At Humana, we believe that well-being starts with us.

In our corporate social responsibility (CSR) report, we strive to demonstrate just that. Specifically, we want to illustrate how our actions reflect our commitment to improve the health and well-being of our members, our associates, the communities we serve and our planet.

We are also publishing this report as Humana marks its 50th anniversary of helping people. For half a century, we’ve honored a tradition of service and corporate social responsibility — from our founding as a single nursing home in 1961, to our growth into the nation’s largest hospital firm by the early 1980s and to our status today as a Fortune 100 healthcare company committed to helping people achieve lifelong well-being.

Company Profile

Humana Inc., headquartered in Louisville, Ky., is a leading healthcare company that offers a wide range of insurance products and health and wellness services that incorporate an integrated approach to lifelong well-being. By leveraging the strengths of its core businesses, Humana believes it can better explore opportunities for existing and emerging fields in healthcare that can further enhance wellness opportunities for the millions of people across the nation with whom the company has relationships. The company ranks among the nation’s largest publicly-traded healthcare companies. We operate primarily in the United States and Puerto Rico.

Humana’s Board of Directors serves as the company’s highest governance body. Its members — except for Chairman and CEO Michael McCallister — are external to the organization, including the lead independent director. Committees of the Board include Audit, Executive, Investment, Nominating and Corporate Governance, and Organization and Compensation.

At Humana, our dream is to help people achieve lifelong well-being. We view well-being as encompassing four elements: purpose (service, vocational, advocacy), belonging (social, community, family), health (physical, emotional, spiritual) and security (financial, personal safety, family, environmental). To achieve this dream, we follow these principles:

- **Pursue a Noble Purpose**: Our services enhance quality of life and help shield our members from financial catastrophe when sick or injured.
- **Respect and Engage Associates**: We encourage an open exchange of ideas and a culture of engagement.
- **Grow the Business, Profitably**: We will evolve and prosper by meeting the changing needs of our customers.
- **Foster Healthy People, Healthy Planet, Healthy Performance**: We exemplify a responsible company wherever we do business.
- **Embrace our Differences**: To provide the most relevant services, we think, innovate and execute differently.

Our dedication to well-being is longstanding. We have encouraged our associates to care proactively for their health. We were among the first to adopt health savings accounts and low-premium, high-deductible health plans to motivate associate participation in spending decisions about their health.

40,000 ASSOCIATES HAVE BEEN ENCOURAGED TO PROACTIVELY CARE FOR THEIR HEALTH.
If enrolled in a Humana health plan, our associates and their families can participate in an incentive-based program called HumanaVitality. Rooted in science, this program rewards individuals for healthy choices by awarding points redeemable for purchases. In Louisville, Humana’s Center for Health and Well-being—operated by Concentra—provides a variety of resources including health coaching and programs for managing weight, relieving stress and quitting smoking. These resources and programs embody our efforts to better understand and adopt the best practices of workplace well-being. In addition to benefiting our associates, these efforts enable us to build the business case for workplace well-being and encourage other companies to invest in employee health.

During the first quarter of 2011 we realigned our business segments to reflect our evolving business model. We currently manage our business with three reportable segments: Retail, Employer Group, and Health and Well-Being Services. In addition, we have an Other Businesses category for businesses that are not individually reportable because they do not meet the quantitative thresholds required by generally accepting accounting principles.

We consider accountability and transparency as critically important, and we diligently communicate our financial performance to our stakeholders. For more information, please visit www.humana.com.

CSR at Humana: Our Approach

Responsibility has always been part of our corporate DNA. We demonstrate our ongoing commitment to CSR through our ethics policy established in 1995, a strong record of associate volunteerism and the actions of The Humana Foundation, which celebrated its 30th anniversary in 2011.

In 2009, Humana solidified this dedication into our structured CSR platform: Healthy People, Healthy Planet, Healthy Performance. Adoption of these three building blocks has let us create an enterprise-wide support structure for CSR and identify opportunities to collaborate throughout the company to better achieve our goals. Connecting all of our CSR initiatives under the three-prong platform best positions us to uphold our social, environmental and governance commitments.

We are integrating the Healthy People, Healthy Planet, Healthy Performance platform into our business. We have begun to focus our energy on collecting metrics, reporting on our progress, continuing to engage senior management in CSR decisions and widening opportunities for associate participation. These tactics will facilitate the evolution of our CSR platform alongside Humana’s core business priorities.

Many people are responsible for advancing our CSR commitment. The CSR Stewards, a group of 12 senior-level executives, provide strategic guidance. They are supported by the CSR Council, a group of 20 associate ambassadors who mobilize participation and provide on-the-ground execution. We rely on these teams — as well as every Humana associate to meet our CSR goals.
At Humana, we support people who endeavor daily to live a healthy life — to eat right, stay active and exercise their minds.

The Humana Foundation funds charitable activities that nurture healthy communities. We are dedicated to supporting innovative programs and partnerships that reflect our commitment to health and well-being.

Health and Well-Being Pilot in Kentucky
In 2011, Humana developed a pilot program to help communities and their residents adopt healthy habits and lead healthier lives. We partnered with MicroClinic International, a nonprofit public health organization that designs and helps activate community health programs, and Citizen Effect, a nonprofit organization that engages citizen philanthropists to sustain the program. This pilot embodies the social network theory that “good behavior is contagious” — that people in our social circles can influence our health behaviors.

Encouraging Active Lifestyles
Humana recognizes that video games can be more than entertainment, serving as a catalyst to a healthier lifestyle. We develop video games that encourage people of all ages to play their way to health. So called “exergames” — which exercise more than just the thumbs — can help players lose weight, increase fitness and improve balance.

Multigenerational Playgrounds with KaBOOM!
Opportunities to play and exercise are essential when fighting obesity and promoting well-being. Humana has partnered with the national nonprofit KaBOOM! to create such opportunities in the form of multigenerational playgrounds and family-gathering areas in eleven cities around the country.

The Humana Foundation
Humana’s philanthropic arm, The Humana Foundation promotes healthy lives and healthy communities through its grant making, internal initiatives and volunteer program. Over the past 30 years, Humana Foundation grants have contributed to a better quality of life and improved health of children and families. During that period, Humana and its Foundation have provided more than $230 million to charitable activities that promote healthy lives in communities nationwide and abroad.

NETWORK RESOURCE GROUPS
Humana offers four network resource groups — African American; Hispanic; Gay, Lesbian, Bisexual and Transgender; and Caregiver — voluntary groups of associates with common interests, experiences or backgrounds. The groups help us understand the needs of consumers by looking through the lens of our associates. They also provide a personal and experience-based forum for exchanging ideas, building community and driving measurable business outcomes.
At Humana, we recognize the dynamic link between environmental and human health.

Increasing Green Buildings in Our Portfolio

In the service industry, one of our biggest opportunities to lessen carbon emissions and increase efficiencies lies in our facilities. We are retrofitting existing owned and leased properties to be more energy and cost efficient. In addition to their environmental benefits, green buildings enhance our associates’ well-being by improving indoor air quality, increasing access to natural light and enhancing access to varied transportation options.

Energy Savings Targets

Humana is developing an energy-savings program that will improve interior work environments for associates, reduce energy usage and dramatically reduce our carbon footprint. Phase one of this program, which will commence in 2012, has the following goals:

- Reduce annual energy consumption by 10 percent (by the end of 2012, from 2009’s baseline consumption) across our portfolio of owned properties
- Reduce greenhouse gas emissions by 10 percent (by the end of 2012, from 2009’s baseline consumption)
- Reduce annual energy expense by more than $1 million (by the end of 2012, 10 percent of 2009’s baseline)

ENERGY STAR® Facilities

Fourteen of our 35 owned facilities — including our headquarters in Louisville, Ky. — are certified by ENERGY STAR®, an energy-efficiency initiative of the U.S. Environmental Protection Agency (EPA) and U.S. Department of Energy. To qualify for certification, a building must score in the top quarter of the EPA’s National Energy Performance Rating System.

For example, Humana’s De Pere, Wis., building earned this distinction in 2009. Constructed in 1981, it comprises almost 360,000 square feet — the size of six-and-a-half football fields — and since 1991 has achieved a 32 percent energy-efficiency increase, along with associated cost savings.

Associate Engagement

Humana associates play an incalculable role in supporting our Healthy Planet platform. Some offices have Green Teams that encourage participation in our environmental stewardship. This grassroots effort enables associates to take leadership roles, pursue creative solutions and build the morale of their peers.

Alternative Transportation in Louisville

Since 2007, we have partnered with Louisville’s Transit Authority of River City to allow associates to ride city buses and trolleys for free. This program eases parking shortages, reduces air pollution and provides associates with a transportation option and its benefits.
Since our inception in 1961, we have followed ethical business practices and pursued excellence.

We recognize that accountability and transparency are an integral part of how we do business as a leading healthcare company.

Outdoor activities are an important way to maintain physical, emotional and mental well-being.

Supplier Diversity
Humana believes that a diverse base of suppliers is not only integral to our success as a healthcare organization, but to our overall objectives and imperatives as a socially responsible corporation. We also believe our success with achieving overall diversity and inclusion hinges largely on the success of others — a diverse group of people who work at Humana and those whose businesses provide us with valuable goods and services.

Ethics in the Workplace
Associates understood the essential importance of conducting themselves ethically and with integrity well before Humana formalized its ethics code in 1995. We also know that the involvement of our senior management, directors, associates and suppliers is essential to that integrity. To underscore workplace ethics, associates must participate in about two hours of ethics training annually.

External Recognition
In the past several years, a number of third parties have recognized Humana’s commitment to ethical and sustainable practices.

- **Newsweek Green Rankings**
  Newsweek Green Rankings assess the 500 largest U.S. public companies on their environmental footprint, management of that footprint (including policies and strategies) and environmental reputation. In 2010, Humana ranked 317, up from 392 in 2009. In 2011, Humana ranked 72, an improvement of 245 positions.

- **Human Rights Campaign**
  Humana earned a score of 90 of 100 on the Human Rights Campaign’s 2012 Corporate Equality Index. Released each fall, the civil rights organization’s index analyzes and rates large U.S. employers on their policies and practices in support of gay, lesbian, bisexual and transgender employees.

MORE AFFORDABLE OPTIONS WITH WALMART STORES
Humana partnered with Walmart to create the nation’s lowest-cost Medicare Part D prescription-drug plan for seniors and people living with disabilities — the same plan for all people eligible for Medicare no matter where they live. This first-of-its-kind plan, which became available on Jan. 1, 2011, provides significant savings on premiums and prescription-medicine copayments.

EXPANDED CARE WITH CONCENTRA INC.
In December 2010, Humana acquired Concentra Inc., a privately held healthcare company that delivers occupational medicine, urgent care, physical therapy and wellness services through nearly 600 facilities in 43 states. Concentra enables Humana to expand services to patients and employers.
For the printing of the Humana 2010 & 2011 Corporate Social Responsibility Report we saved the following resources by using Neenah Environment PC 100 paper.

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