Double Materiality Definitions

The double materiality definitions provide descriptions for how Elevance Health is addressing these issues.

Issue Name	Definition	Business Case
Access to Affordable, Quality Healthcare	Efforts to ensure affordability and access to quality care resulting in improved health outcomes for members, associates, and communities. This includes addressing the physical, behavioral, and social drivers of health.	Providing affordable and quality healthcare to associates and members influences the enterprise's competitive positioning, customer retention, and associate productivity. For more information, visit pages 24-32.
Business Ethics	Business ethics includes conduct that is consistent with acceptable principles of honesty, fairness, and respect of others.	Strategic and operational impacts in which Elevance Health institutionally establishes an ethics-based company culture encouraging associates' individual and team-level accountability for ethical outcomes in all areas of the company. For more information, visit page 38.
Climate Resilience	Efforts to anticipate, adapt and respond to climate-related impacts/risks (e.g., business continuity, whole health impacts to members, financial impacts).	Climate-related events can strain health systems and/or lead to increased utilization of healthcare infrastructure. For more information, visit pages 21-22.
Corporate Governance	Corporate governance is the system of rules, practices, and processes by which a company is directed and controlled.	Strong corporate governance practices promote the long-term interests of our shareholders and strengthen Board and management accountability. For more information, visit page 38.
Data Protection & Cybersecurity	Protecting computer networks, devices, and data from unauthorized access, attacks, and disruption, to ensure system integrity, data privacy, and availability.	Cybersecurity disruptions leading to financial, reputational, and/or regulatory impacts. For more information, visit page 40.
Diversity, Equity, & Inclusion	Commitment to practices and policies that result in workplaces free of discrimination, where all individuals feel respected, and that represents the communities the company serves. This extends to our affiliates, business partners, and suppliers, who we expect to uphold the same level of respect for all people.	Our commitment to diversity, equity, and inclusion is vital to improving health and makes us a stronger organization and community partner. A strong diversity, equity, and inclusion strategy propels the innovative healthcare solutions we seek. For more information, visit page 35.
Greenhouse Gas (GHG) Emissions	GHG emissions from business operations and value chain activities that contribute to climate change (note: per The New England Journal of Medicine, healthcare contributes 8.5% of U.S. GHG emissions).	Compliance with regulation and management of stakeholder expectations related to GHG reductions (e.g., net zero commitment) and disclosure. Operational and financial impacts of renewable energy procurement and future energy efficiency strategies and use across Elevance Health's built environment (offices and data centers). For more information, visit pages 21-22.
Health Equity	As per the Robert Wood Johnson Foundation, health equity means that everyone has a fair and just opportunity to be as healthy as possible.	The reputational and financial impacts associated with the failure to provide high-quality care to all. For more information, visit page 19.
Regulatory Compliance	Adherence to laws and regulations relevant to company's operations; actions and policies implemented to ensure compliance across the company's operations.	Non-compliance with regulations can lead to reputational damage and potential financial penalties, negatively impacting the business. For more information, visit page 38.
Responsible Artificial Intelligence (RAI)	Designing, developing, and deploying AI in a safe, trustworthy, and ethical fashion, to empower members, associates, and businesses.	Operational impacts in which responsible adoption of new technologies can improve operational efficiency and service delivery. For more information, visit page 40.
Talent Recruitment, Retention, & Development	Policies and practices - including associate engagement, training, and professional development - that reduce turnover and strengthen talent pipeline.	Retention and development of talent reduces cost and strengthens the business. For more information, visit page 37.