



2020 Environmental, Social and Governance Report



CSAA Insurance Group,
a AAA Insurer



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Being a responsible corporate citizen
is part of our DNA, and I am
tremendously proud that CSAA is a truly
purpose-led organization.

As one of America’s leading insurers, CSAA Insurance Group is committed to helping our members prevent, prepare for, and recover from life’s uncertainties. But our commitment to creating a safer and better future extends far beyond our business operations, to our communities, our environment and our employees. Being a responsible corporate citizen is part of our DNA, and I am tremendously proud that CSAA is a truly purpose-led organization.

At this stage of our journey, we’re evolving from CSR (Corporate Social Responsibility) to ESG (Environmental, Social and Governance). ESG is a framework for setting more definitive goals, measuring results and building in best practices to ensure we are good stewards on behalf of our constituencies—employees, customers, suppliers, communities and the environment—and that we can respond to changing economic demands. However, we will never lose sight of the power of doing good, irrespective of business impact.

This 2020 report shares our recent progress across these priorities and shares some of our vision for what lies ahead in Environmental, Social and Governance.

We’re confident that this focus allows us to maintain an ongoing program that can evolve over time and position us for long-term success. We recognize that this is a journey, not a destination.

As I look at what we have accomplished, I am incredibly inspired by the fact that this effort has always been led by people across CSAA, at every level. They are the ones who will hold me responsible to make good on our promises and be the force for good that we can be. So I thank them for their leadership, with the knowledge that their passion and energy will ensure our continued success.

Thomas M. Troy
President and Chief Executive Officer

Environmental

Working Together for a Better Future

Emissions

Resource Use

Financial Support

Our Operations





Environmental



Working Together for a Better Future


At CSAA, we believe protecting our planet from the threat posed by climate change is an inherent responsibility to our customers, employees, business partners, and the communities we serve, live in and work in. Our focus has been, and will continue to be, on keeping our communities safe from devastating wildfires, hurricanes, droughts, and severe weather related to climate change. Lowering our carbon footprint and continuous improvement to reducing waste through reuse, recycling, and composting are key to this effort.

We recognize the important role companies play in the larger international geo-climate movement to create sustainable communities for generations to come. Our impact expands through our work with our 3,500 employees and our efforts to engage the millions of policyholders who trust us to be good stewards of our planet. Our reach across 23 states allows us to drive change well beyond our offices.

Here at CSAA, we are taking concrete steps to evolve our company to drive sustainable change, and here are a few ways we are doing it:

Emissions

We have reduced total emissions by approximately 8% from 2016 through 2019. During this same period, we decreased emissions from purchased electricity by 12%. In 2020, total emissions were down almost 50% over 2019. With respect to vehicle emissions, we have modernized our fleet to 92% hybrid.

modernized our fleet to
92%  hybrid

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from purchased
electricity by
12% 

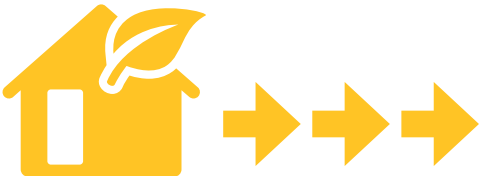


Environmental

Resource Use

Paper

We eliminated single-use recyclable containers in our cafés and partnered with food vendors committed to reducing food waste. We have also transitioned our legal, product, and claims review to 100% digital processes.



LEED Gold
LEED Silver

Energy

Even with our move to a digital platform, we have reduced our electrical usage by 840,000 kWh annually—equivalent to running nearly 1,300 refrigerators for one year. Installation of energy-saving LED lighting in all newly built and remodeled spaces has resulted in a 2% yearly reduction in energy use since 2018.

We have also consolidated our data operations for greater overall efficiency, and built an energy-efficient data center to lower our carbon footprint. Our headquarters in Walnut Creek, California, is built to LEED Gold standards; our Las Vegas and Glendale, Arizona locations are built to LEED Silver; and both the Walnut Creek and Las Vegas offices received an Energy Star rating for 2020.

Water

We completed a full-scale redesign of our headquarters to reduce water consumption by 42%, through low-irrigation landscaping techniques, auto faucets, and low-flush toilets. This equates to more than 780,000 gallons saved each year over a comparable, conventional office building, resulting in savings of nearly 5 million gallons of water since 2009. In addition, we are working to implement similar usage-reduction measures across all of our locations.

Electronics

Transitioning from paper to digital comes with increased use of IT assets in our offices and data centers, and CSAA has implemented an eWaste program to manage this. In 2020, we recycled or remarketed more than 1,800 electronic devices, saving 60,674 pounds of CO² and 66 barrels of oil.

reduced
electrical
usage by

840,000 kWh

reduce
water consumption by

42%
=
780,000
gallons saved each year



recycled/remarketed
more than
1,800
electronic devices



Environmental

Financial Support

In addition to improving our internal practices, we look outside CSAA to support great organizations making a positive impact on sustainability.

In 2020 alone, over 57,000 wildfires destroyed more than 10.3 million acres of land. To do our part to prevent deforestation, in 2018 we contributed \$1 million to the [Forest Resilience Bond](#), a pilot project to finance forest management in 15,000 acres of the North Yuba River area of Tahoe National Forest, scheduled to be

completed in 2023. The Bond helps reduce the risk of severe wildfires and associated environmental and human costs by funding forest restoration and providing flexibility to accelerate restoration.

We also are partnering with the [Bay Area Council Economic Institute \(BACEI\)](#) to measure the impact of wildfires—which devastated much of Northern California in 2020. Additionally, as a sponsor of the [California Economic Summit](#),

CSAA has supported California Forward's ongoing work, including the report [California's Wildfire Crisis: A Call to Action](#), which focuses on sharing learnings and promoting resilience among communities, as well as local and state leaders. By increasing understanding of such events, informing key stakeholders and policymakers in developing appropriate and effective policy responses, we are working toward actionable solutions in the war against this growing threat.

Our Operations

In addition to our fleet of modern, hybrid vehicles, we developed a [Green Repair Network](#) to help 33 auto repair facilities become certified to operate with strict standards for carbon emissions, pollutants, water and electricity usage, and the disposal of hazardous waste.



These environmental and climate change initiatives have been led, in part, by Sustainable CSAA, a group of 125 CSAA employees from across the company who inspire others to contribute at work, at home and in our communities to solve the environmental crisis and reduce the impact of climate change. They work collaboratively—along with our Executive Sustainability Council, which guides the company's environmental strategy—to ensure that our current efforts are effective and that we are always thinking about new undertakings that can increase our impact.

We are proud of our ongoing efforts to sustain the natural world, and we are committed to constant improvement, goal setting, and adoption of climate-friendly innovations.

Social

Strength Through the Power of Inclusion

Workforce

Workplace

Supplier Diversity

Community Impact: A Culture of Giving Back

Our Proactive Response to COVID-19
for our Communities

Health and Wellness: Prioritizing Our People

Our Proactive Response to COVID-19
for our Employees





Social



Strength Through the Power of Inclusion

At CSAA, fostering an inclusive workforce is an essential component of our company's core beliefs. Through intentional acts of inclusion, we strive to create an environment where everyone not only feels the sense of belonging critical to a great team, but also can leverage their differences to innovate, problem-solve, and thrive, creating individual opportunity and providing CSAA with a competitive advantage in the marketplace.

Highlights of this strategy show how we ensure these ideals are embedded in everything we do:

Workforce

We are proud of the diversity of our workforce. Nearly half of CSAA employees, as well as 20% of our board, are people of color, while more than half of employees and nearly a third of the board are women. To build future diversity, we require diverse candidate slates for supervisor and above positions, and conduct targeted recruiting campaigns with historically black colleges and universities.

In recent years, we have seen measurable improvement in increasing representation for people of color and for women. That said, we understand there is progress still to be made. Black and Latinx employees have low representation at the level of supervisor and above, and female employee representation is reduced as job levels rise (we are seeing this gap get smaller year after year). We are working hard to improve these numbers and are holding ourselves accountable to do so.

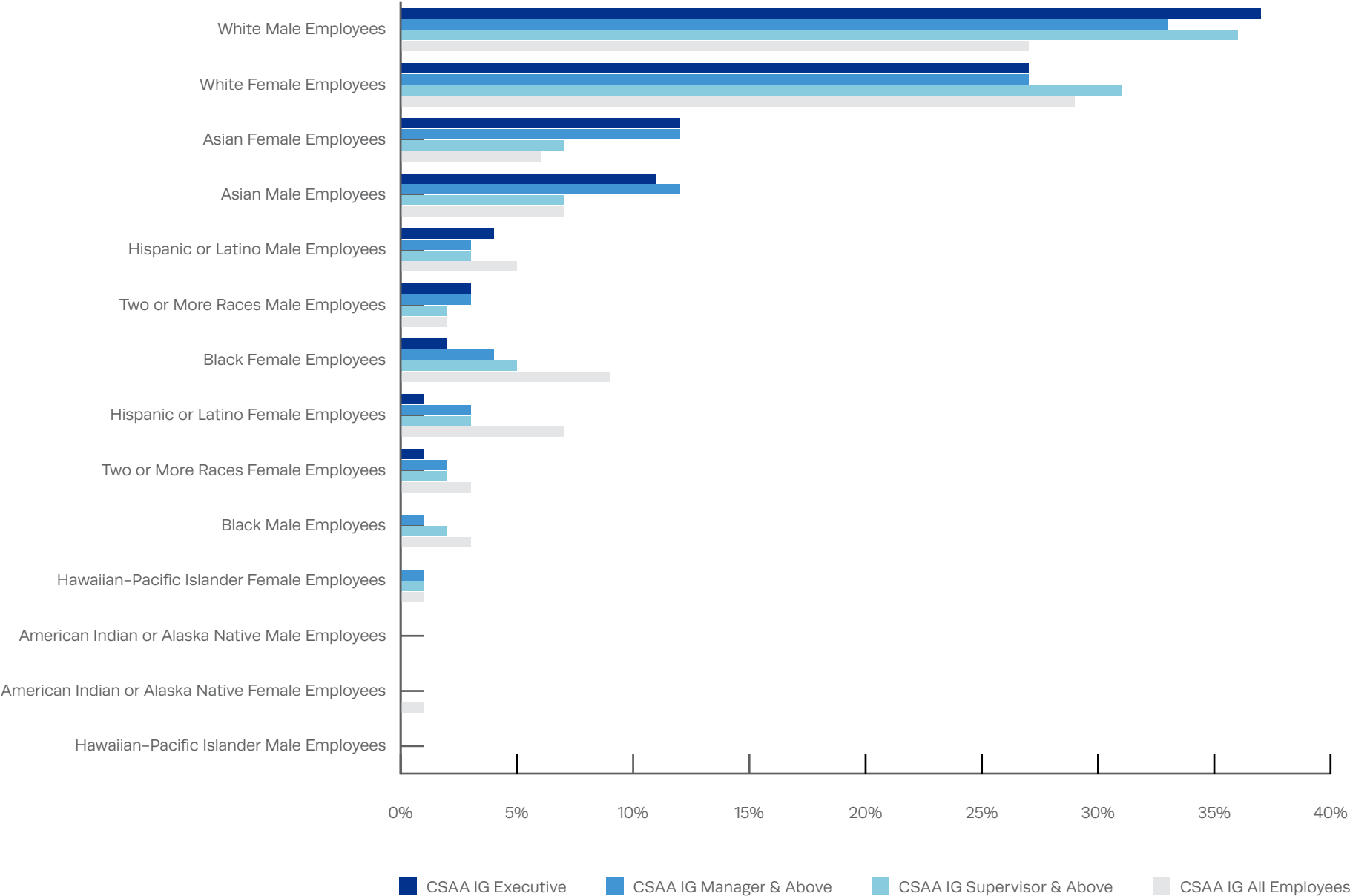
In 2020, we launched the Accelerators program to help increase internal mobility for underrepresented groups. Participants are non-executive employees known as Accelerators who partner with executive sponsors for ongoing collaboration and perspective-sharing, with an aim to support mutual personal and professional growth. Accelerators work together to put our strategy and culture goals into action, co-creating more equitable processes, programs and practices.

Nearly **50%** of employees & **20%** of board members = **people of color**



Social

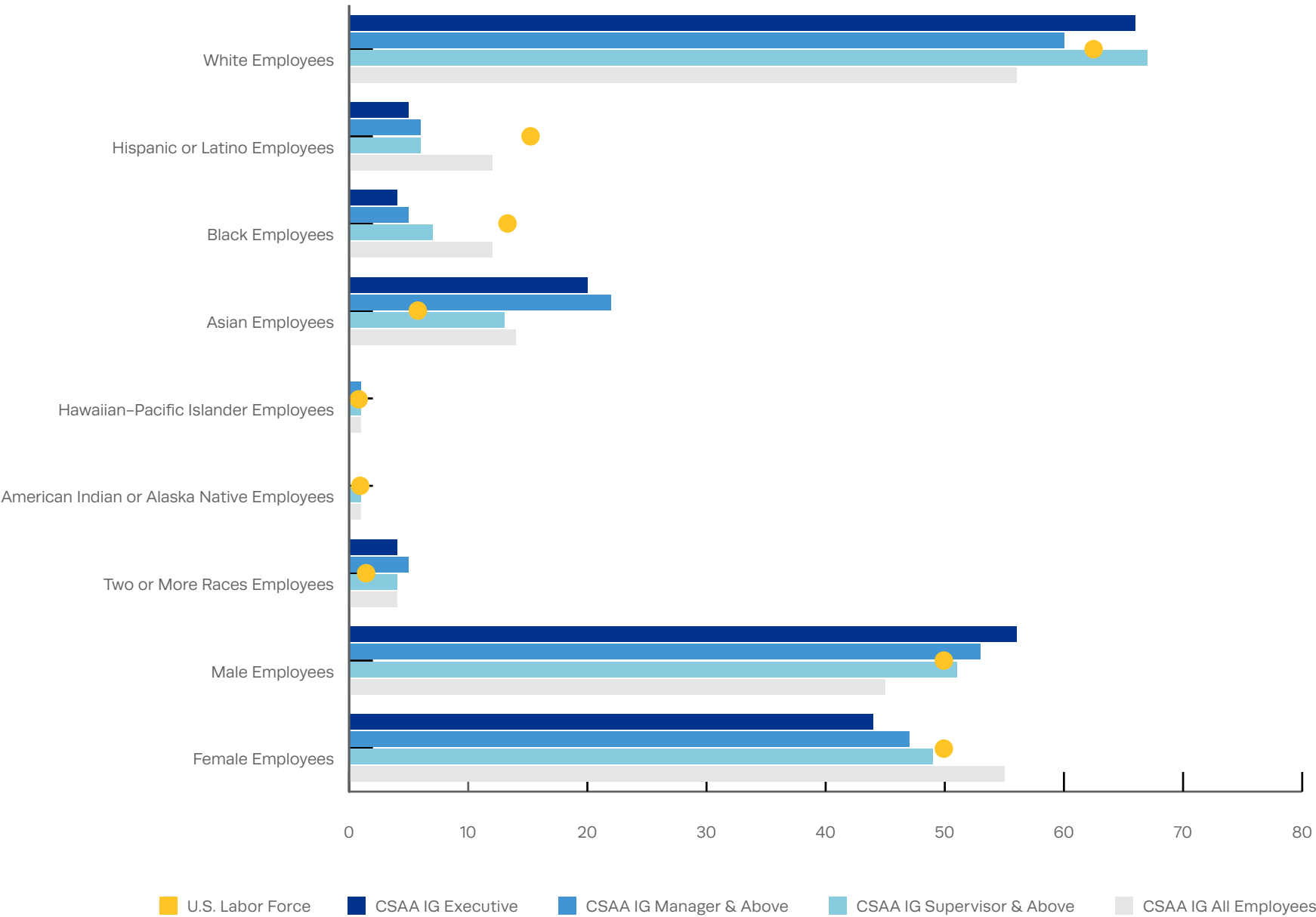
While we have seen measurable improvement in increasing representation for people of color and for women, there is progress still to be made.





Social

We aim to reflect the diversity of the U.S. labor force. In support of that, we are focusing on increasing Black/African American and Hispanic/Latinx representation at supervisor, manager and executive levels.



Social

Workplace

With an important cultural goal being to foster a workplace in which all employees can bring their whole selves to work, CSAA has made great strides in building an infrastructure to support greater diversity. A core component of creating an inclusive workplace is the combination of our 11 Employee Resource Groups (ERGs) and our six Regional Diversity Councils (RDCs)—including an executive diversity council, chaired by the CEO—that work to empower the diverse workforce for our company.

More than 460 employees participate in these inclusion groups to help create an inclusive workplace environment that supports full engagement of employees at all levels and helps support our business. The wide range of ERGs—available to all employees—represent shared life experiences, characteristics, interests and desire to create a positive workplace culture:

- Black Employee Association
- Christian ERG
- Eastern Region Caregivers Network
- Family Unity Support Encouragement
- Military Appreciation Group
- Native American Employee Association
- Pan Asian Connection
- Pride (LGBTQ+)
- ¡Somos! Unidos
- Supporting and Empowering Employees with Disabilities
- Women’s Professional Network

460 employees
in inclusion groups



PAC
Pan Asian Connection



BEA
Black Employees Association



CERG
Christian Employees Resource Group



ERCGN
Eastern Region Caregivers Network



FUSE
Family Unity Support Encouragement



MAG
Military Appreciation Group



NAEA
Native American Employee Association



PRIDE



SEED
Supporting and Empowering Employees with Disabilities



¡SOMOS!
Latin American Group



WPN
Women's Professional Network



Social

Here are just two examples of the difference these groups make inside CSAA:

- In 2020, our ¡Somos! partnered with Marketing on the Hispanic/Latinx Marketing Initiative, reviewing marketing collateral, translating documents and supporting the creation of in-language advertising.
- The Black Employees Association created “Bridging the Gap,” an in-community development initiative that focused on equipping members with the necessary tools to advance in the organization.

Every other year, we host a multi-day Inclusion Summit with the company’s leaders and representatives from our ERGs, with the goal of celebrating inclusion and learning through networking, workshops and presentations by guest speakers. The 2020 summit carried the theme *Be Bold. Be Brave. Be Inclusive. Forging an Equitable 2030*, with a different focus each of the three days: Culture & Equity, Brave Conversations, and the Business of Inclusion.

In June, following the tragic death of George Floyd, CSAA President and CEO Tom Troy made a powerful [statement](#) on our support of racial justice. We put that perspective into action through senior leaders participating in a two-part equity workshop focused on race-explicit conversations. Senior leaders explored the impact of systemic inequalities, discussed the challenges of addressing racial inequity, and identified opportunities to create greater equity at CSAA.

CSAA has also achieved a 100% score since 2005 on the Human Rights Campaign’s [Corporate Equality Index](#), the national benchmark for corporate policies and practices pertinent to LGBTQ+ employees.

From an HR perspective, we created a Learning & Development Roadmap, which outlines an inclusionary end-to-end workplace experience—from the time we meet with candidates,

through hiring, engaging and developing employees throughout their careers. The onboarding modules on Identity Mapping and Unconscious Bias won the 2020 California HR Excellence Awards Winner’s Circle for [Best Diversity and Inclusion Initiative](#).

Understanding the experience of our employees is critical to our business success. Highly engaged employees have a positive impact on our ability to deliver on our goals and vision. We measure the employee experience primarily through a “pulse survey” process that tracks employee sentiment throughout the year. The survey produces a Diversity Index, based on employee responses to three specific questions about diversity and inclusion at CSAA. At the end of 2020, the index was 82% favorable, as compared to 80% for the insurance industry, and on par with the U.S. Top Quartile benchmark.

Supplier Diversity

We believe supplier diversity encourages the growth of diverse businesses overall, adding new business opportunities, tax revenue and income that positively impact the community. In 2020, we spent \$90 million with more than 400 diverse suppliers, with 17% of our total 2020 spend on diverse suppliers. This effort resulted in recognition as the [2020 Supplier Diversity Leader of the Year](#) from the Western Regional Minority Supplier Development Council.

At CSAA, we will continue to place great importance on inclusion and belonging as it enriches our environment, makes the employee experience more fulfilling, increases customer satisfaction, and leads to improved leadership effectiveness and overall business performance.





Social



Community Impact: A Culture of Giving Back

At CSAA, we strive to create AAA Members for life by fulfilling our promise to be there when our community needs us. This promise extends beyond our customers, to engage employees to make a positive impact on the people, society and planet around us through volunteerism. As one of [Points of Light's 50 most community-minded companies in America](#), we're proud of the connections we forge with the communities we serve.

We partner with donors, volunteers, advocates, and nonprofits to make our communities the best they can be. We have strong partnerships with The American Red Cross, Junior Achievement Affiliates, Bay Area Wilderness Training, local food banks in each of our site locations, and more than 50 other organizations nationwide.

Since 2019, CSAA employees have completed more than 55,000 hours of volunteering with more than 1,000 organizations, including 500 volunteer events across the United States. We helped achieve this impact by giving every employee 24 hours paid time off to volunteer each year, and have seen 100% participation in recent years—remarkable for a company of our size. One way these employees took advantage of this time was through our Pro-Bono program in partnership with Taproot, which provided more than \$324,000 of in-kind support to five nonprofit organizations in 2020. In 2021 we moved to Enrichment Time, which now provides each employee with 40 hours to use for volunteering, personal development, culture and wellness activities.

CSAA employees donated more than \$174,000 to more than 250 organizations in 2020. We encourage our employees to provide support to community organizations through our Dollars for Doers program, which provides employees \$10 to donate for every eligible hour volunteered, up to \$600 per employee. In addition, we provide \$1,000 in annual matching gifts for every employee, a \$1,000 annual grant to organizations where CSAA employees serve on their boards, and a \$2,500 annual grant on behalf of the CSAA Board of Directors to a nonprofit of the board's choice. Total 2020 donations on behalf of our employees through these programs totaled more than \$300,000.

{ **55,000** } hours of volunteering
with more than { **1,000** } organizations



Social

\$1M
in grants to
nonprofits

67K
meals delivered
to those in need

\$137M
in relief to our
policyholders

Through CSAA's Community Impact program, we identify and organize service projects to connect our employees with causes that help support and build equitable, resilient and vibrant communities where our employees and customers live and work.

2020 was a landmark year for racial and social justice movements in the United States, and CSAA responded. In 2020, we provided more than \$1M in grants to nonprofits, including \$300,000 to Black, Latino and Native American organizations working on racial equity across the country, including [Race Forward](#), [UnidosUS](#), [First Nations Development Institute](#) and [The Equal Justice Initiative](#).

Our Proactive Response to COVID-19 for Our Communities

COVID-19 has made the past year a particularly challenging time for customers and their communities. Here are a few of the actions we have taken to mitigate the impact of the pandemic and promote health and well-being:

- To help ensure that those whose jobs and finances were impacted did not go hungry, we invested more than \$700,000 in making our cafés and their staff available to provide meals for our communities. This resulted in more than 67,000 total meals delivered to those in need, with the support of our community partners.
- We offered extended auto insurance coverage—at no additional cost—to drivers using their personal vehicles to deliver food and medicine.
- For our policyholders, we provided \$137 million of relief, reducing the cost of auto insurance payments at the height of the pandemic. In recognition of widespread financial challenges, we also enrolled thousands of policyholders in a billing leniency program that offered flexible payment options.
- We offered a 2:1 match for all employee donations to Feeding America and the National Foundation for the Centers for Disease Control and Prevention.

- We also partnered with Realized Worth to completely revamp our volunteerism program to adapt to COVID-19. We refocused on virtual events that supported both CSAA employees and participating nonprofits, and trained and equipped volunteer leads with the skills to facilitate and lead virtual teams.

We at CSAA are proud of the support we give our communities and will continue to grow our volunteerism efforts to provide a positive impact on the world around us.



Health and Wellness: Prioritizing Our People

At CSAA, we are committed to promoting the health and wellness of our employees. We know that when we’re at our best, we can do our best to serve AAA Members and the communities they live in. That’s why we provide employees with the tools and resources they need to improve their physical, emotional and financial health.

CSAA is committed to offering a comprehensive, equitable and competitive benefits and wellness package to employees and their families. We were honored to be recognized in 2020 for the Best Wellness Program by the California HR Excellence Awards and as one of the Best Companies for Work-Life Balance by the Comparably Awards.

Our award-winning Living Healthy at AAA wellness program is built around Four Pillars of Well-Being: Social, Mental, Physical and Financial. The program was designed to support “the whole you” and encourages the people of CSAA to think broadly, work smart and aim high. Actively engaging employees in these opportunities has led to 99% employee participation, which translates to hundreds of thousands of hours of health and wellness activities.

To support our employees in their personal development, philanthropic passions and overall health, in 2021 we introduced Enrichment Time, expanding the available time employees can devote to volunteering, personal development, and wellness from 24 to 40 hours.

**Best
Wellness
Program
2020**
California HR
Excellence Awards



**Best Companies for
Work-Life Balance**
Comparably Awards



Social

The health and wellness initiatives available to CSAA employees are wide-ranging, from simple conveniences like on-site flu shots and facilities for employees who bike or walk to work, to group and educational activities. Some highlights include:

- An Employee Assistance Program (EAP) facilitated by Health Advocate that supports employees, spouses, dependents, parents and parents-

in-law with personal, family and work-related concerns. CSAA provides up to 10 free counseling sessions per issue.

- Healing Conversations, where employees gather to share their hopes and dreams, and discuss coping strategies to overcome life's inevitable challenges.
- We know that access to robust preventive healthcare is critical, which is why we provide our

employees with Tier 1 preventive drugs at no cost and expanded health coverage that includes treatments like acupuncture.

- Vitality Wellness Program—a nationally recognized program engaging employees to design and follow a custom wellness plan to improve, and be rewarded for, health and lifestyle behaviors.
- An adoption assistance program that provides up to \$5,000 per

eligible child to help adoption expenses. We're happy to have helped five employees expand their families with this program over the past six years.

- Monitoring of biometric screening data to look for trends we might need to address with new programming.

Our Proactive Response to COVID-19 for Our Employees

Mental health is a big focus for CSAA, and last year we joined [One Mind at Work](#), a global employer-led coalition that works to improve mental health in the workplace. In the early days of the pandemic, we recognized that our employees needed and deserved added support during a period of great uncertainty. We used our communication channels (emails, newsletters, intranet pages) to promote mental well-being resources available to employees and their family members. We highlighted weekly COVID-focused webinars from our EAP, created a mental health

toolkit, held Healing Conversations, and created our FUSE resource group to support working parents.

To ensure our team members stayed healthy, we quickly shifted from on-site to virtual programs and subsidized the cost for a fitness app that allows participants to work out anytime and anywhere.

To keep our employees safe from the threat posed by COVID-19, we quickly transitioned to 98% of our employees working from home. For employees who tested positive for COVID-19,

we expanded paid sick leave with an additional 80 hours to provide added peace of mind. As vaccinations become more readily available and our employees become eligible, we are offering everyone paid time off for vaccine appointments.

CSAA is committed to helping our employees, communities and policyholders emerge from this pandemic stronger and healthier.



98%
work from home

additional 80 hrs. paid sick leave

Governance

Proactive Oversight

- Code of Conduct
- Our Board
- Compliance
- Enterprise Risk Management
- Regulatory Oversight
- Data Privacy and Security





Governance



Proactive Oversight

CSAA has established a well-developed corporate governance structure that incorporates sophisticated private and public corporate best practices to ensure not only compliance with all legal and financial regulations, but also ethical conduct in everything we do.

Code of Conduct

Good governance begins with our Code of Conduct, which is grounded in our core beliefs of Unwavering Integrity and Personal and Mutual Accountability. The Code of Conduct sets out the basic principles of ethical conduct for all employees and references other employee policies to further guide principled conduct at CSAA as an integral part of our compliance program.

All employees, contingent staff and board directors are required to read and acknowledge a Code of Conduct annually.

To further promote an ethical culture and minimize the fear of retaliation, CSAA established an integrated ethics reporting helpline (operated by a third party) for employees to anonymously report suspected misconduct and submit ethics inquiries. The helpline is promoted on our intranet, and any complaints are reviewed and investigated, as appropriate.

Our Board

The CSAA Board of Directors is composed of nine elected directors and three ex-officio voting members. Each director brings strong business leadership experience and strategic oversight expertise, as well as their diverse backgrounds, experience and perspectives.

The board’s responsibilities include approving major policy decisions; selecting, evaluating the performance of, and approving compensation for the CEO; approving the annual budget; defining decision-

making authority for significant expenses, capital expenditures and substantive organization changes; providing expertise and counsel to management; and upholding and overseeing CSAA's maintenance of an ethical business environment.

Compliance

The Corporate Compliance function tracks ongoing compliance activities throughout the organization. CSAA also has a separate, cross-functional Compliance Committee that provides oversight of the Compliance Program and sets the company-wide corporate compliance tone.

Corporate Compliance evaluates CSAA's compliance risk profile across a variety of compliance risk categories and reports to the chief legal officer, who also serves as the chief compliance officer reporting to senior management, the Audit Committee and board of directors, as appropriate.



Enterprise Risk Management

Enterprise risk management (ERM) is ingrained in our culture and organizational structure from the top down to ensure explicit risk decision-making. We have assigned clear ERM roles and responsibilities for the Enterprise Risk Office, led by the chief risk officer; the Risk Committee, made up of C-suite members; the ERM Leadership Team; and management. Additionally, we have established a robust program to ensure appropriate oversight of top enterprise risks and traditional insurance company risks.

CSAA uses internal risk models to assess its risk profile and establish economic capital and solvency requirements, develop risk tolerance, allocate capital to individual products and geographies, establish targeted rates of return to be used in ratemaking, and aid in strategic and operational decision-making. The Audit Committee is responsible of overseeing the risk assessment and risk management process and structure, with the board retaining visibility and involvement in the process.

Each year, AM Best closely evaluates our balance sheet strength, operating performance, business profile, and ERM program to rate our ability to meet our ongoing insurance obligations. In 2020 they determined that CSAA “has a well-established, formalized enterprise risk management process with strong to superior capabilities that are very well equipped to address its risk profile.” They also affirmed our financial strength rating of “A” and outlook of “stable”—a rating we have matched or exceeded for 92 years.

Regulatory Oversight

The lead insurer for CSAA (CSAA Insurance Exchange) is domiciled in California and licensed by the California Department of Insurance (DOI) as a property and casualty insurer. The CSAA insurance company subsidiaries that are part of the Insurance Group are domiciled in Arizona, Indiana and New Jersey and are similarly licensed by the DOIs in each jurisdiction in which they are selling insurance.

CSAA Insurance Exchange and its insurance subsidiaries are subject to quarterly and annual financial reporting requirements and periodic examinations of financial status by the DOIs in the states where they are domiciled.

In addition to the oversight exercised by domiciliary DOIs, each state in which an insurer does business exercises oversight of business practices conducted in the state. DOIs regulate the rates charged by insurers and review business practices using market conduct examinations.

Data Privacy and Security

CSAA is committed to protecting the privacy and security of all personal information it maintains. All employees and contingent staff are required to comply with the company's privacy and security notices, policies, processes and standards. In addition, the company requires employees and contingent workers to take an annual information security awareness course, as well as other role-based privacy and security training courses.

We continue to adapt to new privacy and security risks by introducing new trainings and updating existing training courses, policies, processes, standards and technologies. In addition, we continue to implement privacy and security controls to reduce the likelihood of loss, misuse or other inappropriate disclosure of personal information. Examples include ongoing testing and courses on email “phishing” and security best practices, and data classification and handling applications, among other initiatives.

This past year presented many challenges, including establishing ways for our employees to work securely from home. While those changes increased our cyber risk, our privacy and security teams implemented measures in the past year that have resulted in advancements in data privacy and security.

Looking Ahead

- Environmental
- Social
- Governance





The pages above tell the story of the progress CSAA has made in key areas as we transition to a more comprehensive ESG framework characterized by measurement, accountability and mitigation of business risk. We are extremely proud of what we have achieved, and even more so of the tremendous people of CSAA who are responsible for these results.

CSAA is at the forefront of significant disruption in our industry. As we navigate this disruption over this decade, we are committed to transform our company to ensure our success—working faster, thinking more broadly, and aiming higher. This thinking applies to corporate citizenship as well, as we rededicate ourselves to being a force for good in the world.

Environmental

- We will promote our commitment and sustainability journey in a transparent and authentic manner to highlight where we are, what we have to work on, and where we’re heading as a company.
- We have benchmarked key sustainability metrics and are in the process of determining our goals and roadmap to achieving them. We will commit to a journey, including tangible milestones and goals:
 - Announce and create awareness of CSAA’s climate action plan
 - Shift to “green” electricity starting in 2021
 - Establish commitments on water and waste reduction (TBD)
- Start the process of integrating sustainability into our culture – how we think and act as individuals and as a company. Leverage this commitment to engage employees, solicit ideas and encourage action.
- In 2021, we’re sponsoring the [California Resilience Challenge](#), a statewide initiative of the Bay Area Council Foundation to help communities improve their resilience to climate change.



Social

- We aim to reflect the diversity of the U.S. labor force. In support of that, we are focusing on increasing Black/African American and Hispanic/Latinx representation at supervisor, manager and executive levels.
- We recently implemented a new workforce diversity dashboard so senior leaders can see key leading indicators and results throughout the employee lifecycle.
- We aim to increase our diverse supplier base by training our sourcing leaders in supplier diversity and including more diverse suppliers in RFPs (requests for proposals).
- For 2021, we're increasing our giving budget by 50% to \$1.6 million.
- After a successful 2020, we're doubling down on our pro-bono partnership with Taproot and are pairing our Strategy and Innovation, Human Resources, External Affairs, and IT departments with 14 nonprofits, with an expected total of ~\$700,000 of in-kind support in 2021.
- In 2021, we increased both our undergraduate tuition reimbursement and our Student Loan Repayment Assistance Program to offer \$5,250 per year (and removed a lifetime max).
- We are also introducing a scholarship program in 2021 to further our core belief of investing in ourselves. A significant portion of the dollars dedicated to this program will be designated for our diverse talent seeking the opportunity to advance their education and their careers.



Looking Ahead



Governance

- We regularly review and update our Board governance policies and processes to align with evolving governance best practices and the business needs of the organization.
- Privacy & Data Security
 - We will continue to monitor new and updated privacy laws to ensure compliance and update our privacy policies in the spirit of transparency with our customers.
 - We plan to do both general and targeted privacy trainings throughout the company, and we will continue to implement internal and external (with vendors) controls to continue to keep our customers' information confidential.
 - We will continue to conduct simulated Privacy & Data Security exercises to prepare our cross-functional teams in case of an incident.
- Compliance
 - We will continue to promote the incorporation of compliance requirements into business planning and operations and facilitate advice and assistance to our business units on the building of controls to address compliance risks.



CSAA Insurance Group,
a AAA Insurer