior management to review material risks.

CNO executive leadership strongly supports an active and engaged risk management process. Three management committees comprised of executive management convene regularly to address key risks:

- **Enterprise Risk Management (ERM) Committee:** Oversees existing and emerging risk across the enterprise, including operational, cybersecurity, environmental, product and capital risk.
- **Investment and Asset Liability Management Committee:** Oversees investment and asset-liability risk.
- **Enterprise Growth Governance Committee:** Reviews and approves growth projects, including new product development, omnichannel expansion, customer experience and other growth initiatives.

CNO'S STRONG FINANCIAL FOUNDATION

- High-quality, diversified investment portfolio.
- Maintained target levels of capital and liquidity.
- Returned \$3.4 billion to shareholders over the past 10 years, reducing share count by 50% as of 12/31/21.
- Issued quarterly dividends for 39 consecutive quarters.
- Increased our quarterly dividend in each of the past nine years.
- Rated investment grade by all four leading ratings agencies—AM Best, Fitch, Moody's and S&P.

Assessing Our Financial Strength¹

SENIOR UNSECURED DEBT RATINGS

CNO Financial Group, Inc.	bbb	BBB-	Baa3	BBB-
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FINANCIAL STRENGTH RATINGS

As of January 2022.	A.M. Best	Fitch	Moody's	S&P
Bankers Life and Casualty Company	A	A-	A3	A-
Colonial Penn Life Insurance Company	A	A-	A3	A-
Washington National Insurance Company	A	A-	A3	A-



Safeguarding Customer Privacy

At CNO, we take seriously the protection of our customers’ personally identifiable information (PII).

We are subject to both federal and state legislation and regulation governing the protection of the nonpublic personal financial and health information that we receive from our customers. We respect and follow the data protection laws and regulations of the many jurisdictions in which we conduct business. As the privacy-focused regulatory landscape is rapidly expanding, we maintain a dedicated privacy team that actively tracks regulatory developments and adjusts privacy practices accordingly.

Proper handling of confidential information is essential to CNO. Our protocols protect the confidentiality, integrity and availability of client information. We collect and use personal information fairly, lawfully and in accordance with our privacy policies. Associates are required to abide by our Code of Conduct, which includes provisions related to the treatment of confidential information.



[Read our Commitment to Privacy](#)

Maintaining Data Security

Cybersecurity continues to be a top priority for CNO. We invest in people, tools and technologies designed to protect personal information and minimize potential security threats. We implement strict controls, integrating our cybersecurity strategy into the business with multiple control layers to protect customer information and technology assets.

Our technologies are aligned with industry best practices and leading standards. We continuously monitor changing regulatory requirements, guidelines and technologies.

24/7

We work 24 hours a day, seven days a week to detect, analyze, track and mitigate external cyber threats.

Security Operations 24x7 Security Operations Center (SOC)	Security Governance
<ul style="list-style-type: none">▪ Security incident response.▪ Cyber threat intelligence.▪ Vulnerability management.	<ul style="list-style-type: none">▪ Security risk management process.▪ Controls effectiveness testing.▪ Security awareness and training.▪ Audit remediation.▪ Security metrics.
Identity Management	Security Architecture
<ul style="list-style-type: none">▪ Digital identity lifecycle administration.▪ System access provisioning/de-provisioning.▪ Privileged access management.	<ul style="list-style-type: none">▪ Application and network security.▪ Authentication services (single sign-on, MFA).▪ Security standards and reference architecture.



Our cybersecurity approach comprises a holistic information security management strategy that includes comprehensive security policies and standards, a robust security awareness and education program, and the implementation of advanced and layered defenses.

CNO has established and continues to enhance our procedures for identifying data security risks and implementing defenses to mitigate these risks. We devote significant resources to maintaining and regularly updating our systems and processes to protect the security of our computer systems, software, networks and other technology assets against unauthorized parties attempting to access confidential information, destroy data, disrupt or degrade service, sabotage systems, or cause other damage. Our cyber incident response plan provides procedures and controls for timely and accurate reporting of any material cybersecurity incident.

Data Access Practices

CNO maintains risk-based policies, standards, processes and procedures for providing access to our electronic and physical data. Authorization for access to data from information systems is limited to only those associates with a business need, and their access is limited to information necessary to perform their jobs.

Employee Training and Education

All new hires are required to complete security training, which is also required annually for all associates. This training covers the importance of information security and topics such as physical security, authentication, mobile security, social engineering, phishing and ransomware. It highlights key company policies and how to report incidents. Reinforcement materials, such as weekly tips, monthly newsletters, posters and alerts, are part of ongoing security awareness.

Additional trainings are designed as appropriate to individual roles, functions or responsibilities, and provide content on:

- Cybersecurity best practices.
- Access control and management.
- Combating the threats of social engineering and phishing.

CNO associates are also trained to identify, avoid and report phishing attacks through regular phishing simulations. Metrics are tracked and reported to executive leadership after the completion of each simulation. Gamification and rewards are used to encourage employees to avoid and report phishing simulations, and disciplinary actions are taken for those who repeatedly fail to do so.

Data Security Governance and Oversight

CNO recognizes that security is an enterprise concern and requires stakeholders from across the enterprise to understand and manage this risk. CNO's security management structure reflects a centralized security program that coordinates security functions across the enterprise.

The company has a dedicated team devoted to information security called Cybersecurity Services (CS). The CS team is led by the chief information security officer (CISO), who reports directly to our chief information officer and is responsible for the overall strategy and function of the cybersecurity program.

CNO also has a cybersecurity steering committee that takes an active role in setting strategic direction for cybersecurity initiatives and provides oversight and guidance for overall cybersecurity risk management.

The CISO provides regular reports on CNO's cybersecurity program and potential risks to the AERC. The AERC regularly briefs the full Board on these matters and provides periodic updates on cyber threats in order to enhance the directors' understanding of these issues.

CNO's cybersecurity program is aligned with generally accepted principles and practices for securing information systems and data. The program is designed to comply with all applicable laws and regulations and uses guidance from many best practices. Our cybersecurity program, policies and controls align to those of the National Institute of Standards and Technology's (NIST) Cybersecurity Framework.

Each associate is educated, trained and tested on cybersecurity to help be our first line of defense.



Monitoring and Testing

Our internal Security Operations Center (SOC), provides near-real-time monitoring of all network traffic going in and out of CNO to identify any abnormalities or indications of malicious behavior.

CNO also uses a managed security services provider to provide monitoring, threat hunting and response services through network monitoring and a hosted security information and event management solution.

CNO conducts regular enterprise-wide internal and external cyber risk assessments. These efforts include audits, internal and external regulatory compliance assessments, and periodic self-assessments. Vulnerability assessments are performed frequently for systems, and internal and external penetration tests are performed annually. We periodically engage vendors to review and benchmark our cybersecurity processes. In addition, the CNO Cybersecurity Services Governance Team performs regular security control assurance testing.

CNO's Internal Audit department also reviews our cybersecurity program, processes, policies and controls at least annually. The program also is regularly reviewed in annual external audits and regulatory assessments. Lessons learned from those efforts are used to drive improvements to continually strengthen the cybersecurity program, including controls for data security.

Threat Intelligence

CNO continuously evaluates our enterprise for risks and vulnerabilities and operationalizes the intelligence by implementing relevant countermeasures.

CNO maintains threat intelligence information tools and processes to understand and react to evolving security threats. Using a threat intelligence platform, the company ingests data from various sources, including open source and commercial threat report feeds, law enforcement, government and a variety of other public and private sources.

Each associate is **educated, trained and tested** on cybersecurity to help be our first line of defense.



Protecting the information of our customers, associates and company is paramount to our business.”

*Bruce Baude,
Chief Operations and
Technology Officer*





Third-Party Risk Management and Oversight

CNO's CS team works closely with the Sourcing team to participate in the company's request for purchase (RFP) processes when contracting for third-party IT services. CNO's IT Architecture Review Board, which includes cybersecurity leadership, reviews all potential vendors. We have comprehensive cybersecurity assessment processes and procedures in place, including security risk questionnaires, standard documentation requests, and utilization of a third-party risk evaluation tool to provide insight on potential third-party vendors. We utilize private connections (including private VPN) and extensive use of virtual desktops to secure access to our data. We partner with our legal team to ensure that specific protections are included in contracts, including confidentiality language, nondisclosure obligations and security provisions.

Critical vendors are monitored by the CNO sourcing and vendor management office. Resources contracted through a third party that have access to corporate systems must complete CNO's associate training or their company's security awareness training that has been approved by CNO's Cybersecurity Services team. We also perform periodic risk assessments throughout the term of the engagements, including those third parties located outside the U.S. that have access to company and customer information.

We utilize private connections and extensive use of virtual desktops to **secure access to our data.**

2021 Program Enhancements

In 2021, we further strengthened countermeasures, added proactive measures and augmented cyber defenses. Security awareness training, identity and access management, vulnerability management, and incident response capabilities were enhanced.

How We Protect Our Data

- 24/7/365 cybersecurity threat monitoring.
- Advanced threat intelligence capabilities and prevention controls.
- Layered preventive infrastructure.
- Secure email delivery.
- Mandatory multi-factor authentication for associates and customers.
- Annual associate cybersecurity training.
- Strict third-party vendor assessment and monitoring.
- Anti-phishing and fraud testing.
- Relentless focus on continuous improvement.
- Continuous testing of defenses.





SERVING OUR CUSTOMERS



Serving Our Customers

Enhancing the customer experience is one of our core strategic priorities.

Each time a customer purchases a product or service from us, it represents the company's promise to the policyholder. We take this responsibility seriously and provide the care and attention needed to achieve a positive customer experience.

As they conduct high volumes of calls and transactions, our customer service teams approach their interactions with empathy and professionalism. We recognize that many of our customers and their families are unfamiliar with navigating the world of insurance and retirement planning, and that it is our job to be their guide.

Focusing on the Underserved Middle-Income Market

CNO focuses on helping the underserved middle-income market. We have offices in more than 260 communities throughout the United States that serve customers in city, suburban and rural communities. Our broad portfolio of insurance products and services provides a social good by helping to protect the health, income and retirement needs of our customers. Our products are designed with the needs of middle-income consumers and a wide variety of employers in mind. Highlights of our product portfolio include:

- **Medicare Advantage**—We distribute Medicare Advantage both through our agents and direct-to-consumer. We market \$0 cost plans for most Medicare-eligible consumers.
- **Medicare Supplement**—We offer a variety of Medicare Supplement plans, including a high-deductible plan that may be a more affordable option to help retirees manage the costs associated with their healthcare.
- **Graded Benefit Life**—We offer guaranteed issue life insurance products that start at \$9.95 per month in premium. This product provides final expense life insurance coverage with no underwriting to the lower-income senior market.
- **Supplemental health products**—We offer certain supplemental health products that can help middle-income customers to supplement high-deductible major medical insurance.
- **Annuities**—Our portfolio includes fixed interest, fixed indexed and immediate annuities, including options to create a guaranteed income for life.
- **Financial services**—Through our wealth management solutions, we offer a variety of investment options, whether a client's goal is retirement, buying a home, or passing a legacy on to loved ones.
- **Worksite products**—We offer a number of life and health insurance plans in the Worksite market, with coverage available for as little as \$3 per week. We also offer benefits advocacy services that help employees seek second opinions, shop for the lowest-cost procedures and resolve billing issues.

DELIVERING ON OUR PROMISES

Full Year 2021

Approximately

8.7 million
claims processed.

\$2.1 billion
in claims paid.

2.4 million
calls answered for our customers
and family members.



Products Designed for Our Market

CNO offers insurance products and services to meet the needs of our customers, which includes those customers who may be in high-risk or disadvantaged groups, such as older Americans. Insurance premiums for our products are based solely on the age, gender and underwriting class of the applicant. We do not consider credit scores, marital status, sexual orientation, vaccination status, race or education level in our underwriting or pricing.

We offer insurance products that range from full underwriting (which may consider pre-existing conditions in evaluating risk) to guaranteed issue underwriting. Because of the range of underwriting options that we offer, individuals with pre-existing conditions often have one or more options for products that they can purchase from us.

Depending on age, applicants may qualify for the guaranteed issue product regardless of existing health conditions or disabilities.

Many product marketing materials are provided in both English and Spanish.



Our products are designed to provide the underserved middle market with what they want and need. We will continue to enhance our customers' experience and focus on helping them answer questions about their financial futures."

*Scott Goldberg, President,
Consumer Division*

Agent Case Study

Serving Families and Building Long-Term Relationships

Bankers Life Agent Camille Harris of Brea, California, upholds her commitment to serving her communities by providing solutions to help deliver on promises to those in need.

Originally motivated by her desire for flexibility and greater work-life balance, Camille joined Bankers Life in 2011. Over the past 11 years, Camille has been inspired to help other families in the community with products and solutions to provide greater financial security. What makes Camille's experience particularly rewarding is the long-term relationships she has developed with her clients. Always making a positive impact on fellow agents, customers and retirees, Camille leaves a long-lasting impact that serves her clients for life. Camille considers these relationships and building of trust between agent and client some of the most fulfilling aspects of her job.



"It is fulfilling to have a strong, A-rated company like Bankers Life deliver on its promise to help individuals when they are at their lowest financially."

Camille Harris, Bankers Life Agent — Brea, CA



Promoting Healthy Lifestyles

CNO products also offer access to health incentives that focus on preventive care, fitness and healthy aging, including:

SilverSneakers®

The nation's leading community fitness program designed for seniors, the SilverSneakers® program promotes greater health engagement and accountability by providing members with regular exercise and social opportunities at more than 16,000 locations nationwide.

WholeHealth Living Choices®

Partnering with health plans, WholeHealth Living Choices® offers members access and discounts to more than 35,000 providers, including more than 35 complementary alternative specialties. Services include chiropractic, acupuncture, massage therapy, nutritional programs, yoga, Pilates, personal trainers, mind and body therapies, spas, and fitness locations.

Educating Our Community on Retirement Preparedness

In 2011, we created the Center for a Secure Retirement, our dedicated research and consumer education platform to help educate consumers about insurance and planning for retirement. Previously, we expanded the program into a comprehensive information center to deliver customizable, interactive lifestyle and educational content for individuals nearing and entering retirement.

Along with our proprietary research, in 2021 we published 204 articles on financial topics including budgeting, insurance and investing; healthcare topics including wellness and caregiving; and lifestyle topics including family, home and work.

We also launched a series of webinars entitled "Prepare for Care" to help consumers navigate planning for healthcare in retirement.

CENTER FOR A SECURE RETIREMENT IN THE NEWS

Our research and personal finance education tips have appeared in publications such as *The Wall Street Journal*, *Forbes*, *U.S. News & World Report*, *USA Today*, *NPR*, *The Washington Post* and *MarketWatch*.



Center for a
Secure Retirement





Supporting Efficiency Through Technology

At CNO, we embrace automation and other technology investments to improve the overall experiences of existing and potential customers. This has been particularly true during the COVID-19 pandemic as we pivoted to a work-at-home model for most associates and developed digital practices that enabled us to continue serving policyholders, agents and our market during required office closures and stay-at-home orders.

To improve efficiency and accuracy, we use robotic processing technology to streamline many of our manual processes within our customer service, claims, policy administration and finance areas. These software robots also are completing repetitive, time-consuming work that enables our associates to focus on higher-level, customer-facing and value-added work.

As of December 31, 2021, 125 production bots have been deployed successfully, freeing up approximately 580 hours per day for associates and resources to deploy on other activities.

Six Ways Technology Is Enhancing the Customer Experience

1. Language translation line

Customers can receive assistance in the language of their choosing.

2. Voice authorization

Customers can authorize policy applications and complete payments over the phone.

3. Expanding access

We approach serving our market by providing customers with a blend of virtual and local service. For many products, customers can seamlessly transact with us online, over the phone, in person or virtually with a local agent, or through a combination of these channels.

4. Web chat

Colonial Penn and myHealthpolicy.com website visitors can chat directly with a licensed agent online.

5. Digital self-service

Currently, customers can pay their bills online and a portion of our customers can digitally file claims as well as review their claim status online. In some cases, paper transactions now can be digitally signed using DocuSign.

6. Paperless billing

Reducing paper use is one of our key environmental objectives. CNO offers its customers paperless billing on certain products and incentivizes its adoption through a plant-a-tree program. In 2021, approximately 50% of customers were enrolled in paperless billing.

75%

Percentage of insurance applications currently submitted and processed electronically.

42%

Percentage of insurance applications issued same day of submission through automation.



Customer Satisfaction

CNO continuously works to improve the customer experience, whether through self-service or through assistance from one of our agents or customer-facing associates.

We have built an omnichannel purchase experience so that consumers can move seamlessly through our channels to purchase a policy how and where they choose. Consumers can research and purchase our life and Medicare products online, engage electronically via web chat, speak with an online telesales agent, meet in person with a field agent, or any combination of these touch points.

CNO measures customer satisfaction semi-annually through Net Promoter Scores (NPS), ratings and reviews, and turnaround time on policyholder requests. Consumers rate Bankers Life 4.8 out of 5 stars in online reviews. This online review program was launched in 2020, with plans to extend to other CNO brands in the future.

Responsible Product Offerings

Expanding with new products is a priority at CNO. As our customers' needs change, our products and services evolve to meet their changing concerns.

As an insurance company, the products and services that we offer are highly regulated. All insurance products that we distribute—those manufactured by us, as well as those manufactured by others—are required to meet specific regulatory requirements. These requirements relate to customer benefits, policy terms and conditions and disclosures that are designed to help customers understand and maintain their valuable insurance coverage.

Each new product is manufactured based on a set of criteria including: whether it meets the regulatory requirements for the product type, how well it meets a consumer need, how well we can maintain and service the product, the relative price competitiveness of the product, the value offered to the customer, and our ability to hold sufficient capital and reserves to support the product.

New products are approved by our chief actuary, chief marketing officer, chief financial officer, and the presidents of our Consumer and Worksite Divisions. New insurance products must be filed as required with the insurance department in each state in which the product will be sold, or through an interstate compact.

22 New Products and Product Enhancements Launched in 2021²

- **Guaranteed Lifetime Income Annuity Plus**, a lifetime income indexed annuity that provides for temporary increase in the Lifetime Income Withdrawal in the event of a qualified health crisis.
- **Life Product Portfolio Update** that included 15 life insurance product enhancements and updates to comply with updated regulations.
- **Supplemental Health Product Expansion**, which made these products more broadly available in more states to meet customer demand in our individual and worksite markets.
- **Various New Third-Party Products** were introduced through our online health insurance marketplace, myHealthPolicy.com, including additional Medicare Advantage and prescription drug programs.



Responsible Marketing

We are committed to responsibly and transparently marketing our products and services. Insurance- and securities-related sales materials and product-level communications about insurance and securities products undergo a rigorous process to ensure compliance with all applicable laws and regulations, as well as being fair, clear, accurate and balanced. Written marketing materials for insurance products are subject to internal reviews and controls, as well as the standards established by various regulatory entities which may periodically audit these materials.

We strive to provide customers with marketing and product information that is suitable and easily understood. We use plain language in easily readable fonts, provide clear and accurate rates, disclose the scope of coverage, term, limits, deductibles, and any exclusions or exceptions, and articulate any product risks. The process for submitting claims is also made known.

At CNO, we provide insurance advice and guidance to our customers through a network of exclusive insurance agents and independent partner agents. All insurance agents are required to be licensed in the states in which they do business and to meet regular compliance and training requirements.

All agents are held to standards of ethics and fairness. Our Agent Compliance Guidelines outline specific compliance and ethics standards relevant to their roles. Responsible sales practices, including customer suitability and product knowledge, form the core of new insurance agent training.

Exclusive insurance agents are monitored for performance and compliance through field-based supervision and coaching. To ensure that our agent force is meeting performance standards, branch office management teams conduct regular training through a combination of knowledge-based curriculum, demonstration and supervised role-play. Management also holds regular training programs focused on specific compliance initiatives and updates.

Audits are performed by CNO's Internal Audit and Legal departments to ensure:

- Sales materials are compliant with company policies.
- Appropriate sales practices are being followed.
- Quality customer service is being provided.

Customer satisfaction surveys are included in all digital applications. Management ensures appropriate actions are taken to address any customer concerns.

In partnership with our policyholder services and legal teams, we have processes in place to receive, investigate and address complaints of any sort received from current or prospective customers, agents and agent recruits. We use social media monitoring tools to identify customer questions and complaints in order to address them in a timely manner. CNO has an escalation team that provides support and outreach to resolve any issues.



[Read our Responsible Insurance Sales and Marketing Statement](#)



We are committed to helping employers and employees maximize their benefits and make better health and financial decisions through a unique combination of innovative technology, flexible voluntary benefits, and expert guidance.”

*Mike Byers, President,
Worksite Division*



Responsible Claims Management

CNO is committed to accurately and promptly paying all legitimate claims. To make it simple and easy to file claims, we include instructional information on our websites with links to claim forms. Claims for certain products may be submitted, monitored and paid digitally.

We continuously strive to enhance our customer service while meeting the needs of our customers, often at critical moments in their lives. If a customer has questions pertaining to a claim, we have several ways to engage, discuss and, if necessary, review any new evidence to render an updated decision. Policyholders also can engage in a formal appeal process to ensure an independent review of their case, and in certain cases, may be referred to an independent ombudsperson.

To provide the best possible customer care, we perform internal reviews of customer engagements validating that service standards are consistently delivered. We regularly review a statistical sample of our decisioned claims and claimant interactions for accuracy. We also measure our performance against industry practices and are held to various regulatory standards.

We perform internal reviews of customer engagements to ensure that our service standards are consistently met.





Fostering a Sustainable Supply Chain

CNO is dedicated to partnering with vendors that share our ethical business practices, standards of conduct and commitment to sustainability.

We expect our vendors to fully comply with all applicable laws and regulations in the conduct of their business and to comply with the same internationally recognized human rights and labor practices relating to child labor, wages, working time and workplace safety as does CNO.

Our Vendor Code of Conduct reflects these expectations. Sustainability criteria are included in our contract templates and have been added to our RFP processes. We emphasize that our vendors are required to share our commitment to diversity, equity and inclusion, and will not tolerate discrimination or harassment of any kind. We also strongly encourage the adoption of other sustainability principles, including broader environmental stewardship action, and the utilization of sustainably produced goods and services wherever possible. Vendors must adhere to this Code of Conduct when conducting business with us.

CNO performs extensive screening and due diligence of our vendors. Associates within the sourcing and vendor management department undergo the same Code of Conduct training as all associates, which includes issues including cybersecurity, fraud awareness, anti-money laundering and workplace harassment. All contracts above a certain size or meeting certain other criteria are subject to a formal approval process and sign-off by our legal, information technology and cybersecurity teams. Risk assessments and audits are conducted annually on our vendors. In the case of non-compliance, we maintain the right to take appropriate actions, including termination of the business relationship.

In 2021, we established a Diverse Vendor Program to integrate vendor diversity into our procurement policies. We also strengthened our data capabilities in 2021. We track our spending with diverse vendors and completed a diverse spending and benchmarking analysis. Going forward, we intend to increase our diverse spending and develop goals for our business leaders. Internally, we created campaigns to drive awareness of our vendor diversity focus. Externally, we seek to work with diverse vendor networks to help us identify potential vendors from various minority- and women-owned businesses, when possible.



[Read our Vendor Code of Conduct](#)



**DEVELOPING AND
SUPPORTING OUR ASSOCIATES**



Developing and Supporting Our Associates

We believe that corporate social responsibility starts with our associates, and we are proud to offer a workplace that encourages diversity, fosters collaboration, values integrity and promotes equitable professional growth.

Our approximately 3,400 full-time associates are among our most important resources and are critical to achieving our mission. We rely on our associates to develop products, advise clients, service customers and support the efficient running of the organization. Therefore, we focus significant attention on attracting and retaining talented, experienced individuals to serve our customers and manage and support our operations.

We offer our associates comprehensive compensation and benefits packages, including an all-associate annual bonus program. We provide formal associate engagement channels, as well as broad-based professional development and training opportunities. We also offer an employee stock purchase plan to all non-executive associates who work at least 21 hours per week. This strongly links our associates' interests to the success of the company.

46 Years

Average age of our associates.

10 Years

Average years of CNO service.

CNO Workforce by Gender

As of December 31, 2021

Overall

Women	52%
Men	48%

Leadership

Women in Middle Management Positions	35%
Women Vice President and Higher Positions	28%

Age and Tenure	Average Age	Average Tenure
Men Associates	45 years	9 years
Women Associates	46 years	11 years



Advancing Diversity, Equity and Inclusion

We are committed to creating an inclusive culture that encourages, supports, celebrates and values the diverse voices and backgrounds of our associates and customers. We believe that an environment that fosters collaboration, inclusion and trust supports our mission, builds a strong sense of community, and leads to greater innovation and better solutions. This environment and inclusive culture create benefits that are shared by our associates, customers and, ultimately, our shareholders.

CNO Workforce by Ethnicity

As of December 31, 2021

- People of color hold **20%** of middle management positions.
- People of color hold **8%** of vice president and higher positions.

Asian	4.4%
Black/African American	17.2%
Hawaiian or other Pacific Islander	0.2%
Hispanic or Latino	6.6%
Indian/Native American	0.3%
White	66.8%
Two or More Races	1.3%
Other (Declined to State or Not Applicable (Non-US))	3.2%

87%

Percentage of associates who say CNO values and supports diversity.

CNO Workforce by Generation

As of December 31, 2021

Silent Generation (born 1928–1945)	0.2%
Baby Boomers (born 1946–1964)	21.0%
Generation X (born 1965–1980)	42.6%
Generation Y/Millennials (born 1981–1996)	34.0%
Generation Z (born 1997 and onward)	2.2%



Building a More Diverse Workforce

We're passionate about creating an inclusive culture that encourages, supports, celebrates and values the diverse voices of our associates and our customers. CNO values diversity, equity and inclusion (DE&I), and we believe that it is a critical business imperative for the long-term sustainable growth of our company.

Diversity goes beyond visible differences to include different educational backgrounds, professional knowledge, personality types, thinking styles and life experiences. In 2020 and 2021, CNO was named as one of *Forbes'* Best Employers for Diversity.

Our DE&I commitment is centered around three priorities that drive our mission and programming:

- **Recruitment and Selection:** Hire, develop and retain diverse talent that reflects the markets we serve.
- **Associate Education and Awareness:** Affirm equality for all individuals and commit to creating an environment of mutual acceptance, understanding and respect.
- **Associate Development:** Cultivate an inclusive culture that leverages the diverse skills, ideas and full capabilities of all associates.

We believe that a culture of inclusion creates a work environment in which all associates are supported to be their authentic selves and can reach their highest potential. Our goal is to empower leaders to optimize diversity, equity and inclusion to solve business challenges, increase engagement, innovate and compete in a diverse marketplace.




In 2021, **53%** of our new hires were women, and **35%** were people of color.





By developing a culture that supports and fosters diversity, equity and inclusion, we believe that we can better understand and serve our customers. To ensure that we have a robust and diverse talent pipeline, we are taking the following actions to boost recruitment, retention and development of diverse talent:

- Maintain partnerships with the NAACP, YWCA and the National Urban League.
- Build relationships with organizations such as the International Association of Black Actuaries; The Organization of Latino Actuaries; The National Black MBA Association, Indianapolis Chapter; the Hiring Our Heroes Corporate Fellowship program; and engaging with and recruiting at Historically Black Colleges and Universities (HBCUs).
- Participate in recruiting events that reach women, people of color, veterans and people with disabilities.
- Launch recruiting program with a focus on recruiting women who have taken a break in their careers and are returning to the workforce.
- Participate in the U.S. Chamber of Commerce “Hiring our Heroes” program to recruit former military personnel and their spouses.
- Expand diverse intern recruiting efforts.
- Expand focus on diversity within our agent force.
- Introduce a new job rotation program, a leadership foundation program and mentoring program, and other initiatives.
- Deliver DE&I reviews and facilitate action planning by each member of CNO’s senior leadership group.
- Expand the use of diverse candidate slates and interview panels at the middle management level and above.

 Education, Awareness & Participation	 Associate Development	 Recruiting & Selection
Engagement achieved: <ul style="list-style-type: none"> ▪ 70 BRG events. ▪ 76% of associates utilized four DE&I hours. ▪ 1600+ hours DE&I on-demand training. ▪ 20% increase in BRG membership. ▪ 4% increase in Great Place to Work® DE&I score. 	Programs launched: <ul style="list-style-type: none"> ▪ Leadership development program. ▪ Insurance education program. ▪ Professional development catalog. ▪ Consumer job rotation. ▪ BRG associate development workshops. 	Implemented: <ul style="list-style-type: none"> ▪ Diverse candidates slates/interviewers. ▪ Interview education for leaders. ▪ ELG diversity action plans. ▪ Partnerships with diverse professional organizations.

DIVERSITY AWARDS AND RECOGNITION



CNO was named among the Best Employers for Diversity by *Forbes* in both 2020 and 2021, and again recently in 2022.



In 2021, CNO received a score of 95 out of 100 on the Human Rights Campaign’s Corporate Equality Index (CEI). Recently, in early 2022, CNO received a perfect score of 100.



Inclusive Policies Introduced in 2021

We introduced three new policies in 2021 that reflect our commitment to diversity, equity and inclusion:

- Domestic partners were added under the CNO medical plan. Domestic partners can also earn well-being incentives.
- Breast augmentation was included as part of the gender reassignment benefits under our medical policy.
- A second licensed mental health provider, who has training to support diverse associate workforces, was added to our program.

This builds upon the policies that we introduced in 2020:

- Time-off policy that added 16 additional hours for associates to participate in Business Resource Group (BRG)-related activities and education.
- Gender Transition Policy. Our policy declares that all associates have the right to express their gender identity, characteristics or expression without fear of consequences and that transgender associates at CNO have the right to be who they are without unnecessary disclosure of medical information or gender history. We also provide coverage for gender reassignment surgery under CNO's medical plan.
- Gender-neutral bathrooms were established in all home office locations so that all associates may use facilities that are the most appropriate and safest option.

Gender Pronouns

In 2021, we updated our self-identification fields in Workday to now include gender identity, pronouns and sexual orientation. To show support for all gender identities, CNO associates are encouraged to include their gender pronouns

as part of their email signatures. CNO also held gender identity training sessions for associates to learn more about our policies and gender expression.

DE&I Council

In place for more than four years, CNO's Diversity, Equity and Inclusion Council fosters and encourages a more inclusive work environment. The DE&I Council is sponsored by our general counsel and is responsible for driving strategies to increase diverse representation at all levels of the organization.

Our DE&I Council facilitates the formation of BRGs, which are company-sponsored, voluntary, associate-led groups that serve as resources for members and the organization.

Business Resource Groups

CNO currently offers four BRGs and four affinity groups, each of which is sponsored by a senior executive. In 2021, BRG membership exceeded 1,200 associates, reflecting a 112% increase over the prior year.

- PRISM LGBTQ+ BRG
- Smart Organized United Leaders (S.O.U.L.)
African American/Black BRG
- Veterans and Families BRG
- Women's BRG
- Caregivers and Careers Affinity Group
- L.U.N.A. Latinos Unidos Network for Advancement Affinity Group
- Women of Color Affinity Group
- Women's Leadership and Networking Community





BRGs provide business value by advancing CNO's objectives with a focus on mentoring; education; community outreach; recruiting; retaining and developing diverse talent; improving engagement; and driving business innovation.

BRGs also are able to offer associates a safe place to connect with others to discuss and process major world events that impact DE&I, the workforce and society. Throughout the year, BRGs host workshops and welcome guest speakers to further educate associates about the varied experiences and the importance of diversity, equity and inclusion in the workplace.

In 2021, 9,800 associates attended 70 virtual events sponsored by CNO's BRGs. Examples of events and guest speakers in 2021 include:

- "I am CNO" Celebration with Josh Blue, Comedian and Advocate for People with Disabilities.
- Veterans and Caregiving Conversation featuring Josh Bleill, USMC (Ret.).
- Better Together Speak Up Stand Up DE&I.
- Hispanic Heritage Month Latinx Business Owner Panel Discussion.
- Juneteenth Celebration with Congressman Hakeem Jeffries.
- Women's BRG Discussion on "Think Learn Succeed" with Dr. Caroline Leaf.
- Race and the LGBTQ+ Community with Rep. Kenyatta Malcolm.

BRG FOCUS AREAS

- Mentorship.
- Career development.
- Recruitment.
- Community outreach.
- DE&I awareness and education.
- Market research and business development.

BRG Case Study

Developing Our Women Leaders

In 2021, Bankers Life advanced two programs to help develop and recognize women in insurance and financial advisor careers.

The Women's Leadership and Networking Community (WLNC), which was formed in 2012, seeks to support career growth among our women Bankers Life insurance agents and advisors. In 2021, the group launched its mentorship program, which provides personal and professional support for women agents. Approximately 30 women Bankers Life agents were selected to participate and engage in quarterly conversations and learning and development events. At the conclusion of the 2021 session, program participants achieved higher sales production and promotion rates as compared to other agents in the company.

The company also formed a Top Women Financial Advisors program to recognize "The Best of the Best" female financial advisors representing Bankers Life Securities, Inc. and Bankers Life Advisory Services, Inc. The inaugural 2021 program recognized 29 women from across 20 states.

"These highly experienced and knowledgeable advisors play a critical role in helping to secure the financial future of our clients," said Cheryl L. Heilman, president of Bankers Life Securities, Inc. (BLS) and Bankers Life Advisory Services, Inc. (BLAS). "This recognition is a testament to the value and exceptional work they deliver to their clients every day."



Commitment at the Top

CNO's commitment to diversity, equity and inclusion is supported at the highest levels of the company. In 2018, Chief Executive Officer Gary C. Bhojwani signed the CEO Action for Diversity & Inclusion™ pledge, joining more than 1,000 other CEOs in committing to advancing diversity and inclusion within the workplace.

In 2020, the CEO Action for Diversity & Inclusion™ launched the Social Justice Fellowship to advance racial equity. The fellowship is overseen and governed by the CEO Action for Racial Equity Governing Committee, a group of 20 CEOs representing multiple industries and regions. CEO Gary C. Bhojwani is a Governing Committee member.

As a part of the program, signatories may select one employee to participate in a two-year fellowship. CNO's selected fellow joined nearly 250 other fellows, representing more than 100 CEO Action signatory organizations. Fellows work together to identify, develop and promote scalable and sustainable public policies and corporate engagement strategies that will address systemic racism and social injustice and improve societal well-being.

In 2021, CNO signed the Indy Racial Equity Pledge, joining a coalition of corporate and civic organizations that have committed to making Indianapolis and neighboring communities a racially equitable place to live. The commitments focus on four key areas—health, prosperity, education and criminal justice—in which African Americans face systemic disparities in outcomes.

The Human Resources and Compensation Committee of our Board oversees our human capital management and diversity, equity and inclusion initiatives. It receives regular updates from management on progress and developments. To underscore our commitment to a diverse workforce, in 2021, we added diversity, equity and inclusion objectives in our 2021 executive management compensation program.

In 2020, CNO named a senior director of diversity, equity and inclusion to support CNO's ongoing initiatives to develop and embed our DE&I practices across our organization and advance the important work of our DE&I Council and BRGs.

CNO also participates in DE&I recognition months and days alongside our associates, including:

- Black History Month.
- Hispanic Heritage Month.
- International Transgender Day of Visibility.
- Juneteenth.
- Mental Health Awareness Month.
- National Coming Out Day.
- Pride Month.
- Veteran's Day.
- Women's History Month.

DE&I AND EXECUTIVE COMPENSATION

To underscore our commitment to a diverse workforce, in 2021, we added diversity, equity and inclusion objectives into our executive management compensation program.





Safe Places Talk Sessions

Following the senseless killing of George Floyd and too many others, our S.O.U.L. African American/Black BRG created a series of weekly “Safe Places” talk sessions to allow associates to openly share their feelings and experiences. Moderated by leaders across our BRGs, these sessions have expanded to include a broad range of topics and continue today as a meeting place for associate voices. In 2021, 12 “Safe Places” talk sessions were held.

Anti-Harassment Policy and Unconscious Bias Education

CNO is committed to providing a workplace that is free of harassment. All associates undergo mandatory anti-harassment training and are offered further instruction in unconscious bias that includes:

- Tools to identify unconscious bias.
- Actions to diminish biases.
- Ways to optimize interactions with customers, other associates and our communities.

Managers undergo additional training and guidance to support diversity, equity and inclusion.

DE&I Training

In 2021, we introduced an on-demand learning series that offers 350 courses for all associates to take, free of charge, which are aligned with our corporate value of diversity, equity and inclusion. More than 1,800 associates completed at least one course during the year.

Pay Equity

CNO is committed to fair pay practices and pay equity. In 2021, we completed a pay equity analysis with an outside consultant. The analysis compared the pay of men and women, and minorities and non-minorities performing the same or substantially similar jobs. The findings confirmed that there were no widespread pay disparities, and in isolated instances that gaps were identified, adjustments were made. Based on the analysis, we concluded that our pay practices are fair and equitable.





Focusing on Associate Well-Being

Our benefits package for associates includes medical, dental and vision insurance coverage, as well as an award-winning employee well-being program.

On-site, community and virtual clinics offer medical and holistic services to all associates, regardless of medical plan coverage, and spouses, domestic partners and children over the age of 12 covered under the CNO medical plan. Our medical plan includes health savings accounts with company contributions for completing well-being tasks and a "head start" contribution for those making \$60,000 or less.

Medical and dependent care flexible spending accounts also are offered. Our health programs cover in-network preventive care, and our well-being programs provide access to the following services, most at no cost:

- Free preventive care (in-person or virtual).
- Urgent care services (in-person or virtual).
- Free generic medications (in-person or mail-order).
- Free biometric screening services.
- Routine lab services.
- Free and unlimited behavioral health services.
- Lifestyle management programs that focus on weight management and nutrition support.
- Chronic condition management with home monitoring devices focused on risk improvement and medication adherence.
- Health coaching for lifestyle improvement.
- Tobacco cessation programs (our campuses are tobacco-free).
- Healthcare advocacy and transparency services.

In 2021, CNO hosted two onsite COVID-19 vaccination events for associates and the community at our headquarters location in Carmel, Indiana.

Fitness Offerings

All associates and their families have access to a virtual fitness platform that offers over 2,000 free fitness classes for all ages, body types, cultures and experience levels. Corporate offices provide access to free or low-cost gyms and personal trainers. CNO also partners with a national fitness center network that provides access to more than 12,000 facilities for a nominal fee. Physical activity incentives are awarded on a quarterly basis to help motivate associates to remain active. Discounts on wearable devices are provided and connect to a well-being platform for easy tracking. Fitness challenges are held annually to create friendly competition and to motivate people to get up and move.

2,461

Total in-person and virtual clinic visits in 2021.





Ergonomics

CNO's ergonomics program provides free access to a licensed athletic trainer and certified ergonomics specialist. Workstation evaluations are conducted either in-person or virtually. The assessment allows the specialist to review the individual's set-up, make adjustments, assign stretches or exercise, and deploy necessary equipment to ensure the associate is working in a comfortable, ergonomically correct environment. Onsite and virtual athletic training therapy is also available for those who suffer from more complex Musculoskeletal issues and need additional care.

Promoting Healthy Lifestyles

CNO provides well-being incentives to encourage and motivate associates and medically covered spouses or domestic partners to make healthy lifestyle choices and to complete preventive exams and screenings. Associates can earn up to \$2,000 annually for choosing healthy behaviors and activities, such as: taking 10,000 steps per day; completing an annual physical; meeting or improving biometric results; meeting with a health or well-being coach; and participating in mindfulness programs and talking with a financial counselor. We also connect our well-being program to volunteering. Associates who track their volunteer hours can earn additional incentives.

Parental Leave, Maternity Health and Other Leave Opportunities

Following birth, adoption, or foster child placement, new parents receive three weeks of paid time off for bonding with their child. Parental leave is paid at 100% of base pay. Birth parents are also eligible for paid time off of six to eight weeks after the birth of a child in addition to the three weeks of parental leave. Maternity leave is paid at 100% of base pay.

CNO provides unpaid personal leave of up to 30 calendar days in a 12-month period based upon certain criteria, as well as paid bereavement leave.

Our Healthy Moms program provides access to nurses for tips on handling pregnancy discomfort, healthy eating, delivery options, birthing classes and maternity benefits. Parents that participate can earn well-being incentives for completing the program. CNO offers lactation rooms on each floor of every corporate office building. Lactation services are available through our medical plan at no cost.

Flexible Work Arrangements

CNO continues to make investments to upgrade our corporate office locations and remote technology to support a hybrid work environment. Our associates have told us they are looking for a mix of work-from-home and in-office schedules.

Associates also are able to request a reduced work schedule or a part-time schedule to balance personal and professional demands.

91%

Percentage of associates who say they have the needed flexibility to effectively manage their work and home priorities.



Addressing Healthcare Affordability

To address healthcare affordability, in 2021, we modified our health insurance premium structure so that associates in positions that earn less pay less for healthcare premiums than do associates in higher salary band jobs. We also added advocacy and transparency services for CNO associates and their families to help navigate the healthcare system, assist in resolving billing and claim issues, and help determine out-of-pocket costs for services.

Ways That Wellness is Improving Associate Health

Full Year 2021



91%

Percentage of associates who participated in at least one well-being program.



86%

Percentage of those eligible who used a clinic.

Data based on CNO associate population enrolled in our medical plan.

\$2,000

Maximum amount associates can earn annually for choosing healthy behaviors and activities.

Dependent Care

Since 2020, we have partnered with Bright Horizons, Years Ahead, and Sylvan Learning to provide all associates access to a national network of caregivers. Discounts on caregiving, tutoring, eldercare support and pet care also are available to our associates. We recently expanded our Bright Horizons offerings to include free hours of back-up care services for children, adult dependents and eldercare. Tutoring and virtual camps are also included in this program.

Caregiver Support

Our Caregivers and Careers Affinity Group continues to grow and address topics that are important to our caregiver population. Associates connect with other caregivers through our Yammer community, an associate engagement platform, that allows associates to connect with each other, ask questions, voice concerns about their individual situations, and exchange ideas.

More than 200 associates are currently engaged in this caregivers' support group. Through our efforts, we have created two channels — childcare and adult/eldercare — each with its own leadership and addressing needs of their membership. In partnership with our well-being initiatives, topics such as grief, dementia, end-of-life planning, caring for the caregiver, and returning to work have been discussed. In 2021, we also partnered with the Alzheimer's Association to start monthly Alzheimer's disease and dementia support groups.



Mental Well-Being

We recognize that social and mental well-being is a critical component of overall well-being. Through our employee assistance program, we offer a range of free confidential counseling and support services addressing:

- Marital, family and other relationship problems.
- Alcohol and drug dependence.
- Depression, stress and emotional problems.
- Child and adolescent emotional support.
- Managing emotions connected to political and social injustice.
- Childcare and eldercare assistance.

In 2021, we increased the number of free Employee Assistance Program (EAP) counseling sessions from six to eight per year. We partnered with a second licensed mental health counselor to provide free and unlimited virtual sessions for associates. We also launched various mental health support groups, led by a licensed provider, to support associates with grief, isolation, burnout, stress and depression. Based upon reporting from our vendor, approximately 80% of associates engaged with our EAP program in 2021, versus 75% in 2020, many through 1:1 counseling, online resources, virtual events and support groups.

CNO also offers free access to a mindful meditation platform. Associates and medically covered spouses and domestic partners can engage in live or on-demand sessions to earn well-being incentives. The content is customizable and offers support for topics such as PTSD, stress, anxiety, eating disorders, caregiving, chronic conditions and more.

86%

Percentage of associates who reported feeling supported by their team members and managers during COVID-19.





Financial Well-Being

Financial concerns impact our associates as well as our customers. CNO offers all associates robust programs to help them build financial freedom for themselves and their families. Financial counseling is available to help improve overall financial knowledge and goal-setting. All associates may receive, at no charge, one-on-one consultations from our licensed financial planning firm to help evaluate and prepare for their financial futures.

Services offered include:

- Financial risk tolerance assessment.
- Budget development.
- Estate planning.
- Tax-reduction strategies.
- Retirement and financial planning.
- Guidance on CNO benefits.

Eligible associates also can plan for their financial futures through company-offered products, including:

- 401k plan with CNO match.
- Free life and accidental death and dismemberment (AD&D) insurance.
- Free company-paid long-term disability (LTD) insurance to eligible associates.
- Health savings accounts with company-provided wellness incentives up to \$2,000 for participating in health behaviors and activities.
- Medical and dependent care flex spending accounts.
- Employee stock purchase plan offering associates the opportunity to purchase CNO stock at a 15% discount.

In 2020, we implemented the "head start" incentive, which gives associates that earn a base salary of \$60,000 or less a portion of their HSA money at the start of the year. The goal is to help associates fund their accounts early in the year so they can get the medications or treatment they need.

1 in 4

Associates who utilized free financial coaching services and online resources in 2021.

94%

Percentage of associates who participated in CNO's 401k plan in 2021.





Building a Performance Culture

At CNO, we strive for a culture of strong performance. We believe in developing associates through a challenging work environment complemented with extensive support and training.

Our compensation philosophy is focused on pay-for-performance. CNO's compensation programs are designed to promote the long-term success of the company by driving our strategic priorities while adhering to CNO's culture and values and ensuring our contribution to environmental and societal principles. Associates and managers work together to define priorities and goals, provide ongoing feedback and coaching, review performance and promote development. Each associate receives three coaching check-ins per year. A portion of those sessions include a discussion of near-term goals and long-term career aspirations.

CNO promotes a culture of associate appreciation and recognition. Through the Applause recognition program, associates recognize and thank their colleagues by sending Peer to Peer recognitions and awarding Applause points that are redeemable for merchandise. Exceptional work and service anniversaries also are acknowledged. In 2021, Applause program rewards valued at roughly \$422,000 in aggregate were awarded to nearly 93% of eligible associates.

In 2021, Applause program rewards valued at roughly \$422,000 were **awarded to nearly 93% of associates.**

Creating an Ownership Culture at CNO



**Annual Pay-For-Performance
Bonus Program**



**Employee Stock Purchase
Program at a 15% Discount**



**Associate Recognition
Program**



Supporting Professional Growth

At CNO, we believe that all associates have the potential for professional growth and development. We are committed to providing a supportive environment designed to encourage all associates to pursue their professional goals and career objectives through coaching, education and advancement opportunities.

CNO supports continuing education and specialized training that increases effectiveness and knowledge on the job. Internal courses are offered on communications, leadership training, management development, job skills, technology skills, public speaking and project management, among others.

All associates are eligible to further their insurance industry education by earning designations and certificates paid for by CNO. All courses and programs leading to designations offered by the following organizations are supported:

- Life Office Management Association (LOMA).
- Life Insurance Marketing and Research Association (LIMRA).
- America's Health Insurance Plans (AHIP).
- Academy for Healthcare Management (AHM).
- International Claim Association (ICA).

Technical training, formal and on the job, is provided by each business unit for specific job performance needs. Each business unit also provides associates with upskilling training opportunities.

Associates also are encouraged to seek continued professional education through external organizations and institutions. We offer tuition reimbursement of up to \$5,250 per year for college or graduate-level courses, professional training, or other classes that can help associates improve skills in their current positions or prepare for future roles. There is no lifetime limit on this benefit.

PROFESSIONAL EDUCATION BY THE NUMBERS

Full Year 2021

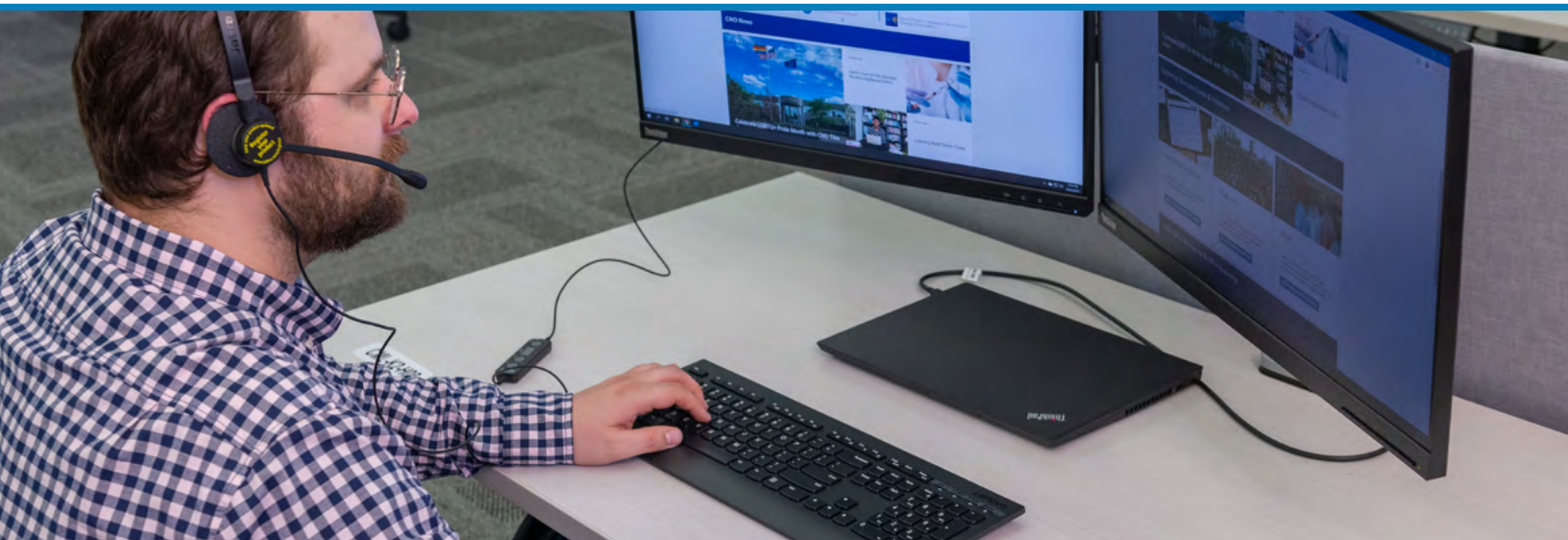
- **63,711 hours**—associate training, or an average of 8 hours per associate.
- **\$133,000**—CNO-provided tuition reimbursement.





CNO launched multiple training programs in 2021 to support the ongoing growth of our business and our associates. These initiatives are committed to providing appropriate opportunities for all CNO associates to continue their professional and personal career growth:

- **LinkedIn Learning:** An updated catalogue of courses supported by LinkedIn Learning provides specific learning paths to enhance professional, personal, and business-specific skills.
- **Lead, Engage, and Perform (LEAP) Leadership Development:** A program to provide skills and competencies of leadership for all existing and emerging leaders, at all levels of our organization, including Management Essentials, Leadership Essentials and Organization Leadership.
- **Learning Week:** A new program in 2021, Learning Week offered all associates multiple short education opportunities on topics such as Communicating with Microsoft Teams, Digital Body Language, Email Etiquette, and others.
- **Job Rotations:** A new two-year, paid development opportunity in the Consumer Division that provides participating associates with personal mentoring, increased business knowledge, skill development and exposure to leadership through on-the-job rotational experiences.
- **Associate Skills Development Catalog:** A resource for all associates that suggests specific LinkedIn Learning content to skill development including professional, personal and business skills.
- **Manager Meet Ups:** Real-time development cohorts that are designed for people leaders.





Associate Surveys

We regularly collect feedback through surveys in order to better understand our associates' needs, priorities and concerns. This helps us to monitor and improve our efforts to create a workplace that challenges and motivates our associates to bring their best selves to work every day.

In 2021, 81% of associates participated in our annual VOICE survey. Eight in 10 (84%) of those surveyed have a favorable view toward CNO and 87% are satisfied with CNO's efforts to support diversity and inclusion. We review survey results by race and gender to identify opportunities to support certain groups. Our leadership teams also receive feedback from the surveys to support continuous improvement.

In response to associate feedback, CNO took the following actions in 2021:

- Enhanced our flexible work arrangement policies and options and transitioned to a hybrid work environment.
- Continued to add improvements to our well-being program, including the addition of more physical, mental and financial resources.
- Expanded services through Bright Horizons to provide caregivers access to back-up care and tutoring services. This is in addition to a free membership to a national caregiving database resource that helps locate childcare, eldercare, tutoring, pet care and other caregiving services.
- Launched a virtual fitness platform to address the need for convenient, low-cost fitness options.



We are proud to be a workplace where our associates feel valued, respected and encouraged by their colleagues and leaders. We act on feedback from our associates as it helps us implement changes that reflect our evolution and demonstrate our commitment to be a great place to work for all who share and live our values.”

*Yvonne Franzese,
Chief Human Resources Officer*

Great Places to Work 2021 Highlights

87% of employees at
CNO Financial Group say
it is a great place to work.

CNO Financial Group

Typical U.S.-Based Company

87%

57%

92%

I am able to take time off
from work when I think
it's necessary.

91%

Management is honest
and ethical in its business
practices.

90%

I feel good about the
ways we contribute
to the company.

89%

Management is competent
at running the business.

Source: Great Places to Work® 2021 U.S. National Employee Engagement Study



Awards and Recognition

Each year, CNO receives numerous awards and recognition for our corporate initiatives and charitable endeavors. These awards would not be possible without the efforts and support of our associates, customers and the communities in which we live, work and serve.

In 2021, for the second consecutive year, CNO was certified as a Great Place to Work®. The certification process included surveying associates for feedback on more than 60 elements of employees' experience on the job. Nearly 1,400 CNO associates participated. In 2021, CNO also ranked #1 on the 100 Healthiest Workplaces in America by Healthiest Employers® and Springbuk®.





Workforce Safety

CNO is committed to providing a healthy, safe and secure workplace for our associates and those who visit our facilities. We are committed to compliance with all applicable laws and regulations, including all OSHA standards. Health and safety is a team effort across all facilities and operations and encompasses all associates and on-site contractors. In an effort to cultivate a culture of safety and emergency preparedness, we encourage all associates to look out for one another, use common sense, and speak up, should they become aware of a possible health, safety or security risk.

We have established specific COVID-related guidelines and safeguards to help ensure the welfare of our associates, agents, customers and partners. Those guidelines are available on our company intranet and are posted on signage throughout our offices. These safeguards address: employee and agent screening procedures, personal protective equipment expectations, physical distancing, workplace cleaning and disinfection practices, personal hygiene guidelines, testing protocols for fully vaccinated and non-vaccinated associates, and expectations and guidelines surrounding visitors, vendors and third-party contractors.



[Read our Health and Safety Policy](#)





INVESTING PRUDENTLY



Investing Prudently

We seek to responsibly invest the premiums we collect in high-quality, primarily fixed-income assets that generate appropriate risk-adjusted returns. Our approach enables us to fulfill our promises and financial commitments to our policyholders, which, in some cases, may arise many years in the future.

When evaluating otherwise equivalent investments, we prefer to invest in companies with strong or improving ESG practices and whose activities are generally consistent with CNO's values. With more than \$29 billion of assets under management as of December 31, 2021, we recognize that our investments are a powerful tool for generating measurable ESG impact alongside strong financial returns.

Investment Approach

At CNO, we are committed to responsible investment. Our investment approach centers on developing high-quality portfolios diversified across asset classes that closely adhere to risk tolerances and practices. Integration of ESG principles into our investment process may enhance our ability to identify, evaluate, monitor and react to investment risks in a manner that promotes our objectives, particularly over the long term.



As a purpose-driven organization, ESG is foundational to our overall business strategy. Our investments help create positive change, along with strong financial returns.”

*Eric Johnson,
Chief Investment Officer*



[Read our Responsible Investment Policy](#)





Since 2020, CNO has been a signatory of the United Nations Principles for Responsible Investment (PRI), an international network of investors working together to implement its six aspirational principles. CNO is committed to the adoption and implementation of these six principles.

CNO's status as a PRI signatory underscores our commitment to incorporating ESG principles into the investment decision-making process and furthering our active ownership efforts. With this in mind, we have developed a multipronged approach to responsible investing, including ESG integration, engagement and proxy voting (in appropriate circumstances), adherence to investment exclusion guidelines and transparent reporting.

Over 95% of CNO's investment portfolio consists of fixed-income securities. Using third-party scores and internal ESG scores, a majority of our investments now carry ESG scores. Third-party scores are primarily available for certain portions of the credit markets, including corporate bonds and some bank loans. Where scores are not readily available, in many instances we determine our own internal ESG scores based on analyst research that includes reviewing key performance indicators and the ratings of similar issuers.

Our ESG policies apply both positive and negative screens. When appropriate, we seek to make investments in opportunities that have a positive impact in our communities or potentially help to mitigate climate change. We generally avoid investing in companies engaged in activities that do not align with CNO's values or that we believe pose significant ESG-related risks, including but not limited to companies in the tobacco, firearm, gaming, private prison, coal, predatory consumer lending, and single-family rental industries.

We actively monitor our existing holdings for changes in ESG scores and other indicators, and take those changes into consideration along with other relevant factors when making investment decisions, including whether to hold or divest specific investments. Among the factors monitored are recent issuer controversies, changes in the issuer's ESG score, and the issuer's carbon footprint.

All associates at 40|86 are eligible for an annual cash incentive bonus that rewards associates for delivering targeted financial results. The 40|86 bonus plan includes an ESG investment metric in recognition of the significance of ESG to our investment and business strategies.

Portfolio Carbon Reduction Strategy

During 2021, we completed a carbon footprint analysis of the investment portfolio and developed a related risk management strategy.

We actively monitor and consider the extent of exposure to at-risk locations in CNO's commercial real estate and mortgage-backed securities portfolios. We achieve this by integrating physical climate risk and transition risk data into the loan origination process.

Please see the [Responsible Investment Policy](#) for additional information regarding the integration of ESG considerations into our investment process, investment selection and investment monitoring.

Signatory of:



United Nations Principles for Responsible Investment

1. We will incorporate ESG issues into investment analysis and decision-making processes.
2. We will be active owners and incorporate ESG issues into our ownership policies and practices.
3. We will seek appropriate disclosure on ESG issues by the entities in which we invest.
4. We will promote acceptance and implementation of the principles within the investment industry.
5. We will work together to enhance our effectiveness in implementing the principles.
6. We will report on our activities and progress toward implementing the principles.



Enhanced ESG Investment Governance and Oversight

We have dedicated resources offering internal support and advice specific to ESG-related investment matters through the Responsible Investment Steering Committee, which is led by the chief investment officer. The Responsible Investment Steering Committee meets regularly and has primary responsibility for (1) the development of ESG investing best practices, (2) communication and socialization of ESG-related responsibilities, (3) implementation of responsible investment practices and policies, and (4) the monitoring of ESG-related compliance, in each case, in accordance with investment guidelines, client expectations and fiduciary duties.

40|86 associates receive training on the ESG processes and policies, including an overview upon hire, and ongoing, specialized training for those involved in investment decisions.

The Investment Committee of the CNO Board of Directors, which oversees our investment activities, is regularly updated on our ESG efforts and as material circumstances warrant.

Impact Investments

We believe that making impactful investments, including those that accelerate positive change in our communities or support global climate stability, is fundamental to being a good corporate citizen.

In 2021, we earmarked \$100 million for impact investments and funded \$167 million in investments that further United Nations Sustainable Development Goals and that align with CNO's values. These include municipal bonds, green/sustainable bonds, and impact funds that address environmental issues of affordable and clean energy, sustainable cities and communities, and climate action, and promote health and well-being. We have earmarked another \$100 million in 2022 for new impact investments.

\$167 million

December 31, 2021 market value of impact investments funded in 2021, exceeding our goal of \$100 million.

CNO Impact Investments

Market value of holdings as of December 31, 2021



\$3 billion

Municipal bonds



\$175 million

Green/sustainable bonds



\$38 million

Renewable energy-related investments



\$10 million

Impact funds



CARING FOR THE ENVIRONMENT



Caring for the Environment

The impact of climate change is far-reaching—it affects our customers, associates, shareholders and the communities we serve. As an organization, we are committed to doing our part to reduce our carbon footprint through a comprehensive environmental management program approved and supported by our senior management team.

Largely through the work of our Council on Sustainability and our associated Environmental Affinity Group, CNO is advancing efforts to encourage sustainability in the workplace to drive enterprise-wide green initiatives.

Our Commitment to the Environment

CNO is committed to minimizing the impact of our operations on the environment while integrating sustainability processes into our business practices and throughout our value chain. In furtherance of this commitment, we are:

- Acknowledging the risk of climate change and our responsibility to contribute to its containment.
- Measuring and reducing our energy consumption and greenhouse gas (GHG) emissions.
- Managing our natural resources in a sustainable and efficient manner.
- Regularly exploring new ways to enhance our environmental management.
- Reducing waste going to landfills and promoting recycling.
- Monitoring the GHG emissions of our investment portfolio, and proactively and regularly managing the potential impacts from climate change.
- Focusing on reducing our internal consumption of paper; encouraging policyholders and shareholders to “go paperless.”
- Procuring products and services from vendors who are committed to minimizing their environmental impact.
- Engaging with our stakeholders on environmental issues and taking into consideration their suggestions and concerns.
- Promoting awareness among our associates of our shared responsibility toward environmental impacts.
- Encouraging associates to engage in environmentally friendly behaviors at the workplace and at home.
- Monitoring our environmental performance and publicly reporting on our accomplishments and progress toward achieving our goals.



CNO is committed to minimizing the impact of our operations on the environment.



Associate Environmental Engagement

In 2021, CNO formed an associate-led Environmental Affinity Group (EAG), now comprised of approximately 100 associates, to focus on raising awareness and implementing green initiatives at the workplace, in our communities, and at home.

The EAG held various virtual events in 2021 including:

- Hosted “Gardening 101” events and “Establishing Natural Grasses” educational events in conjunction with Purdue Agriculture and Natural Resources.
- Conducted a site analysis with the Hamilton County Soil & Water Conversation District representative and our landscaping consultant to determine how to incorporate more natural and native plants into our campus landscape.
- Led a “Go Green” enterprise challenge that promoted a green task each day. A tree was planted for each participant.

Environmental Commitment and Progress

Our environmental commitment guides our approach to sustainability, including outlining the steps we are taking to operate more efficiently. As a financial services organization, most of our GHG emissions are generated from office activities, business travel and associate commuting. Therefore, we believe we can make the greatest impact through the following six areas:

- Sourcing and procurement.
- Recycling.
- Facilities management.
- Employee engagement.
- Waste management.
- Responsible investing.

Recycling

Recycling is a best practice at CNO, and recycling containers are available throughout our offices. We recycle paper, cardboard and other shredded materials, plastic bottles and aluminum cans, ballasts, batteries, light bulbs and printer cartridges.

Paper Reduction

We are proud to have reduced our paper usage by 60% in the past five years. CNO uses only recycled paper and continues to explore opportunities to eliminate paper use to the greatest possible extent. Since 2012, we have made it possible for our customers to submit insurance applications electronically through our agents. Currently, 75% of insurance applications are submitted and processed electronically. Other highlights of our paper reduction efforts include:

- Approximately 50% of our policyholders pay their premiums electronically or by bank draft.
- Nearly all (99%) of our vendor contracts negotiated by our centralized sourcing department have been signed electronically since 2017, which helped save approximately 900,000 sheets of paper, 76,000 lbs of CO₂ and 5,000 lbs of solid waste in 2021 alone.
- We have reduced the number of printed proxies and annual reports by approximately 50% since 2017. We incentivized the electronic delivery of these forms in 2020 and 2021.

Reducing Our In-Office Paper Use*

In Millions of Sheets, 2016 to 2021

	2016	2017	2018	2019	2020	2021	% Change since 2020
Black & White Copies	45.1	40.5	35.2	31.8	20.1	16.5	-18%
Color Copies	4.7	5.1	5.1	5.2	3.3	3.2	-3%
Total	49.8	45.6	40.3	37.0	23.4	19.7	-16%
Printed pages per in-office and hybrid associate and agent (in thousands of sheets)	6.4	6.2	5.4	4.8	3.1	2.9	-6%

* Printed pages is based on CNO locations where copier data is available, including our three largest corporate offices and our Bankers Life branch offices. Per associate/agent usage is calculated based on the number of in-office and hybrid associates/agents at these facilities.



Responsible Technology Usage

CNO purchases energy-efficient IT and computing devices that are certified to internationally acknowledged ENERGY STAR standards with the latest power-savings features enabled. In 2021, CNO replaced the majority of its devices, which will mean improved energy efficiency and associated power savings.

Over the next few years, CNO will be migrating its data centers to the cloud, which will result in a significant reduction in our energy consumption and carbon emissions. The large economies of scale seen in cloud computing mean that commercial cloud services can operate with much greater IT operational efficiency than smaller, on-premises data centers, thereby reducing energy consumption in the aggregate.

Resources Saved in 2021 Through Responsible E-Waste Disposal

All used electronic equipment is remarketed or recycled in a safe, compliant and environmentally friendly manner. In 2021, the responsible disposal of our E-waste generated more than \$400,000 in environmental resources savings as follows:

- **Electricity savings** equivalent to powering **330** households for one year.
- **Greenhouse gas reduction** equivalent to removing **544** passenger cars from the road for one year.
- **Solid waste reduction** equivalent to the waste generated by **19** households per year.
- **Hazardous waste reduction** equivalent in size to **41** refrigerators.

Reimagining Our Workplace

Like many companies, we believe that the pandemic will permanently alter the way we work and we do not anticipate reverting to the pre-COVID workplace environment. Instead, we expect a majority of our associates to maintain a hybrid remote/in-office work arrangement. As a result, we have reimagined our overall workplace.

Through efforts that began in 2020 and have continued throughout 2021, we renovated 70,000 sq. ft. of workspace and are piloting new spaces and configurations to support the new hybrid workplace.

We expect to reduce our real estate footprint by as much as 50%, while creating the type of flexible work environment that is better suited to the future.

Eight Ways Our Building Management Seeks to Reduce Our Environmental Impact

1. LED lighting is installed in parking lots and most interior offices and is specified in new interior fixtures.
2. Motion light sensors are installed in most areas of our facilities.
3. Over 90% of our windows are double-paned and tinted.
4. 95% of our plumbing fixtures are sensor controlled.
5. All of our multi-function devices are ENERGY STAR rated.
6. Timed landscaping irrigation systems were employed to reduce water use, and grey water is used where available.
7. Building materials are recycled and reused in all renovations.
8. Purified water bottle-filling and drinking fountains are available in all locations.



Facility Modernization

As we continue to modernize our office facilities, we are increasingly incorporating materials and processes that will help to reduce our environmental impact. Through our campus cleanup efforts, we auctioned, recycled, donated or responsibly discarded items no longer needed from our warehouses and storage rooms. This included more than \$62,000 in proceeds from auctioned items that were donated to CNO's Helping Hands Foundation in 2021.

The chart below shows the reduced water usage at our owned facilities. Water usage is shown both in total and on a per-associate basis.

Water Usage Reduction

2016 to 2021

Kgals used*	2016	2017	2018	2019	2020	2021	% Reduction since 2020
Philadelphia	2,438	2,118	2,488	2,264	1,385	1,179	-15%
Carmel	955	956	887	979	1,009	867	-14%
Total	3,393	3,074	3,375	3,243	2,394	2,046	-15%
Kgals per associate*	2.2	2.1	2.2	2.2	1.7	1.7	-1%

* Each Kgal is 1,000 gallons of water. Kgals used is based on CNO-owned facilities where water usage data is available. Per associate usage calculated based on the number of in-office and hybrid associates at these facilities.

GHG Emissions Inventory

In 2020, CNO conducted its first inventory of Scope 1 (direct) and Scope 2 (indirect) GHG emissions, incorporating 2019 and 2020 usage. We updated the analysis in 2021, incorporating the emissions from our 2021 acquisition of DirectPath into both 2021 and prior periods. The inventory was conducted in accordance with World Resources Institute Greenhouse Gas Protocol, a global corporate accounting and reporting standard.

We will continue to assess, gather data, quantify and include Scope 1 and 2 GHG emissions as part of our continuing effort to better understand the environmental impact across our operations.

CNO reduced our GHG emissions by **21% since 2019.**

GHG Emissions*

2019 to 2021

	2019 Emissions (MTCO _{2e})	2020 Emissions (MTCO _{2e})	2021 Emissions (MTCO _{2e})	% Change since 2020
Scope 1	1,591	1,580	1,646	4%
Scope 2	13,824	12,164	10,503	-14%
Total	15,415	13,744	12,149	-12%



GHG Emissions Per Associate*

	2019 Emissions (MTCO ₂ e)	2020 Emissions (MTCO ₂ e)	2021 Emissions (MTCO ₂ e)	% Change since 2020
Scope 1	0.20	0.20	0.24	16%
Scope 2	1.74	1.57	1.52	-3%
Total	1.94	1.77	1.75	-1%

* Scope 1 includes emissions from the combustion of natural gas used to generate heat in CNO facilities and from the combustion of fuels in CNO-owned or controlled vehicles. Scope 2 includes emissions associated with electricity used in CNO facilities. Per associate usage is calculated based on the number of in-office and hybrid associates at these facilities.

CNO has committed to reducing our Scope 1 and 2 GHG emissions by **25% by 2030**.

Emissions Reduction Goals

In 2020, we introduced a company-wide goal to reduce our Scope 1 and 2 greenhouse gas emissions by 25% on an absolute basis by 2030, using 2019 levels as the baseline. To help us achieve this, we are implementing energy efficiency measures and considering investments in renewable energy.

We will continue to evaluate the means to progress toward net zero carbon emissions over time, consistent with the Science Based Targets initiative, the United Nations' Intergovernmental Panel on Climate Change (IPCC) Special Report — Global Warming of 1.5 °C, and a 1.5-degree Celsius pathway.

Environmental Savings from Digital Signature

Full Year 2021



98 trees protected



Averted emissions of
76,000 pounds of CO₂



Replaced **904,418**
sheets of paper



Conserved **95,868** gallons of water



Eliminated **5,291** pounds of waste

Source: DocuSign, 2021



GIVING BACK TO OUR COMMUNITIES



Giving Back to Our Communities

We are committed to positively impacting our communities by supporting local events and nonprofit organizations that focus on the health and financial well-being of middle-income Americans.

In 2021, CNO helped deliver more than \$2.5 million in total community impact to the neighborhoods where we live and work. CNO, with our associates and agents, contributed \$2.27 million to local organizations, including \$1.375 million in corporate donations through tax credit scholarship programs for schools, approximately \$800,000 in corporate donations and approximately \$100,000 in donations from associates. In addition, our associates and agents raised nearly \$240,000 through their participation in community fundraising. Despite ongoing restrictions imposed by the pandemic, nearly 450 associates volunteered over 8,500 hours to community service projects in 2021.

CNO has donated an average of nearly \$750,000 in cash contributions annually for the past five years, reflecting more than \$3.74 million since 2017.



2021 Community Impact by the Numbers



\$2.5 million

In 2021, the value of all our philanthropic efforts was more than \$2.5 million in total community impact to the neighborhoods where we live and work.



\$900,000

CNO, our associates and agents donated \$900,000 to local organizations, CNO made \$1.375 million in corporate donations through tax credit scholarship programs for schools and our associates and agents raised nearly \$240,000 through their participation in community fundraising.



8,500 hours

Nearly 450 associates volunteered to corporate-sponsored and personal community service projects in 2021.



TEAM CNO

MAKING A DIFFERENCE. TOGETHER.

CNO is committed to making service in our communities a part of our culture. Our associate volunteer program, Team CNO, has provided opportunities for associate community engagement for more than 20 years.

Associates are encouraged to volunteer for company-sponsored events, and CNO provides up to four hours of paid time off to allow associates to participate. Currently, CNO offers at least 12 signature volunteer experiences annually for our associate engagement.

Associates have consistently volunteered an average of more than 9,000 hours in each of the past five years, reflecting a total commitment of more than 47,000 hours. Prior to the pandemic curtailing opportunities for peer-to-peer volunteerism, the average was more than 10,000 hours annually.

CNO Afternoon of Service

Since 2000, CNO has offered “Afternoon of Service” volunteer experiences. This program has grown over the years to include Spring and Fall events for associates in all six of our corporate locations.

Throughout 2021, service opportunities were virtual and provided associates with at-home projects to provide connection to their communities. Together, CNO associates contributed:

- **\$6,100, or 61,000 meals**, to benefit Feeding America food banks in each of our six corporate locations.
- **5,000 hygiene/wellness kits** to benefit local charity partners.
- **250 trees planted** through the National Forest Foundation.
- **200 “thinking of you” notes** for distribution at local food banks.
- **135 kits** to support career readiness, financial literacy and/or essential workers through local non-profit partners.
- **70 books** featuring diverse characters to local elementary students.

In 2021, CNO also signed a multi-year commitment to support the Actuarial Foundation’s Math Motivators Tutoring program in Indiana. This non-profit program seeks to close the achievement gap by use of a volunteer-driven math tutoring program that pairs underserved middle and high school students with professionals and college students with strong mathematics backgrounds.

Our associate volunteer program, Team CNO, has provided opportunities for **associate community engagement for more than 20 years.**



CNO Invested in Giving Back®

Through the CNO Invested in Giving Back® program, associates nominate and vote for community programs to receive charitable donations from the company. 735 associates voted for the 2021 program award winners. \$190,000 was awarded across 13 unique charities:

Carmel

- **\$20,000**—Gleaners Food Bank of Indiana
- **\$20,000**—No Kid Hungry
- **\$10,000**—Humane Society for Hamilton County
- **\$10,000**—Riley Children's Foundation
- **\$10,000**—Junior League of Indianapolis

Chicago

- **\$20,000**—My Block, My Hood, My City
- **\$10,000**—Greater Chicago Food Depository
- **\$10,000**—St. Jude Children's Research Hospital

Orlando

- **\$10,000**—St. Jude Children's Research Hospital

Philadelphia

- **\$20,000**—Philabundance
- **\$10,000**—Shriners Hospital for Children

Bankers Life Sales Organization

- **\$10,000**—Dana-Farber Cancer Institute and The Jimmy Fund
- **\$10,000**—Make-A-Wish
- **\$10,000**—SWITCH
- **\$10,000**—St. Jude Children's Research Hospital

GLEANERS





CNO Holiday Giving

In 2021, CNO and associate contributions delivered more than \$35,000 to support 12 nonprofit organizations from November through the end of December, which included the following results:

- Created over 2,400 supply kits for the homeless and seniors.
- Donated 96,000 meals through virtual food drives to benefit the Feeding America Food Banks based in each of our corporate locations.
- Made financial contributions and donated coats and warm accessories for children in need in partnership with Cradles to Crayons in Chicago and Philadelphia.

The CNO Holiday Card program honors associates' children and immediate family members who enter their original art for the chance to be chosen as the CNO holiday card design for the year. CNO donated more than \$2,300 to charities selected by children who participated:

- American Childhood Cancer Organization.
- Bernie's Book Drive.
- Crisis Response International.
- Feeding America.
- The Bill and Melinda Gates Foundation.
- Girls Scouts of Central Indiana.
- Gleaners Food Bank of Indiana.
- Hinsdale (Ill.) Humane Society.
- Ocean Conservancy.
- Planned Parenthood of Illinois.
- Susan G. Komen Foundation.





Community Partnerships

At CNO, we are more than just a network of colleagues—we are part of a broader network of communities that stretch across the nation. We are engaged and active in working to make life better in the places where we live and work. Currently, we have strategic corporate philanthropy partnerships with the Alzheimer's Association, American Cancer Society, American Heart Association and Beyond Monumental, and members of our senior leadership team sit on the boards of many of these organizations.



Bankers Life Forget Me Not Days® is our annual fundraising event held each June throughout the nation to benefit the Alzheimer's Association. In 2021, CNO and Bankers Life supported the Alzheimer's Association with \$424,000 for Alzheimer's care, education and research.

The 2021 all-virtual event raised \$190,500 through public donations and associate contributions. The company also recognized the Alzheimer's Association with a \$200,000 corporate donation to support its mission of eliminating Alzheimer's disease and all other dementia.

Since 2003, we've helped raise more than \$6.6 million for the Alzheimer's Association through the Forget Me Not Days campaign and corporate donations. In exchange for donations, individuals receive packets of Forget-Me-Not flower seeds to plant in honor of families facing Alzheimer's disease.

CNO and Bankers Life also support the Alzheimer's Association's The Longest Day and Walk to End Alzheimer's® with corporate teams in Chicago, Indianapolis and Philadelphia. In 2021, more than 25 associates supported virtual Walk to End Alzheimer's events in these three cities and raised more than \$34,000.

We are engaged and active in working to make life better in the places where we live and work.



CNO and Washington National are proud to support the American Cancer Society (ACS) and its mission to save lives, celebrate lives and lead the fight for a world without cancer. In 2021, CNO and Washington National contributed \$100,000 to the American Cancer Society to support patient care through Hope Lodges and the Road to Recovery program for ACS volunteers and patients.



CNO and Colonial Penn are proud to support the American Heart Association (AHA) in its mission to be a relentless force for a world of longer, healthier lives. In 2021, CNO and Colonial Penn associates supported the AHA with over \$75,000 in corporate contributions and public fundraising, including through participation in the Philadelphia Heart Walk.



CNO Financial Indianapolis Monumental Marathon

Since 2016, CNO has served as the title sponsor of the CNO Financial Indianapolis Monumental Marathon. Our sponsorship complements our corporate commitment to health, wellness and the Central Indiana community where we have our headquarters. In August 2021, CNO announced our continued support by extending our sponsorship of the event through 2022. In May of 2022, we further extended our support until 2024.

In 2021, the CNO Financial Indianapolis Monumental Marathon returned to the streets of Indianapolis after an all-virtual event in 2020. The 2021 event drew over 13,000 participants to Indianapolis, representing all 50 states and 11 countries.

For the health and safety of all participants, the event races (marathon, half-marathon and 5K) looked a little different, with reduced fields, more staggered start times and virtual options. Approximately 200 CNO associates and guests participated virtually or in-person in the marathon, half-marathon, 5K distance or the “Marathon-in-a-Month,” a new event that allowed participants to run 26.2 miles over the course of the entire month of November.





Endnotes

¹Ratings are provided for informational purposes only and are solely the opinions of the rating agencies. A rating is an opinion of the rating agency, only, and not a statement of fact or recommendation to purchase, sell or hold any security, policy or contract. The ratings may be changed, superseded or withdrawn by the rating agencies at any time. For more information about a particular rating or rating agency, please visit the website of the relevant agency.

²Insurance policies underwritten by CNO Financial Group's insurance subsidiaries: Bankers Life & Casualty Company, Washington National Insurance Company, Colonial Penn Life Insurance Company, Resource Life Insurance Company, and in New York, Bankers Conseco Life Insurance Company. Subject to state availability. CNO Financial Group and its subsidiaries are not connected with or endorsed by the U.S. government or the federal Medicare program.

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Investments are: Not Guaranteed—Involve Risk—May Lose Value.

In response to COVID-19, the majority of CNO associates have been working remotely throughout 2020 and 2021. Therefore, many photos used in this report represent events prior to 2020 and before mask use and social distancing guidance were in place.

Thank you for your interest in CNO's environmental, social and governance efforts that support the health and financial wellness of our associates, agents, customers and communities.

Connect with us on social media.



QUESTIONS AND COMMENTS

Please direct questions or comments to **Sustainability@CNOinc.com**