



NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS

Date: 11/15/21

Virtual Meeting

Special (EX) Committee on Race and Insurance Workstream One

Tuesday, November 16, 2021

3:00 – 5:00 p.m. ET / 2:00 p.m. – 4:00 p.m. CT / 1:00 p.m. – 3:00 p.m. MT / 12:00 – 2:00 p.m. PT

ROLL CALL

Eric A. Cioppa, Co-Chair	Maine	James J. Donelon	Louisiana
My Chi To, Co-Chair	New York	Chlora Lindley-Myers	Missouri
Jim L. Ridling	Alabama	Mike Causey	North Carolina
Alan McClain	Arkansas	Elizabeth Kelleher Dwyer	Rhode Island
Ricardo Lara	California	Larry D. Deiter	South Dakota
Andrew N. Mais	Connecticut	Jonathan T. Pike	Utah
Dean L. Cameron	Idaho	Allan L. McVey	West Virginia
Dana Popish Severinghaus	Illinois	Jeff Rude	Wyoming
Amy L. Beard	Indiana		

NAIC Support Staff: Chara Bradstreet/Patrick Celestine

AGENDA

1. Welcome—*Superintendent Eric A. Cioppa (ME) and Executive Deputy Superintendent My Chi To (NY)*
2. Receive Comments from Interested Parties—
 - a. Dr. Leroy (Lee) David Nunery II, Founder & Principal, PlusUltre LLC, and Jessica Hanson Hanna, Senior Vice President, Public Affairs, American Property Casualty Insurance Association—APCIA Attachment One
 - b. Angela Russell, Chief Diversity Officer, CUNA Mutual Group Attachment Two
 - c. Jose Ramos, Diversity & Inclusion Consultant, Zurich Attachment Three
 - d. Elizabeth Heck, President and Chief Executive Officer, Greater New York Mutual Insurance Company and Board Member and Chair of DEI Initiative, National Association of Mutual Insurance Companies—NAMIC Attachment Four
 - e. Stacye Smith, Director of Inclusion & Engagement and Macie Peterman, Manager of Inclusion & Engagement, Shelter Insurance Attachment Five
 - f. Kimberly Miyazawa Frank, DEI Senior Partner, Cambia Attachment Six
 - g. Harmony Harrington, Vice President for Communications and Community Engagement, Blue Cross Blue Shield of Illinois Attachment Seven
3. Discuss Any Other Matters Brought Before the Workstream — *Superintendent Eric A. Cioppa (ME) and Executive Deputy Superintendent My Chi To (NY)*
4. Adjournment

<https://naiconline.sharepoint.com/teams/governmentaffairsfinancialservicespolicy/financialdocuments/raceandinsurance/meetingagendasandmaterials/agendaandmaterials-november162021.docx>

Board Biography for Leroy (Lee) D. Nunery II



Dr. Leroy (Lee) David Nunery II is an accomplished executive and entrepreneur with a unique breadth of experiences formed from over forty years in corporate banking and capital markets, higher education, professional sports, charter school management, public education, and with a family-owned electrical contracting firm, Leroy Nunery & Sons, Inc. In 2007, Leroy founded PlūsUltré LLC, a strategic advisory firm that focuses on turnarounds, transformations, growth and innovation planning, resource development, talent development, governance training, and diversity, equity and inclusion (DEI) strategies.

In 2017, PlūsUltré was commissioned by Marsh Companies to author a groundbreaking demographic and psychographic study called “The Journey of African American Insurance Professionals: Past and Present”. Since publication in 2018, the Study has been presented to insurance carriers, agencies, and trade associations, and is recognized as an industry standard for its deep analysis of the industry’s DEI dynamics and acknowledgment of the historic accomplishments of African American practitioners, professionals, and insurance company owners. Based upon the Study’s finding, PlūsUltré provides consulting services to the insurance industry on development and implementation of DEI strategies, exemplified by engagement with the Independent Insurance Agents and Brokers Association (IIABA) as its Executive Diversity Consultant, and Dr. Nunery’s appointment by the Million Women Mentors’ Women in Insurance Initiative as Senior Advisor for Diversity, Equity, & Inclusion to help the organization work toward a more inclusive space for all within the insurance industry. His work has been recognized by Insurance Business America in 2020 as a Leader for Change. Future versions of the Study will explore the linkages between effective diversity and inclusion practices and corporate performance, supplier diversity, and how DEI programs impact levels of talent identification, selection, and retention.

Dr. Nunery has extensive experience in governance. He currently serves on the boards of Benchmark School, Philadelphia Outward Bound School, the National Council of Washington University’s Gephardt Institute for Civic and Community Engagement, and Independence Blue Cross’ Regional Advisory Board and Consumer and Business Affairs Advisory Committee. He has previously served on the boards of Blue Cross Blue Shield Association, Inc., Pitney Bowes, Inc., Savoy Bank (New York), and Lafayette College. He is a Lifetime Member of the National Black MBA Association, Inc., and served as National President (1983 - 1987).

Among other recognitions, Dr. Nunery has been awarded the Wallace L. Jones Lifetime Achievement Award by the Consortium for Graduate Study in Management, and the Alumni Achievement and Community Engagement Award from Washington University’s Gephardt Institute. Since 2002, Lafayette College has awarded the Leroy D. Nunery Award for Intellectual Citizenship to a senior student of color for leadership and academic excellence.

Dr. Nunery is a graduate of Lafayette College (B.A., Honors in History, 1977), Washington University (M.B.A., 1979), and the University of Pennsylvania (Ed.D., 2003). He has participated in the Aspen Institute's Executive Seminar; the Public Education Leadership Program (Harvard); and the Wharton e-Fellows Program (University of Pennsylvania). Leroy frequently speaks on educational access, leadership, and organizational development and has taught at The Fels Institute of Government, University of Pennsylvania (2008 – 2015) and Keller Graduate School of Management (1981 – 1984).

Leroy resides in Wyndmoor, PA, and is an avid golfer and loves to travel. He and his wife Gina Golson Nunery have three adult children, Leroy, Gillian, and Dorothy (Jackie). He is a proud member of Omega Psi Phi Fraternity and Sigma Pi Phi Fraternity.

Contact Information:

Dr. Leroy D. Nunery II

Founder & Principal

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Jessica Hanson Hanna is the senior vice president, public affairs for APCIA. In this role, she leads industry strategic communications efforts comprised of: advocacy campaigns and coalition building; earned and paid media strategy; positioning and reputation initiatives; branding opportunities; consumer education; and social media planning.

Prior to assuming this position, she served as the vice president, communications at the American Council of Life Insurers, leading issue campaigns on tax reform and retirement security policy. She started her insurance career at the Property Casualty Insurers Association of America (PCI) in 2007 and worked on major industry issues, including coastal property insurance reform, flood insurance, the Dodd-Frank Act, and global regulatory reform.

Before joining PCI, she worked in government affairs consulting in Florida and campaign management for federal and state candidates.

2021 Diversity, Equity, and Inclusion P&C Industry Catalog

2021

Diversity, Equity, and Inclusion P&C Industry Catalog

An analysis of property casualty insurers' commitment to diversity, equity, and inclusion in the workforce, on boards, and in supply chains

2021 Diversity, Equity, and Inclusion P&C Industry Catalog

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Background

The inaugural APCIA Diversity, Equity, and Inclusion (DEI) Catalog is a significant first step for the Association and its member companies and is a meaningful contribution to the insurance industry's efforts to achieve diversity, equity, and inclusion. The Catalog provides a panoramic view of how leading property and casualty insurers are addressing these complex, multivariate issues. Using broad definitions of diversity to include race, ethnicity, gender, and other aspects, the Catalog has a wealth of information on current trends and patterns that can ultimately become the basis for the future discussions, programs, and innovations.

The Catalog findings reveal that several companies already have established, intentional investments in DEI, evidenced by >80% positive responses on "Creating more inclusive workplace policies" and high percentages on "Educating managers on the benefits of DEI in the workplace". The findings also show areas for continued improvement in implementation of DEI practices is needed, for example, in addressing long standing challenges such as hiring and retaining employees from underrepresented groups or identifying and developing minority executives. Thus, the Catalog will enable the Association to raise awareness for sound DEI practices, offer guidance on how member companies can operationalize their goals, and ultimately further embed those practices into their corporate cultures.

Future versions can expand upon this initial information base, allowing for comparison and contrast on member companies' progress, and paving the way for continuous improvement and potential breakthroughs.

GOALS OF THE DEI CATALOG

The goals of the Catalog were as follows:

- To establish DEI investment and commitment among APCIA's membership
- To understand the depth of DEI practices among APCIA member companies
- To provide guidance and insights to members as a trusted industry repository of information
- To inform APCIA's advocacy and reputational positioning on DEI issues at local, regional, and national levels

CATALOG STRUCTURE AND CONTENT

The Catalog captured anonymized foundational information through a set of questions that focused on the following broad categories:

- CEO and Board commitment to DEI in strategic planning
- CEO/C-Suite/Senior Management investment in workforce programming
- Company policy adoption e.g., hiring, supplier diversity, and product marketing for diverse communities
- Chief Diversity Officer, or designated internal role(s) responsible for DEI implementation
- Training/Professional development on DEI
- Recruitment (workforce and board) practices for individuals from underrepresented groups
- Retention (workforce and board) experience for individuals from underrepresented groups. Emphasis on senior level roles.
- Impact of virtual workplaces on DEI implementation
- Investments in community and economic empowerment programs.

We did not collect company-specific demographical information, and the Catalog does not disclose individual company results, or assess the effectiveness or efficacy of current DEI practices.

TARGET AUDIENCE

Our primary audience for data collection was Human Resources executives representing APCIA member companies. APCIA engaged company D&I officers) to oversee the drafting of the questions.

RESEARCH TEAM

Aon Ward Group - Census development, distribution, collection, analysis, reporting, presentation
 PlūsUltré LLC and Dr. Leroy Nunery - Advisory services, narrative, reporting, presentation

Insights

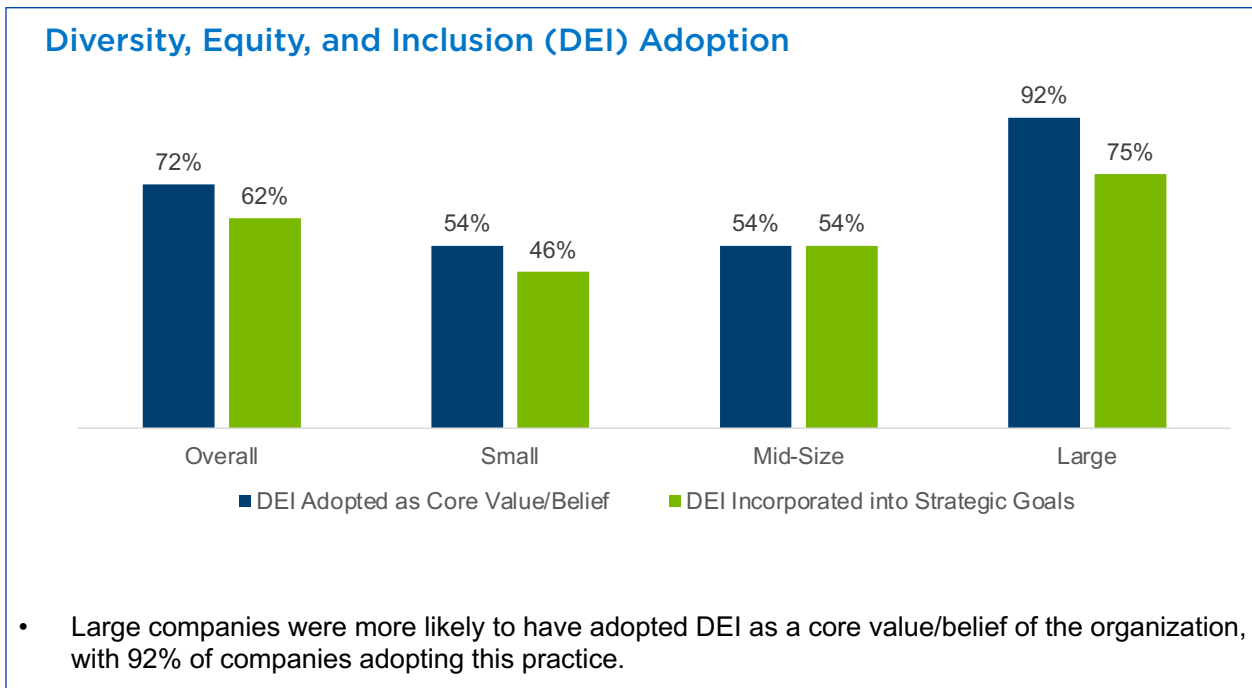
The Catalog insights presented in this Executive Summary have been organized by question, with short narratives that expound on each question or group of related questions. The attached Appendix includes the actual results from catalog questions, grouped by broad themes to facilitate understanding of the trends and patterns of participant responses. We received 52 company responses to the Catalog, and results are broken down by company size, based on 2019 average direct premiums written as small, mid-sized, or large.

Participant Profile

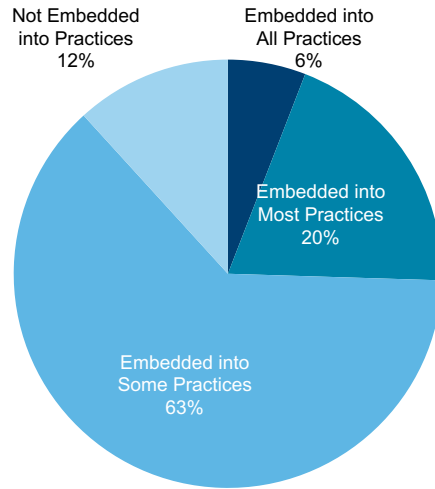
Performance Metric	Overall	Small	Mid-Size	Large
Number of Companies	52	14	14	24
Financial Profile				
1. 2019 Average Direct Premiums Written (000s)	\$3,743,210	\$237,129	\$893,588	\$7,450,704
2. 2019 Average Personal Direct Premiums Written (000s)	\$2,107,970	\$40,091	\$335,073	\$4,348,424
3. 2019 Average Commercial Direct Premiums Written (000s)	\$1,635,240	\$197,038	\$558,516	\$3,102,281

Adoption and Implementation of DEI Practices

- Q2:** Has diversity, equity, and inclusion been adopted as a core value/belief for your company and has it been incorporated into your strategic goals?
- Q3:** How deeply is diversity, equity, and inclusion embedded into your company’s culture and business/ talent practices?



How DEI is Embedded into Business/Talent Practices & Company Culture



- The majority of companies (88%) have DEI embedded into the business/talent practices and company culture.

Performance Metric	Overall	Small	Mid-Size	Large
How DEI is Embedded into Business/Talent Practices & Company Culture				
6. DEI Embedded into All Business & Talent Practices	6%	7%	7%	4%
7. DEI Embedded into Most Business & Talent Practices	20%	7%	21%	26%
8. DEI Embedded into Some Business & Talent Practices	63%	79%	57%	57%
9. DEI Not Embedded into Business & Talent Practices	12%	7%	14%	13%

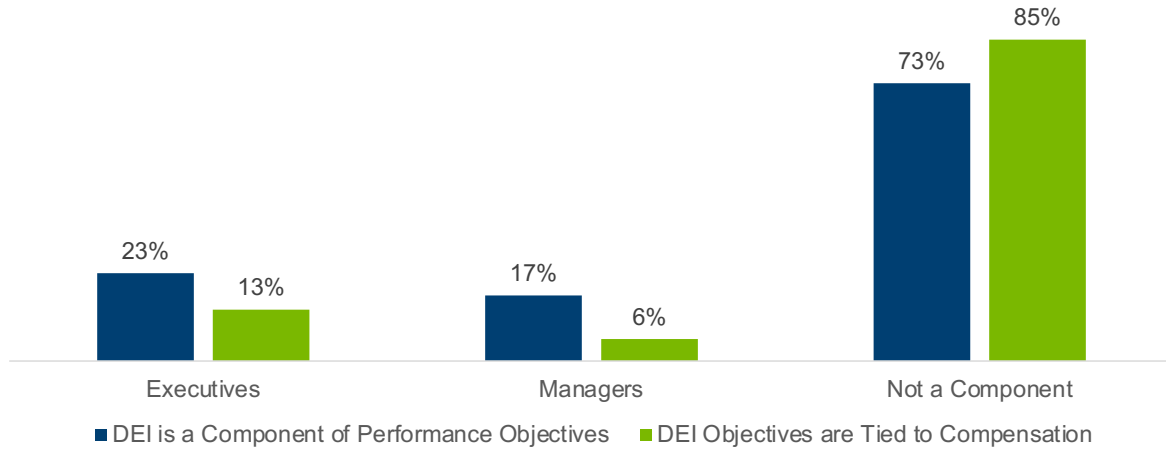
Question 2 examines whether DEI is a leadership priority and demonstrates the depth and breadth of its adoption and translation into actionable and measurable objectives at operational levels. Overall, Catalog respondents reported a high rate of adoption of DEI as a core value and belief (72%), and 62% took the next step of incorporating DEI into their strategic goals. There is a propensity for large companies (92%) to have adopted DEI, mostly likely because of the breadth and distribution of their businesses, and the implementation of best practices (as described in subsequent sections), such as inclusive workplace policies, educating managers on DEI, and pay equity analysis. Smaller companies (54%) had lower rates of adoption of DEI in their core values and strategic goals, most likely because of geography/markets served, the composition of ownership and stakeholders, and limitations to their access to sources of diverse talent.

Embedding DEI practices (Q3) in a company’s culture takes time and commitment. The overall rate of 6% for “All Business and Talent Practices” and the responses across categories of size, business lines, or geography indicates that there are substantial opportunities for progress.

Q5: Is DEI a component of your performance objectives for the following positions?

Q6: Are DEI objectives tied to compensation for the following positions?

DEI Alignment to Objectives and Compensation



- While 62% of companies responded that DEI has been incorporated into strategic goals, 27% have tied DEI into Executive or Manager performance objectives and 15% have tied DEI objectives to compensation.
- Similar to the individual performance objectives, 73% of companies did not have DEI metrics included as part of organizational key performance indicators (KPIs).

Significantly, DEI is not broadly tied to either performance objectives (73%) or compensation (85%) for either the executive or managerial levels. This outcome suggests that while DEI may be widely embraced at the corporate level, individual accountability for concrete, measurable implementation is an area of opportunity for companies moving forward. Taken together, responses to Q5 and Q6 indicate that companies can significantly deepen and broaden the adoption of DEI by increasing levels of accountability, particularly at middle and senior levels.

Impact of Employee Voice on DEI Initiatives

Q7: Does your company conduct annual/biannual employee surveys to obtain feedback and broad perspective on company culture?

Q8: If your company conducts annual/biannual employee surveys, what has your company done to address feedback from employees to improve DEI internally?

Actions Taken Based on Feedback from Employee Survey

92% of companies conducted an employee survey for feedback on company culture. The responses below indicate the actions taken based on this feedback:

Business Practice	% employing
Create More Inclusive Workplace Policies	81%
Educate Managers on Benefits of DEI in Workplace	72%
Acknowledge/Honor Religious & Cultural Practices	55%
Create Employee-led Task Forces	55%
Focus on Building Multigenerational Workforce	53%
Segment Employee Surveys by Minority Groups	47%
Promote a Multilingual Workforce	34%
Other	26%
Openly Discuss Pay Equity Gap	23%
Establish Gender-Neutral Restrooms	21%

There was an overwhelmingly positive response to Question 7. Ninety two percent (92%) of the companies that have adopted DEI as a core value (Q2) responded that they deployed culture surveys, and 94% of the respondents which have incorporated DEI into their strategic goals also used company culture surveys. It appears that companies that have advanced DEI programs are more likely to use employee input to activate and sustain their initiatives.

Of the actions listed for consideration in Q8, “**Creating more inclusive workplace policies**” was the highest ranked action and “**Educating managers on the benefits of DEI in the workplace**” was the second-most mentioned response. These results indicate that companies have striven to normalize and codify DEI as part of their comprehensive approach to managing human resources, at least at the policy formation level. The results reveal that several companies have used culture surveys to respond to either internal or external concerns, ranging from how they are building multi-generational workforces to how they consider religious practices.

Employee-led task forces are popular vehicles for translating climate surveys into action: 67% of companies adopting DEI as a core value hosted these task forces, as did 75% of those incorporating DEI into strategic goals. These task forces (or Employee Resource Groups, etc.) may prove to be valuable ways to advance DEI agendas, allowing for greater allyship and affinities, and bestowing greater ownership for DEI at the employee level.

Overall, 47% of the respondents noted that they “**Segment employee engagement surveys by minority groups**”. Fifty five percent (55%) of companies adopting DEI as a core value, and 61% of those incorporating DEI into strategic goals, used that survey segmentation to decipher responses. The mixed result may be due to low proportions of minority employees at the respective companies or because companies have not yet determined if segmentation will deepen their understanding of underlying issues.

Findings from climate surveys can be more widely utilized to create actionable programs, identify “pain points”, or instruct managers and staff on how to operationalize DEI. For example, although companies reported that “**Education of managers on the benefits of DEI in the workplace (Q8)**” was highly rated, it is unclear how DEI policies extended to, or are reinforced in, specific managerial practices, as noted above in the narrative for manager or executive performance objectives (Q5) or compensation (Q6). These anomalies reveal substantial opportunities to accelerate the adoption and implementation of DEI by embedding the policies into individual accountabilities. Additionally, actions derived from culture survey findings such as “**Promoting a multilingual workforce**” may be more widely adopted as workforce demographics change over time, particularly in certain geographic areas.

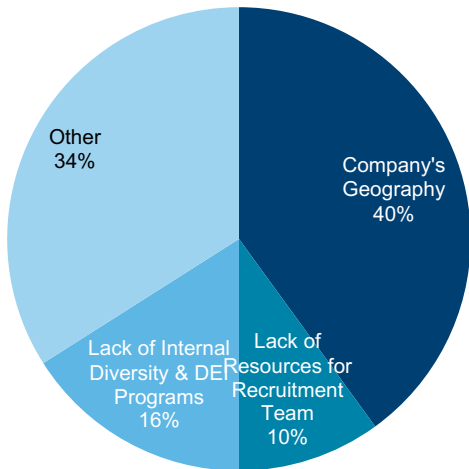
DEI Training and Professional Development

Q9: Does your company require DEI training for hiring managers?

Q10: Is DEI training incorporated as part of your onboarding process?

Recruiting Challenges & Hiring Practices

Biggest Challenge to Recruit Diverse Talent



- 33% of companies responded that recruiting diverse talent was difficult for the general workforce, but it was less difficult for executive leadership and directors.
- Geography was the most common response for challenges to recruit talent. Among “Other” responses, common issues included:
 - Lack of diverse leadership
 - Inadequate local talent pool from which to recruit
 - Competition for talent

Business Practices Adopted to Hiring Practices	% employing
Established Recruitment Goals to Engage & Hire Diverse Talent	69%
Established Procedures to Prevent Unconscious Bias in Hiring	62%
DEI Training Incorporated into Onboarding Process	48%
DEI Training Required for Hiring Managers	38%
Leadership Development Program for Underrepresented Groups	18%

Overall for Q9, 38% of the respondents stated that they require DEI training for hiring managers. Companies that have adopted DEI as a core value (42%) and those that have incorporated DEI into strategic goals (45%) reported a greater likelihood to make training a requirement. These results may reflect how companies perceive DEI as philosophical, or even compliance-driven, initiatives but are not directly tied to managerial performance. Looking at the results for Q10, it appears that DEI is incorporated into onboarding in greater frequency than required as training (48% overall for Q10 vs. 38% for Q9). This difference points to DEI's importance as part of a company's "vocabulary" for new employees, in line with introductions to its Codes of Conduct and other requisite norms.

These results also suggest that while DEI is perceived as an important aspect at an employee's point of entry, DEI best practices are not as highly emphasized in management development programs and policies. Thus, managers may not be formally exposed to how they can incorporate those practices into their hiring processes, and more work can be done to embed DEI in how managers train and develop their teams.

Q11: Does your company have Employee Resource Groups or other similar formats that provide employees with ongoing opportunities to meet and discuss pertinent issues?

Employee Resource Groups (ERG's) or other employee affinity groups have broader adoption in larger company settings, because of the employee population sizes. Fifty-six (56%) of the companies that adopted DEI as a core value and 55% of those that have incorporated DEI in their strategic goals have ERG's. Smaller insurers reported lower presences of ERG's (only 21%), which may indicate that at smaller companies, employees have greater access to leadership/ownership and less need for aggregations based on race, gender, ethnicity, etc.

Company Support and Sponsorship of External DEI Initiatives

Q12: Does your company sponsor or support organizations that promote diversity, such as National African American Insurance Association, Latin American Insurance Agents Association, etc.?

Q13: Does your company have external programs that demonstrate a commitment to supporting diverse communities and economic empowerment for diverse groups?

Q14: If yes, please describe.

Q15: What percentage of your annual giving budget is devoted to organizations who are focused on DEI? (between 0 and 100).

This question received strong positive responses: Overall, 60% of the respondents reported support of such trade groups, and 75% of those who adopted DEI as a core value and 71% of those incorporating DEI as a strategic goal were supportive. As expected, the missions of DEI-centric trade groups align well with corporate support, as exemplified by their missions: NAAIA was "organized to create a network among people of color and others employed in or affiliated with the insurance industry and is engaged in the sharing of information for personal growth and professional development," and LAAIA "works to ensure a healthy insurance environment by providing continuing education, legislative advocacy, representation on national advisory councils, monthly networking events, community outreach and the largest annual insurance convention and trade fair in South Florida." It appears that these groups have more traction with larger companies (83%), probably a reflection of their visibility and access to company decision-makers. The comparatively lower rates of support from smaller insurers (29%) are most likely due to lower exposure to those organizations, fewer/

nonexistent chapter membership in the geographic vicinity of the smaller insurers, etc. The responses to these questions may offer an opportunity for those organizations to reach out to the leadership of non-sponsoring companies to increase awareness and become de facto extensions of the companies DEI efforts.

Responses to Question 13 were varied and demonstrated how several companies have committed to supporting the missions and goals of those organizations, at the local, regional, or national levels. While only forty-six percent (46%) of carriers have those connections to external programs, there was greater evidence of commitment for companies that adopted DEI as core values or that have incorporated as strategic goals (58% for both categories). Based on these results, it appears that carriers can further their DEI initiatives by identifying, selecting, and funding organizations where employees can volunteer, become active members, or through which the carriers can deepen their commitments.

The detailed responses to Q14 show that companies are engaged through community-facing programs that reveal the complexities and variations of culture, language, economic development, etc. There is strong evidence of responding to the needs of under-represented communities, captured by comments such as:

- “Acute awareness that communities of color are adversely impacted institutional and systemic racism.”
- “Partnering with local community college and high schools to help fund scholarships for underserved populations for dual credit courses.”

A number of companies encourage employee engagement with local community-based organizations and regional branches of national organizations, such as the United Way and National Urban League, with avowed missions to uplift their communities. Corporate giving programs (such as grants aimed at diverse communities), matching gift programs, and volunteering (i.e., “active employee participation”) were also noted as evidence of how carriers encourage employee engagements in their communities. There were several educational linkages noted, such as high school and university internships.

Other notable actions include CEO’s signing onto significantly visible programs, such as “CEO Action for D&I”, and sponsoring leadership developing programs for women and minorities.

Measurement of DEI Initiatives

Q16: Are DEI metrics included as part of your Key Performance Indicators (KPI)?

Q17: Does your company perform a pay equity analysis?

Q18: If you answered yes to question 17, is the analysis conducted internally or by a third party?

A majority (65%) of respondents undertook pay equity analyses, across all sectors and sizes of companies, and through internal or third-party studies. Compensation gaps are widely acknowledged as fundamental indicators of inequity, particularly for minorities and women as compared to majority males. It is unclear how the companies are using the analyses to rectify pay imbalances, or more importantly, to effectively establish more transparent, systemically fair, compensation programs.

Only 26% of all respondents have included DEI metrics in their KPIs, and similarly, KPI metrics were present only at 35% of companies which adopted DEI as a core value and 37% of companies which have DEI in their strategic goals. It is not clear how the absence of quantifiable metrics affects how companies effectively gauge progress on their initiatives, or whether or not there are ramifications if expectations are not met.

Roles and Responsibilities for DEI Leaders

Q19: Do you have a chief diversity officer whose primary job function is responsibility for DEI implementation?

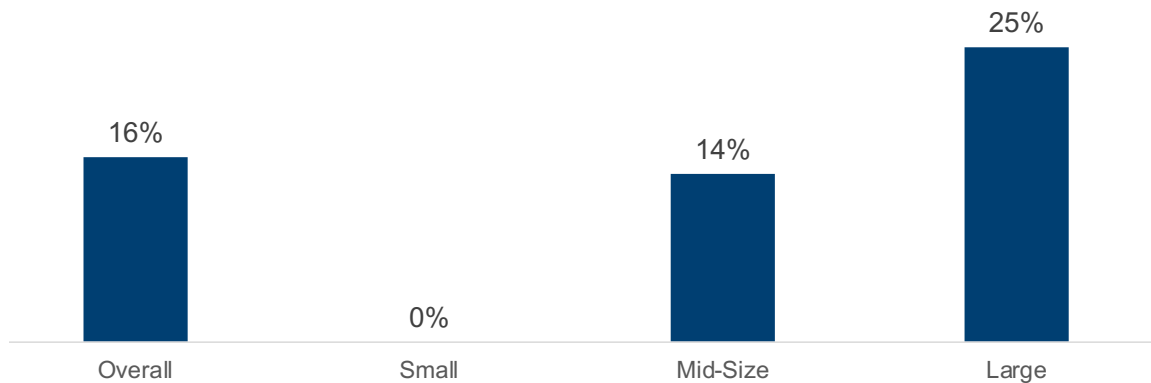
Q20: If you answered yes to question 19, who does the chief diversity officer report to? CEO, CHRO, Other?

Q21: If you do not have a chief diversity officer, do you have another designated internal role at another level whose primary job function is DEI implementation?

Performance Metric	Adopted DEI as Core Value	Incorporated DEI into Goals
1. Have Chief Diversity Officer Position	19%	26%
2. If No CDO, Have Role Responsible for DEI Implementation	64%	70%
Reporting Relationship for Chief Diversity Officer		
3. CEO	14%	13%
4. CHRO	29%	25%
5. Other	57%	63%

Chief Diversity Officer

Have Chief Diversity Officer Position



- Large companies were more likely to Chief Diversity Officer.
- For companies with a Chief Diversity Officer, 13% reported to the Chief Executive Officer. 25% reported to the Chief Human Resources Officer, and 62% reported to other positions.

Questions 19 and 20 reveal a relatively low presence of Chief Diversity Officers (CDO), even for those carriers that have adopted DEI as a core value (only 19%) or for those which have DEI in their strategic goals (only 26%). However, on a positive note, for those companies without formal CDOs, 49% of all carriers acknowledged that there was a designated person with responsibility for DEI implementation. We did not inquire about the individual's position, function, or level of responsibility and it is unclear about how much authority non-CDO's have for implementation, or where DEI responsibility is embedded (e.g., Human Resources).

In addition to the lack of CDO presence, CDOs most often did not report to CEOs or even Chief Human Resources Officers, but rather to another individual (63%). These responses suggest that the CDO may be reporting into a lower visibility role, or that CDO roles are not well articulated. A September 2020 Harvard Business Review article by Mita Mallick entitled, “Do You Know Why Your Company Needs a Chief Diversity Officer?” suggests that “The CDO should report directly to the CEO or to the head of HR with a dotted line to the CEO. Either way, a close partnership with HR, legal, and corporate communications, with full access to and support from the entire C-Suite, will be critical. Your new hire must have a seat at the senior leadership table if you want to see meaningful change.”¹ It is conceivable that DEI adoption would be advanced if roles and responsibilities for DEI were clarified and defined.

Recruitment and Retention Policies and Practices

- Q22:** Does your company have a program aimed at retaining and developing diverse talent, as it pertains to race, gender, sexual orientation, gender identification, disability, or veteran status into executive leadership roles?
- Q32:** What is your biggest challenge as it pertains to recruiting diverse talent? (Company’s geography, Lack of resources for recruitment team, Lack of internal diversity and inclusion programs to attract diverse talent, Other)
- Q33:** Has your company actively established procedures to prevent unconscious bias in hiring and recruitment?

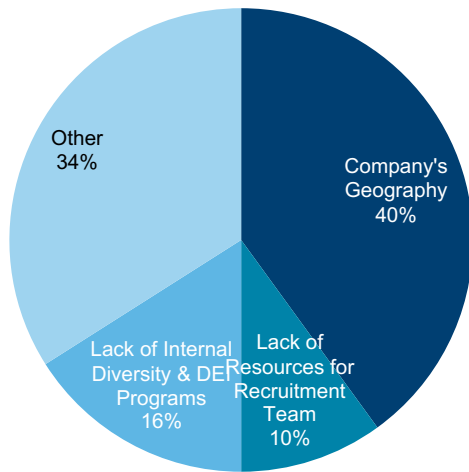
The questions in this section are interrelated, as they pertain not only to how talent is recruited into respective companies, but also how the organizations attempt to groom and develop those individuals. As noted in multiple studies on DEI practices, retention of talent — i.e., eliminating or mitigating attrition — is one of the most challenging aspects confronting employers. Without access to opportunities, viable networks, exposure, or mentoring and sponsorship, the likelihood of attracting and retaining diverse talent drops precipitously.

The combined responses to Q22 (Presence of specific retention and development programs to increase diverse talent into executive levels) and Q25 (Requiring diverse candidates for leadership positions), revealed relatively low overall outcomes (26% and 35%, respectively). These results speak to the intentionality and focus of recruitment efforts, i.e., how companies gain access to, and present opportunities to, seasoned individuals who can immediately contribute. The findings indicate that combining recruitment of early stage/junior level talent and developing seasoned talent (e.g., mentoring programs and sponsorship of high potential/high performing executives) would be the most efficacious ways to respond to the needs.

¹ Mallick, Mita. Do You Know Why Your Company Needs a Chief Diversity Officer? <https://hbr.org/2020/09/do-you-know-why-your-company-needs-a-chief-diversity-officer> (September 11, 2020)

Recruiting Challenges & Hiring Practices

Biggest Challenge to Recruit Diverse Talent



- 33% of companies responded that recruiting diverse talent was difficult for the general workforce, but it was less difficult for executive leadership and directors.
- Geography was the most common response for challenges to recruit talent. Among “Other” responses, common issues included:
 - Lack of diverse leadership
 - Inadequate local talent pool from which to recruit
 - Competition for talent

Business Practices Adopted to Hiring Practices	% employing
Established Recruitment Goals to Engage & Hire Diverse Talent	69%
Established Procedures to Prevent Unconscious Bias in Hiring	62%
DEI Training Incorporated into Onboarding Process	48%
DEI Training Required for Hiring Managers	38%
Leadership Development Program for Underrepresented Groups	18%

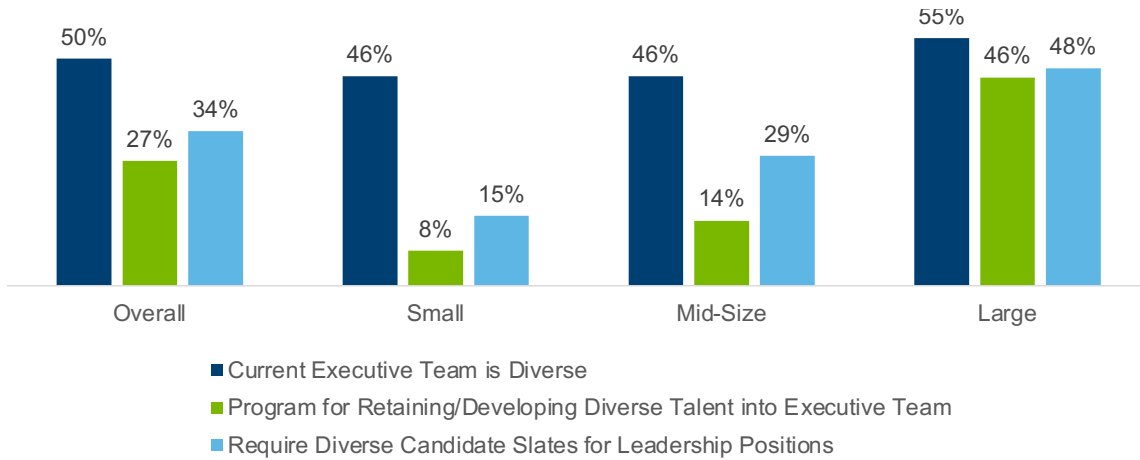
Q23: If you answered yes to question 22, please describe the progress made in increasing the diversity in your executive leadership.

In response to Q23, there were concrete examples offered that highlight purpose and intentionality:

- “Inclusion Cohort program to help retain and up-skill accelerated talent that is culturally diverse for future leadership roles.”
- “Women’s Leadership group focused on advancing women into leadership roles and have seen greater % of representation in our supervisor to mid-level leader positions.”
- “Increase in board diversity with more women members, including an African-American woman, and a member of Asian descent.”
- “Elevating Women in Leadership is an initiative to accelerate the leadership development of key high potential female leaders (and their managers). “

Respondents also offered several examples of success, e.g., promotion and elevation of women to supervisory and mid-management, and executive level programs that emphasize succession and leadership development.

Executive Team DEI Practices



- 50% of companies responded the current executive team was diverse, with large companies more likely to have a diverse team.
- Large companies were also more likely to have programs to retain and develop diverse talent into the executive team and require a diverse candidate slate for leadership positions.

Q24: Is the current demographic composition of your executive leadership team diverse, as it pertains to race, gender, age, sexual orientation, gender identification, veteran status, disability, or other?

Interestingly, for Q24 respondents claimed that they had a relatively high level of diversity in executive leadership (50% for the overall response). We posit that respondents viewed gender as the prevailing factor in determining whether a leadership team reflects diversity. In future Catalogs, additional questioning will help determine which categories of diversity were represented with the executive/C-suite ranks and help identify threshold percentages in order to deem if an executive leadership team is “diverse”.

Performance Metric	Adopted DEI as Core Value	Incorporated DEI into Goals
Require Diverse Candidate Slates for Leadership Positions	46%	50%

Q25: Do you require diverse candidate slates for leadership positions?

Q25’s responses (above) reflect the presence or absence of available diverse candidates. The results show that the size of the company is major factor in determining the level of success in meeting requirements for diverse leadership slates. Moreover, it is very likely that results will vary depending upon the position and discipline (e.g., underwriting or production, which persist as areas with historically low representation), and the perceived opportunity at any particular company. Given the current stiff competition for diverse, experienced talent within underrepresented groups, companies will have to be creative in how and where they identify sources of high potential candidates.



Q26: How does your company define diversity, as it relates to your recruitment and retention policies and programs? Please select all that apply.(Race, Veteran Status, Age, Disability, Sexual Orientation, Gender Orientation, Other)

Q26 (“How does your company define diversity, as it relates to your recruitment and retention policies and programs?”) received exceptionally high coherence regardless of the size, line of business, or location of the respondents. As the graphic above shows, there is almost universal agreement that gender, race, age, and disability are the predominant markers for diversity in recruitment. This result indicates that the theme of diversity has been sufficiently popularized such that most insurers are using the same definitions and/or interpretations in their searches for talent. More importantly, given the broad alignment, it appears that successful implementations of DEI programs essentially rests upon the level of responsibility and accountability of the individuals who spearhead the programs.

Q27: Do your company recruitment goals include strategies to engage and hire diverse talent, as it pertains to race, gender, age, sexual orientation, gender identification, veteran status, disability, or other?

Performance Metric	Overall	Small	Mid-Size	Large
Recruitment Goals to Engage & Hire Diverse Talent	69%	38%	79%	79%

The responses to Q27 (“Do your company recruitment goals include strategies to engage and hire diverse talent?”) were also relatively high with 69% overall responding in the affirmative. The strongest results were from larger companies, but it is notable that all respondent categories showed commitment in this area.

Q28: What strategies has your company adopted to recruit diverse talent? Please select all that apply.

Under Q28 (“What strategies has your company adopted to recruit diverse talent?”), we provided an extensive list of possible strategies.

Diverse Recruiting Strategies

Business Practices Adopted to Improve Diverse Recruiting	% employing
Use Sourcing Methods that Contain Diverse Candidate Pipelines	73%
Offer Workplace Policies that Appeal to Diverse Candidates	47%
Write Job Postings to Attract More Diverse Candidates	45%
Partnerships & Strategies to recruit from HBCUs & HSIs	39%
Establish Diversity Strategy for Intern Recruitment & Pipeline Development	39%
Use Personality Assessments to Recruit Diverse Candidates	8%
Screen Resumes Using Artificial Intelligence	6%
Remove Candidates' Name from Their Resumes	2%
Conduct Blind Interviews	2%

- Although geography was the most cited challenge to DEI objectives, 27% of companies also reported that the COVID-19 pandemic has created both opportunities for recruiting and retaining to diverse staff. Work from home and remote staffing strategies may allow companies to recruit talent from a larger geographic area.

By far, using different sourcing methods to attract diverse candidates (73%) is the predominant strategy deployed by carriers, with offering appealing workplace policies (47%) and designing job postings that appeal to diverse candidates (45%) are secondary strategies. Overall, 39% of the respondents indicated that they partnered with HBCUs and Hispanic Serving Institutions (HSIs) or developed strategies to recruit potential candidates from those institutions. This outcome reveals an opportunity for carriers to expand the diversity of their baccalaureate and professional school talent pools. Although a number of HBCU's/HSI's do not have formal risk management programs, recruitment efforts can be a substantially inexpensive, yet efficient, way to build brand awareness and identify talent which otherwise would not be attracted to the industry. Without exposure to these institutions, carriers may be foregoing a vital source of well trained and highly motivated individuals.

29. How does your company evaluate if your current diversity recruitment efforts are effective? Please select all that apply.

Measuring Effectiveness of Diversity Recruiting Efforts

Business Practices Adopted to Evaluate Diversity Recruiting	% employing
Review of Recruitment Outcomes	50%
Do Not Have a System for Evaluating Effectiveness	42%
Employee Feedback and Surveys	36%
Quantifiable Interview Goals and Metrics	24%
Surveys to Candidates who Interviewed for Feedback	14%
Surveys to Hiring Managers	14%

- 42% of companies do not have a system for evaluating the effectiveness of diversity recruiting efforts.
- 24% of companies have adopted quantifiable interview goals and metrics. Larger companies were more likely to have formal process across most of the measures.

Reviewing recruitment outcomes (50% of respondents overall) appears to be more evident as a practice, but it is not clear how those reviews actually inform and lead to improvements. The lack of recruitment outcome reviews could prevent companies from understanding whether or not their diversity initiatives are really effective at the “point of sale” – i.e., exchanges between recruiters and candidates. And, given that we are in a virtual environment, which limits face to face interviews, it would appear that reviewing recruitment strategies and outcomes is an absolute necessity.

On a consolidated basis, the relatively low occurrence of the remaining evaluation techniques (e.g., “Quantifiable interview goals and metrics” at only 24%, or lack of “Systems for evaluating effectiveness” at 44%) should be viewed as areas of opportunity for carriers to dramatically improve the ways they source talent, regardless of background or experience. Responses to this group of questions suggest that carriers can enhance their talent acquisition strategies and institute effectiveness measures that better inform how they are deploying resources in their efforts. More importantly, without these techniques in place, the potential for biases in interviewing on a conscious or unconscious basis, substantially increases.

DEI and Leadership Succession Planning

Q30: Does your company require diversity in your succession plans?

Q31: If you answered yes for question 30, what level does your company require diversity in succession plans?

Only one third of responding companies require diversity in succession, which may be a reflection of the paucity of diverse talent ready for upward mobility, or that diversity has not been recognized as an essential element in succession planning. For those companies adding commentaries in their responses, individuals must have officer level designations as a prerequisite for consideration in succession planning, and vice president titles appear to be the most common base line for consideration. This indicates that companies must pay close attention to how they promote talent, incorporating DEI as a key variable in their assessments, along with job performance, client satisfaction, etc.

On the issue of requiring diversity in succession plans, we learned from several respondents that their companies have been striving to accomplish the goal. Some examples of those attempts are presented below:

- “[Require diversity in succession plans at] all levels.”
- “We focus on diversity in succession planning through manager levels as well as professional individual contributor roles that can lead to management”
- “[We require diversity] within 3 levels of reporting to the CEO”
- “Our practices indicate that diverse slates of candidates should be considered for every position, and every effort is made to ensure a diverse slate of candidates for succession plans.”
- “Enterprise critical roles, e.g., selected Vice President and Senior Vice President roles, in addition to the C-Suite”.
- “All management levels and pipelines of succession plans is reviewed during local management meetings and executive strategy meetings.”

Impact of COVID-19 on DEI Recruitment

Q34: Has working from home during COVID-19 created challenges or opportunities in recruiting or retaining diverse talent?

Q35: If you answered yes for question 34, could you please describe?

Performance Metric	Overall	Small	Mid-Size	Large
Challenges/Opportunities Created by COVID-19 to Recruit/Retain Diverse Talent				
18. % of Carriers Where COVID-19 Created Challenges/Opportunities	27%	8%	38%	32%

Performance Metric	Adopted DEI as Core Value	Incorporated DEI into Goals
Challenges/Opportunities Created by COVID-19 to Recruit/Retain Diverse Talent		
18. % of Carriers Where COVID-19 Created Challenges/Opportunities	30%	34%

The COVID-19 pandemic has disrupted every aspect of our lives, and our respondents remarked about the impact of the virus on their recruitment and retention practices. The results reveal that although traditional means of talent acquisition has been suspended, e.g., in-person interviews or career fairs, carriers are leveraging available technologies as feasible substitutes. For companies that have adopted DEI as a core value, only 30% reported that COVID-19 has changed their current recruitment/retention practices, about the same level as companies that have DEI incorporated in their strategic goals (34%). Twenty-seven percent (27%) of the 52 responding companies reported that the COVID-19 pandemic has created opportunities for recruiting and retaining to diverse staff.

It is apparent that today's "Work from Home" modality, remote staffing strategies, and heavier reliance on online talent networks (e.g., LinkedIn, Indeed.com, or company websites) may in fact allow companies to recruit talent from a larger geographic area, as opposed to being relegated to customary physical approaches. As for retention issues, however, it is not clear that the virtual environments are fully effective, and respondents would be encouraged to undertake additional study on how employees are interacting and engaging with their managers, peers, and clients.

Leadership Development Programs

Q36: Has your company found it difficult to retain diverse talent in your workforce, executive leadership, or board of directors?

Q37: If you answered yes for any group for question 36, could you please describe? (Workforce, Executive Leadership, Board of Directors)

Performance Metric	Overall	Small	Mid-Size	Large
Difficulty in Retaining Diverse Talent by Employee Category				
15. Overall Workforce	33%	25%	31%	38%
16. Executive Leadership	21%	20%	18%	22%
17. Board of Directors	10%	18%	18%	0%

Performance Metric	Adopted DEI as Core Value	Incorporated DEI into Goals
Difficulty in Retaining Diverse Talent by Employee Category		
15. Overall Workforce	35%	41%
16. Executive Leadership	18%	23%
17. Board of Directors	3%	11%

When asked if there were difficulties in retention in three domains – workforce, executive leadership, and boards of directors (Q36 and Q37), participants noted a mixture of responses. Representative responses are listed below by domain, and as expected, there are recurring themes, namely: how companies attract talent; their geographical locations; and a lack of emphasis on retention practices.

Workforce:

- “We have greater success with attracting diverse talent compared with retention of diverse talent. We are actively focused on leveraging data insights and developing retention strategies.”
- “We are working closely with our business resource groups to continue to help engage and develop visibly diverse talent.”
- “[There is a] lack of career pathing for diverse talent, lack of access to executive sponsorship”
- “[Our] corporate offices are in medium-sized, midwestern town which is not as attractive to a diverse population as some locations.”
- “[There is] competition for talent; people are being recruited away.”

Executive Leadership:

- “[There are] challenges with geography of our headquarters”
- “[There is] competition for talent; people are being recruited away.”
- “[We] need to be more deliberate in hiring practices.”

Board of Directors:

- “[We] need to be more deliberate in recruiting practices.”
- “25% of BOD is diverse in gender and people of color.”

Q38: Does your company have a separate leadership development program for underrepresented groups?

Q39: If you answered yes for 38, please specify which underrepresented groups (women, Black, Hispanic, etc.)

Performance Metric	Overall	Small	Mid-Size	Large
Have Leadership Dev. Program for Underrepresented Groups	18%	8%	14%	26%

Performance Metric	Adopted DEI as Core Value	Incorporated DEI into Goals
Have Leadership Dev. Program for Underrepresented Groups	26%	17%

In response to the Questions 38 and 39 regarding separate leadership programs for underrepresented groups, we found that while the current results are low (only 18% overall have such programs), some respondents noted that they have initiatives underway. In line with the definitions of diversity in Q26, companies that have dedicated leadership development programs involve women and People of Color (Black, Hispanic, Asian, Indigenous, multiracial/multiethnic), and in one instance, a respondent noted that it has a “women’s leadership group to advance women into leadership roles. We also recently implemented a mentoring program to pair high-potential leaders with our senior and executive leaders to help promote underrepresented leaders into more [senior roles]”.

Internal, dedicated leadership development programs can be essential to retention efforts, but only if those programs are perceived as integral grooming talent in general, not as set-asides for underrepresented groups, and more importantly, are regularly and actively tapped to source executive or senior positions. Additionally, management development programs at universities or professional development institutes could prove to be effective ways to achieve the same goals. Critical factors in successful execution of these programs are the organization and delivery of content; support and endorsement of managers/supervisors; and allowances granted to individuals in order to fully complete the program.

Impact and Engagement of DEI on Governance and Boards of Directors

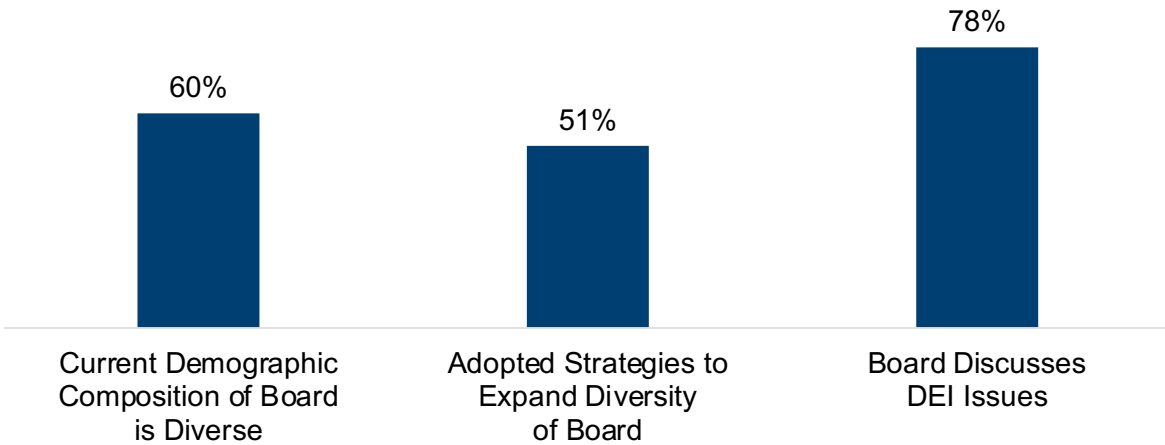
Q4: Are you required to report out on your DEI efforts to your board on a regular basis?

Q40: Is the current demographic composition of your board of directors diverse, as it pertains to race, gender, age, sexual orientation, gender identification, veteran status, disability, or other?

Q41: Has your company adopted strategies to expand the diversity of your Board of Directors, as it pertains to race, gender, age, sexual orientation, gender identification, veteran status, disability, or other?

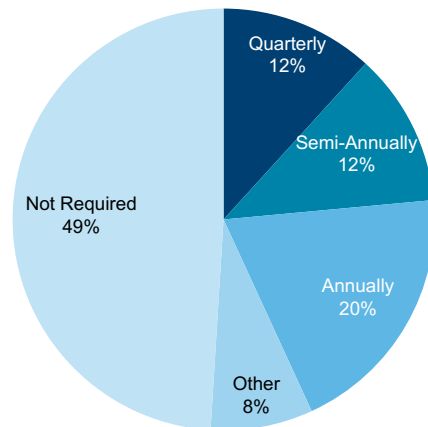
Q42: Does your Board discuss DEI issues either at a committee level or as a whole?

Board DEI Practices



- 60% of companies responded the current Board was diverse, which was similar for companies of all sizes.
- 92% of large companies discussed DEI issues at the board level, compared to 54% and 79% of small and mid-size companies, respectively.

Frequency to Report DEI Efforts to Board of Directors



- Nearly half of the companies did not report DEI efforts to the Board.
- Large companies were more likely to report efforts to the board, 65% versus 21% and 57% of small and mid-size companies, respectively.

Significantly, the Catalog responses revealed that board-level discussions about DEI are prevalent, and as the graphics above show, 92% of large companies discussed DEI issues at the board level, compared to 54% and 79% of small and mid-size companies, respectively. Additionally, 60% of all companies responded their current boards are diverse, similar for companies of all sizes, although they did not distinguish how board diversity was defined (i.e., by race, gender, religion, veteran status, etc.).

Despite the promising results on board composition or board-level discussions, 49% of all respondents stated that there was no requirement to report DEI issues at that level. Moreover, the absence of mandated reporting to company directors on DEI initiatives correlates to the low percentages in Q5 (Performance Objectives), Q6 (Compensation), and questions 16 and 19 (regarding Key Performance Indicators). In order for DEI initiatives to be more efficaciously implemented, these must be ongoing visibility, attention, and accountability at each level, particularly from boards and C-Suites.

Summary

This inaugural APCIA DEI Catalog is a significant endeavor to document the efforts of member companies to achieve their DEI goals. As a foundational document, the Catalog can have substantial impact on the entire insurance industry because it highlights areas of accomplishment and opportunity in a major segment of the industry. Association members should be pleased about the robust participation, and we appreciate the contributions of the 52 members in this first-ever effort.

The Association will be organizing presentations and professional development sessions on the Catalog throughout 2021. It also plans to engage member companies in dialogues on how to support their initiatives and offer guidance, as needed. We hope there will be numerous discussions about the Catalog and we invite readers to study the underlying findings and raise questions. Member companies should compare and contrast their individual efforts to the aggregated results, looking for ways to enhance DEI practices or explore new approaches. Readers are also encouraged to consider how the findings and the following recommendations can guide them in advancing and redesigning their DEI efforts.

Bio for Angela Russell, Chief Diversity Officer for CUNA Mutual

Angela Russell

Chief Diversity Officer



Angela Russell is the Chief Diversity Officer and is the Vice President of the CUNA Mutual Foundation at CUNA Mutual Group. In these roles, Angela provides strategic enterprise-wide leadership to ensure that CUNA Mutual's commitment to DEI is reflected in the workplace, community partnerships and marketplace in our products, processes and services.

In 2021, Ms. Russell was the recipient of the inaugural DEI Trailblazer Award from the African American Credit Union Coalition. In 2018, Ms. Russell was named as one of the nation's most powerful diversity executives by Black Enterprise magazine.

Ms. Russell has 20 years of professional experience. Prior to joining CUNA Mutual she worked in various roles in public health including serving as a Health Equity Coordinator for Public Health Madison Dane County and she was the Community Engagement Lead for the national County Health Rankings & Roadmaps Program at the University of Wisconsin-Madison Population Health Institute.

Ms. Russell has also worked in a variety of roles in Wisconsin state government including Division Administrator for the Division of Early Care and Education, and Assistant Deputy Secretary for the Department of Children and Families, and Policy Advisor to Governor Jim Doyle. She was formerly an epidemiologist with Wisconsin AIDS/HIV and Hepatitis C Program at the Department of Health Services.

Angela serves on the Board of Directors for JustDane which is focused on providing programming for individuals returning to the Dane County community after incarceration. She also hosts a Wisconsin based podcast called Black Oxygen, which was recently awarded the 2021 Wisconsin Innovation Award.

She holds a Master of Science in Population Health from the University of Wisconsin School of Medicine and Public Health and a Bachelor of Science in Biochemistry from Beloit College. In 2021, Angela was awarded an honorary Doctorate of Science degree from Beloit College.

Angela has two children that are the loves of her life and are a regular source of feedback (the good, bad and often very funny).



Jose Ramos has more than fifteen years of experience in the insurance industry. Throughout his career, he has held various actuarial roles and is a Fellow of the Casualty Actuarial Society (FCAS). More recently, he joined the Diversity, Inclusion, Equity, and Belonging Office of Zurich North America as a D&I Consultant. His background in analytics allows him to develop insights that help inform Zurich's D&I efforts.

Zurich North America Diversity, Inclusion, Equity and Belonging Efforts

Zurich North America Diversity, Inclusion, Equity and Belonging Efforts

Zurich North America (Zurich) is committed to fostering an environment where individuals of diverse backgrounds, experience and perspectives can achieve their full potential, and our strategy for Diversity, Inclusion, Equity and Belonging (DIEB) reflects this objective. Our Senior Leadership, together with our Head of DIEB, is working to ensure equity is integrated into our processes and committed to making progress towards the DIEB ambitions we announced in 2021. Our strategy not only emphasizes the impact that our actions can have on our employees but also on our customers, distributors, communities and our broader society, which is evident in several key initiatives.

Executive Diversity & Inclusion Council

We formed an Executive Diversity & Inclusion Council (EDIC) to guide our efforts to accelerate progress and help ensure accountability. It includes senior leaders, members of employee resource groups and stakeholders outside Zurich, including representatives from community organizations, customers and distributors. EDIC oversees Zurich's efforts to advance diverse representation, following our public release of our representation by gender and race/ethnicity in 2020. We provided an update on this representation information in 2021.

CEO Action Pledge

Zurich CEO Kristof Terryn signed the CEO Action Pledge for Diversity & Inclusion along with over 1,000 other CEOs of American companies. Zurich has also been honored by many organizations, including Forbes' Best Employers for Diversity and the Human Rights Campaign's Corporate Equality Index for LGBTQ+ Equality.

Apprenticeship Program

Zurich's award-winning apprenticeship program has led to the hiring of 145 apprentices since the program was created in 2016. It removes barriers to professional opportunities by offering an earn-while-you-learn model that provides a full-time salary, benefits and tuition-paid college coursework. At the end of the program, apprentices receive an associate degree and a promotion at Zurich. We have recently created new avenues for talent representing diverse backgrounds by the expansion of the program from suburban Chicago to include New York City, Atlanta and our crop insurance business in certain agricultural states. Further expansion is planned in 2022.

Propel and Bridges Inclusion Programs

To strengthen diversity at all levels of our organization, Zurich offers various development programs and actions. The Propel program, introduced in 2019, is designed to enhance leadership presence and increase impact as a strategic partner and influencer for employees in higher-level roles. In 2021, Zurich added a complementary program, Bridges, to provide mid-level employees the opportunity to develop confidence and support to pursue stretch assignments.

Training Initiatives

In 2020, Zurich offered the Inclusion for Success training program on unconscious bias to managers and team leads. In 2021, we launched Allyship training applicable to all levels of employees. Over 100 members of the Zurich leadership team also participated in study groups focused on anti-racism.

Employee Resource Groups

Zurich's nine employee resource groups (ERGs) are very active and have led courageous conversations on current events and social justice. They include the Women's Innovation Network, Zurich African Ancestry Alliance, Zurich Asian American Pacific Islanders, VETZ: Veterans Engagement Team at Zurich, PrideZ, Emerging LeaderZ, LUZ: Latinos Unidos for Zurich, Good NewZ and AbilitieZ. The ERGs have held events on racial equity, increased community outreach and advanced allyship. They have also worked to support employee mental health and wellbeing, especially during the pandemic.

Industry Impact

We are collaborating with associations such as the National African American Insurance Association (NAAIA) and International Association of Black Actuaries to contribute to progress on equity and opportunity in insurance. Zurich has also joined the advisory board of the National Association of Minority and Women-Owned Law Firms (NAMWOLF).

Community Action

Through the Z Zurich Foundation, we are supporting the non-profit Year Up with a three-year grant. Year Up works to close the opportunity gap for underserved young adults by providing education, skill development and corporate internships to help them secure full-time employment. We also made financial contributions to the Equal Justice Initiative and the NAACP Legal Defense Fund.



Elizabeth Heck, Chairman, President and CEO

Elizabeth Heck is Chairman, President and Chief Executive Officer of GNY Insurance Company. She joined GNY in 2001 as the company's Corporate Controller and subsequently served as Chief Financial Officer before being named President and Chief Operating Officer in 2010. In 2015, she was named President and Chief Executive Officer, as her strong financial and operational background and deep ties to GNY made her uniquely qualified to lead the company through its second century. Ms. Heck began her career with one of the "Big Four" accounting firms, and went on to work for two national carriers, holding high-level financial positions. She earned a Bachelor of Arts in Accounting from Franklin & Marshall College and is a CPA. She is active in several insurance-related trade organizations holding board seats and officer positions, including the New York Insurance Association, the American Society of Workers' Compensation Professionals, the New York Compensation Insurance Rating Board, and the National Association of Mutual Insurance Companies. Her philanthropic activities include Board membership on the Crohn's and Colitis Foundation of America, which has cited her generous fundraising activities.



Stacye Smith
Director of Inclusion and Engagement
Shelter Insurance

During the **Shelter** Board of Directors meeting on November 19, 2020, the Board elected **Stacye Smith** to the role of Vice-President of Shelter Benefits Management, Inc. (SBMI), Shelter Human Resources Department. Stacye is a graduate of the Greater Missouri Leadership Challenge Class of 2014.

Stacye is a Columbia native and a graduate of **Stephens College** where she earned a Bachelor of Arts degree in Business Administration. She began her Shelter career in 1987 and has held several positions in Underwriting, Training, and SBMI. She has been in management since 2005, where she has held the positions of Manager of Sales Training, Manager of Human Resource Programs, and Director of Human Resources. On January 1, 2020, she became Shelter's first Director of Inclusion and Engagement, having responsibility for Diversity and Inclusion, Employee and Community Engagement, and Employee Communications.

Shelter Insurance 2020 Diversity + Inclusion Annual Report



2020 | DIVERSITY + INCLUSION
ANNUAL REPORT



A Message from our President and CEO

The year 2020 will go down in our history books in many ways. From the pandemic, the historic storms and certainly the social justice issues that continue to face our country.

Shelter's diversity and inclusion journey officially began over 32 years ago with the creation of the diversity intern program. Through the years we have introduced a diverse student population to our company and the industry as a whole. We have successfully hired and retained a segment of those students within our company.

Through the years we continue to look for opportunities to strengthen this core value. We have dedicated positions within the company charged with enhancing our focus and attention to continued improvements.

In 2018, we adopted the Principles of Community, which stated the importance and value of a diverse workforce. As a company we need to continue to review and commit to those important tenets that at the end of the day make our company stronger.

Our Employee Resource Groups did not take 2020 off. They adapted to a new way of meeting and engaging. From our Emerging Professionals Network (EPN), the Shelter's Women's Advocacy Group (SWAG), the Multicultural Group (MCG), the Happy Work Team (HWT), and Shelter's ability awareness group, Ra11y, each group found a way to continue their programming and have an impact in their respective areas.

As we review the year, my hope is you will see that Shelter has a history of a strong dedication to Diversity and Inclusion. It is not a buzz word or slogan but backed up by our actions. We have not arrived at our destination, in fact we still have a long way to go. It must be a part of all we do, how we make decisions and how we interact in our communities. We are committed to this journey and will do our best to make long-term and lasting change.



A handwritten signature in black ink, appearing to read 'Matt Moore', written in a cursive style.

Matt Moore
President & CEO

Our Diversity Vision, Mission and Values

Our Vision

We envision Shelter as a naturally diverse and inclusive workplace that:

- Provides products and services that create value to an ever increasing multicultural market.
- Appreciates people for their value and contributions and not for their appearance.
- Creates an inclusive environment, where people feel respected by and connected to one another. This environment supports contributions and the integration of diverse levels of knowledge, experience, and perspective to the creation and accomplishment of our defined goals.
- Encourages employees within Shelter to pursue new approaches that increase diversity and inclusion in their processes.
- Enjoys community partnership strategies and recognition for diversity achievements.
- Builds local, national and industry awareness from diversity groups as a great place to work.

Our Mission

- At Shelter, we are committed to bringing together the diverse perspectives of all agents, employees and community partners. Utilizing their different perspectives creates an inclusive environment where everyone can contribute to our dynamic organization. This enhances our ability to serve diverse customer needs and meet our business objectives.

Our Values

- As a diverse and inclusive company we value:
- A real (valid, authentic, true) diversity commitment.
- All walks of life; demonstrated at all levels of the organization.
- Performance and collaborative engagement where different ideas and opinions are welcomed.

Shelter Insurance Companies

Principles of Community

Shelter Insurance® is a mutual insurance company that provides financially secure insurance protection and services to individuals and businesses. We are committed to bringing together the diverse perspectives of all agents, employees, and community partners. Utilizing their different perspectives creates an inclusive environment where everyone can contribute to our dynamic organization. This enhances our ability to serve diverse customer needs and meet our business objectives.

We recognize that our companies are comprised of diverse individuals having many perspectives, identities, and lived experiences. We recognize that to create an inclusive and intellectually vibrant company, we must understand and value both our individual differences and our common ground. The Shelter Insurance® Principles of Community is an aspirational statement that embodies this commitment, and reflects the ideals we seek to uphold. Therefore, we adopt and practice the following principles as fundamental to our ongoing efforts to increase access and inclusion and to create an organization that nurtures learning and growth for all of its employees, agents, and insureds.

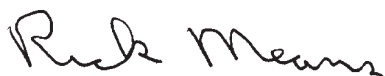
We affirm the inherent dignity and value of every person and strive to maintain a climate for work and learning based on mutual respect and understanding.

We affirm the right of each person to express thoughts and opinions freely. We encourage open expression within a climate of civility, sensitivity, and mutual respect.

We affirm the value of human diversity because it enriches our lives and our organizations. We acknowledge and respect our differences while affirming our common humanity.

We reject all forms of unlawful prejudice and discrimination, including but not limited to, those based on age, color, diverse ability, gender, gender identity, gender expression, national origin, race, religion, sexual orientation, and veteran status. We take individual and collective responsibility for helping to eliminate bias and discrimination and for increasing our own understanding of these issues through education, training, and interaction with others.

We pledge our commitment to these principles.



Rick Means
Chair, Board of Directors



Matt Moore
President, Chief Executive Officer



Strategic Advisory Group (SAG)

The Strategic Advisory Group is responsible for developing our Diversity & Inclusion Strategic Plan. SAG provides direction, sets expectations, removes obstacles and outlines priorities, objectives, goals and initiatives.



Paul LaRose

Vice President of SBMI

"Our diversity and inclusion efforts have been a journey we started years ago. Our path has taken us to good places and our search continues with the help of our Shelter family and the communities in which we live."



Stacey Smith

Director of Inclusion & Engagement

"I am proud of the work we are doing to be a more diverse and inclusive company. One that appreciates people for their values and contributions, and where we feel respected by and connected to one another. We are better today than we were yesterday, but we have more work to do and we are committed to doing it together."



Jay MacLellan

Director of Corporate Training & Public Relations

"It's exciting to see the many things happening at Shelter. I love watching and experiencing the many opportunities we have for our employees to learn and grow both personally and professionally."



Macie Peterman

Manager of Inclusion & Engagement

"Shelter Insurance is becoming a workplace where our employees can bring their authentic selves to work each and every day and know that their differences and unique experiences will be celebrated and valued."

Corporate Diversity & Inclusion Committee

The Diversity & Inclusion Committee meets quarterly to report on the status of sub-committee activities and other diversity and inclusion efforts pursued corporately.

Paul LaRose (Sponsor)	SBMI	Marsha Carter	Life Company
Lacy Rice	Accounting	Dina Krofta	Life Company
Christy Harp	Claims - Springdale	Anna Hargis	Marketing - Advertising
Teri Forbeck	Claims - St Louis	Nick Wallace	Marketing RDS
Shawn Ricks	Claims - Home Office	Kelly Wray	Information Services
Rachelle Malone	Customer Communications	Lisa Gardi	Reinsurance
Deidre Backues	Customer Communications	Andrea Lindenbusch	Reinsurance
Taylor Claiborne	Customer Services	Jane Breen	SBMI
Rick McVeigh	General Services	Macie Peterman	SBMI
Brian Fick	General Services	Stacey Smith	SBMI
Sergio Valenzuela	Information Services	Jay MacLellan	Training
Douglas Jones	Information Services	Priyanka Coats	Training
David VanDyke	Law Department	Chris Allen	Underwriting
Waldon Moss	Law Department	Sheila Joyce	Underwriting

Training & Development

In 2020 the Inclusion and Engagement team continued to offer substantial training and development opportunities within Shelter. Macie Peterman continued to conduct Diversity presentations in the Essentials of Supervision training program and created a personalized email to educate and provide resources to new agents and agency staff in the Fundamentals training program.

Macie Peterman was asked to help facilitate dialogue sessions with a handful of departments in 2020 as they explored their understanding of racism and its impact on employees both personally and professionally.

In response to the murder of George Floyd and the following social unrest within our country, Shelter's NCCJ FaciliTrainers held multiple Crucial Conversation meetings in June. These opportunities allowed for our employees to process through these events and the underlying issue of systemic racism, in a way that was inclusive and safe for employees. In conjunction with these conversations, Stacye Smith and Macie Peterman began to adapt training content developed in the NCCJ program, to a virtual presentation platform for employees. This program is known as Building Inclusive Companies. In November of 2020, two cohorts of employees went through this program and provided positive feedback about that experience. We look forward to rolling out more opportunities for employees to attend Building Inclusive Companies in 2021.



Diversity Internship Program

Due to the pandemic, it was imperative to transition the 2020 Diversity Internship Program to a virtual format. The program was successfully adapted and 15 students participated in the program. Interns worked within their designated departments, met weekly for virtual team building activities and diversity discussions, and completed professional development workshops with the Training Department.



Interns also participated in job shadowing, virtually, with several different departments and enjoyed a speed networking session with Shelter leadership. The group wrapped up their summer internship by presenting to their management and Shelter Officers. Their presentation included information about their virtual experience with the program and making recommendations for future program enhancements.



Raphael Hutchins

Intern of the Year

The 2020 Allen/Nevins Intern of the Year was presented to Raphael Hutchins. Raphael was an intern in the Home Office Claims department. He was a returning intern, having participated in the 2019 Diversity Internship Program as a Small Systems intern. The Intern of the Year award is based on participation in training, engagement in group activities, peer evaluation from fellow interns, and an overall job performance evaluation from the intern’s manager.



Community Engagement

Although COVID restrictions limited the number of community events that were held in 2020, Shelter was still well represented in community engagement activities. Community engagement is designed to connect us with diverse organizations and create lasting relationships that have a positive impact in our community.

Shelter Foundation Success Grant

The Shelter Foundation Success Grant was awarded in 2020 to three high school students in the Columbia community. Carrie Johnson and Jania White, both graduating seniors from Battle High School, and Juliet Wambua, a graduating senior from Hickman High School were recipients of this award. A component of the Success Grant is a community project. Because of COVID-19, it was not feasible for the recipients to complete this project. In lieu of a project, each student was asked to create a video or presentation about their project with the intent of sharing the completed videos with the appropriate audiences in the community. Each award is a \$1,000 grant that is renewable annually for up to four years.

2020



Carrie Johnson
Shelter Insurance Foundation
Success Grants




2020



Jania White
Shelter Insurance Foundation
Success Grants



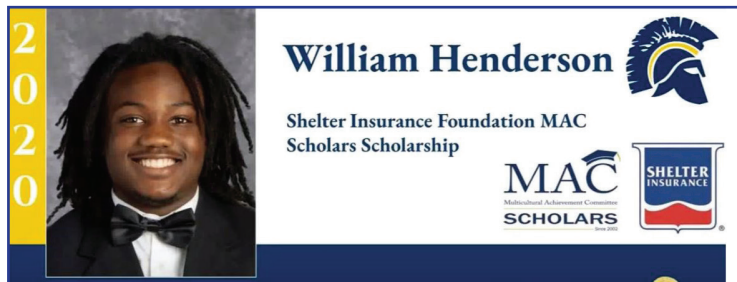

Juliet Wambua

Shelter Insurance Foundation
Success Grants




MAC Scholars Partners in Education Scholarship

The MAC Scholars Scholarship was awarded to William Henderson in 2020. William was a senior at Battle High School in 2020. In addition to the Shelter Foundation scholarship, William received scholarships from the Columbia African American Association, Columbia Downtown Rotary, and the Jeremy Hughes Shelter Insurance Foundation. William also received the Battle Wall of Honor and Service award and the Presko Family SAL (Scholarship, Athletics and Leadership) award. The MAC Scholars Scholarship is a \$2,000 scholarship.



2020 MAC Scholars Achievement Matters Virtual Conference Sponsor

A four session virtual conference featuring a keynote presentation, panel discussions, mini MAC session, and conference finale.



Columbia Values Diversity Breakfast

Shelter was a sponsor of the Columbia Values Diversity Breakfast that was held in January. Several members of Shelter's leadership and representatives from Shelter's Employee Resource Groups attended this event.



2020 State of Inclusivity Conference

Shelter was a presenting sponsor of the Inclusive Impact Institute's State of Inclusivity Conference that was held virtually in August. Employees acted as volunteers, guest speakers and panelists, and representatives of Shelter participated throughout the conference.

West Middle School Back to School Bash

As one of our Partners in Education, Shelter supported the West Middle School Back to School Bash. This was a supply drive that helped to provide needed school supplies for students in the Columbia community. This supply drive was held on the Shelter Home Office campus in conjunction with an American Red Cross blood drive. It was a very successful event that resulted in several boxes of supplies being collected and delivered to West Middle School.

West Middle School Thanksgiving Food Drive

In November Shelter coordinated a food drive to support families of West Middle School during the holiday season. This event was held in conjunction with a drive thru volunteer t-shirt pick-up and was extremely successful. The generosity of our employees resulted in three large SUVs being filled with food to donate.

Inclusive Impact Institute

Shelter continued their partnership with the Inclusive Impact Institute in 2020 as a Corporate Partner. Along with our sponsorship, employees of Shelter continued service on their Board of Directors and their Advisory Board in 2020.



Stacye Smith

Director

Inclusion & Engagement

Stacye serves as the President of the Board of Directors for the Inclusive Impact Institute.



Chris Horn

Manager

Reinsurance

Chris serves on the Advisory Committee for the Inclusive Impact Institute.



Macie Peterman

Manager

Inclusion & Engagement

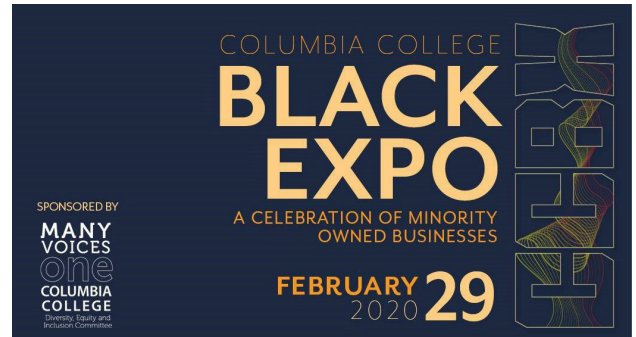
Macie serves on the Advisory Committee for the Inclusive Impact Institute.

SAFE (Student Athletes Fostering Equality)

Shelter remained a committed partner to the SAFE program developed within Mizzou Athletics. We worked with the University of Missouri's Assistant Athletic Director, sharing potential training opportunities for students and for the members of the newly formed Mizzou Athletics Committee on Inclusive Excellence (MACIE). The continued partnership is something we look to develop more in 2021.

Columbia College Black Business Expo

Shelter was a sponsor of the Columbia College Black Business Expo in 2020. We look forward to watching this expo grow and the potential partnership between this expo and other similar expos held in the Columbia community.



WE Project Photography Exhibit at the Boone County Historical Society's Montminy Art Gallery

Shelter sponsored a gallery display for “The WE Project: Portraits of Missouri’s Marginalized Communities” at the Boone County History and Culture Center. The WE Project is a multimedia series of photos that shines a restorative light on people belonging to marginalized communities in Missouri. The photos were on display from September 12 – November 14.



New Strategic Partnerships

Shelter entered into two new strategic partnerships in 2020, the National African-American Insurance Association (NAAIA) and Diversity Best Practices (DBP).



NAAIA is dedicated to empowering African American insurance professionals currently in the industry, as well as celebrating their accomplishments. NAAIA is also committed to attracting talented individuals to the insurance industry. Through our work and affiliation with other organizations we are dedicated to increasing awareness of opportunities and the attractiveness of careers in the insurance industry as well and felt that this partnership aligned with the strategy of Inclusion & Engagement. The benefits of this partnership are the networking opportunities, the professional development, access to NAAIA's job posting board, the chance to engage with diverse talent, and the conferences and leadership summits hosted by NAAIA that Shelter can access.



Diversity Best Practices, a division of Working Mother Media, is the preeminent organization for mid to large size organizational diversity thought leaders to share best practices and develop innovative solutions for culture change. Through research, resources, benchmarking, publications and events, Diversity Best Practices offers organizational members information and strategies on how to implement, grow, measure and create first-in-class diversity programs. For these reasons, Inclusion & Engagement determined DBP would be an excellent partnership for Shelter. The benefits of this partnership are the research and advisory services provided, access to a magnitude of resource guides and tools, the membership conferences hosted by DBP and access to the conference materials and videos post-conference, and the ability to participate in the Diversity Best Practices Inclusion Index and other Best Company initiatives.

Shelter Insurance® 2019 Diversity Best Practices Inclusion Index

The DBP Inclusion Index helps companies target their strengths and weaknesses. It provides information, tools, and resources to help us target efforts to understand demographic gaps and raise the bar on diversity and inclusion activities.

Inclusion & Engagement submitted Shelter's application to this index in March. A total of 185 applications were submitted, an increase of 25 percent over the previous year.

The survey results:

- Identify best practices and opportunities to leverage D&I efforts to achieve strategic and business goals.
- Provide data to help assess the company's current position across multiple dimensions of diversity.
- Provide information to index current D&I policies, procedures, and activities vs. other participants, and target interventions for maximum impact.

The Inclusion Index includes three sections:

- Transparency and Demographics (this is weighted at 34% for the overall score).
- Best Practices in Recruitment, Retention and Advancement (this is weighted at 33% of the overall score).
- Company Culture (this is weighted at 33% of the overall score).

Diversity Best Practices strives to advocate for progress and, therefore, places emphasis on demographics as an outcome of D&I success, particularly at more senior levels.

The DBP Inclusion Index has helped us identify areas of opportunity to focus on going forward. Particularly in the aspects of best practices in recruitment, retention and advancement and within our company culture.



2020 Diversity Best Practices Inclusion Index Status Shelter Mutual Insurance Company



Employee Engagement

Shelter continues to have five Employee Resource Groups: Emerging Professionals Network (EPN), Shelter Women's Advocacy Group (SWAG), Multicultural Group (MCG), HappyWorkTeam (HWT), and Ra11y. Each ERG adapted to this unprecedented year by finding ways to continue to engage with employees and provide impact within the organization.

EMERGING Professionals Network at Shelter Insurance®

Emerging Professionals Network (EPN)

Emerging Professionals Network completed a 100% virtual Mentoring Program in 2020. They had several sessions for participants of the program, including a mid-point guest speaker. On July 22, 2020 EPN was joined by football coach and former NFL player A.J. Ofofiele. He discussed the importance of building a team through core values. The former NFL player discussed how generic values like trust, hard work, and respect are all good, but making unique values specific to your team or company results in strong buy in from everyone.



EPN once again participated in the Rootin' Tootin' Chili Cook-off to benefit the Boys and Girls Club of Columbia. The team created a Sesame Street themed booth, called Shelter Street, and it was a big hit. This year, EPN earned 'First in Flight' in the Supreme Chili Awards, 2nd place for Best Booth, and 3rd place for Showmanship.





Shelter Woman's Advocacy Group (SWAG)

SWAG made sure that 2020 was a success by partnering with our Innovation Department to hold their annual Essay Contest. The annual contest provides a number of ideas on how Shelter can continue to be a progressive and innovative company. Many of the winning pitches over the years have been adopted by Shelter, including remote work! This year the pitches looked at the recruiting and hiring process, the creation of an internal social media platform, and ways that we can insure that we are an innovative instead of reactive company. The winning pitches came from Mackenzie Totten, Gabriela Georgieva, Madeline Klein, Breanna Dumbacher, and Barbara Trachsel.

SWAG also supported True North, the local domestic violence center, in their virtual Purse Passion silent auction. SWAG donated two Coach bags, a Coach wristlet and a gold chain face mask lanyard. These items raised \$820 for True North.

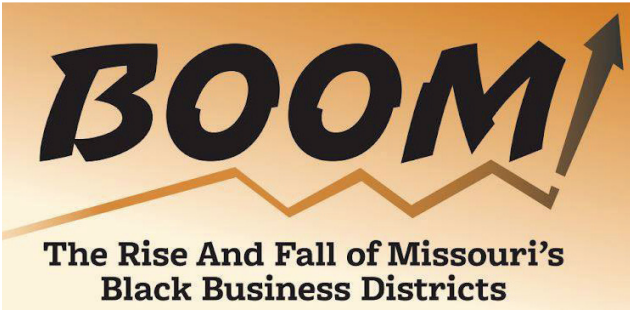


Lastly, SWAG participated in the annual Build a House for the House fundraiser that supports Ronald McDonald House. This has been a tradition for SWAG for three years and members of this ERG were innovative in determining how to continue that tradition despite the pandemic. A “traveling house” concept was created, and members took turns adding to the structure, until its final placement at Brenda Mantooth’s house where she put on all of the finishing touches to create a beautiful gingerbread church, complete with a bell tower and stained glass windows.





Multicultural Group (MCG)



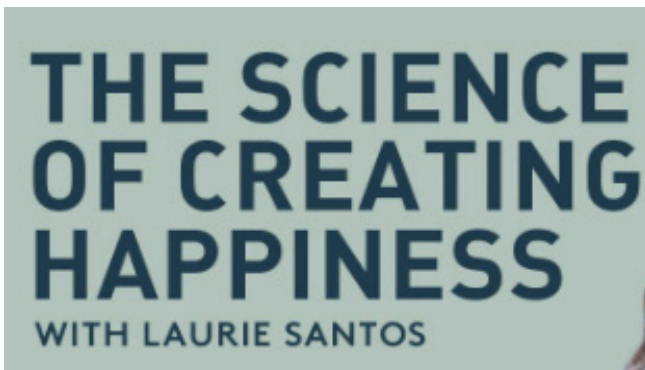
MCG hosted a special display that was on loan from the Missouri State Museum. The display was titled BOOM, The Rise and Fall of Missouri's Black Business Districts. The display highlighted five black business districts in the state to show how much black businesses impacted Missouri's communities and how much they were impacted in turn by integration, civil rights, and urban renewal initiatives. Informational panels were spread throughout the Home Office, as well as pamphlets made available for employees.

Multicultural Group continued to partner with the City of Refuge in 2020, finding ways to educate employees about this non-profit organization. As well, Multicultural Group contributed to the monthly Shelter Shares Newsletter with great articles that brought about cultural awareness and highlighted lesser known traditions and religions throughout the world.



HappyWorkTeam (HWT)

HWT continued to create new employee backpacks in 2020 and facilitated some virtual 'What's Your Word' activities. Amidst an intense storm year for Shelter Insurance, HWT took the time to create Thank You cards for each member within Claims that served on Storm Duty during the COVID-19 pandemic. Douglas Jones presented a Lunch & Learn on "The Brain Science of Better Living", where employees heard about the brain and behavioral research that shows us how to better understand the science behind happiness and how to develop new habits to achieve greater happiness.



WHAT'S YOUR WORD?

HWT completed their year with training for their leadership team. This training was on a brain-based model for collaborating with and influencing others, called SCARF. The team learned about how the brain processes social interactions as either threats or opportunities based on five domains of human social experience. HWT will be utilizing this training as they plan and prepare for future activities with employees.



Ra11y

Ra11y is Shelter's newest Employee Resource Group, focused on ability and accessibility in the workplace. Ra11y ended 2019 by conducting some Empathy Labs and training with employees and in 2020 many in their leadership team attended the virtual Disability IN Conference. The team brought back a lot of great information that their ERG and the Inclusion & Engagement team will consider pursuing, including participation in the Disability Equality Index Survey for 2021.



2020 Company Events

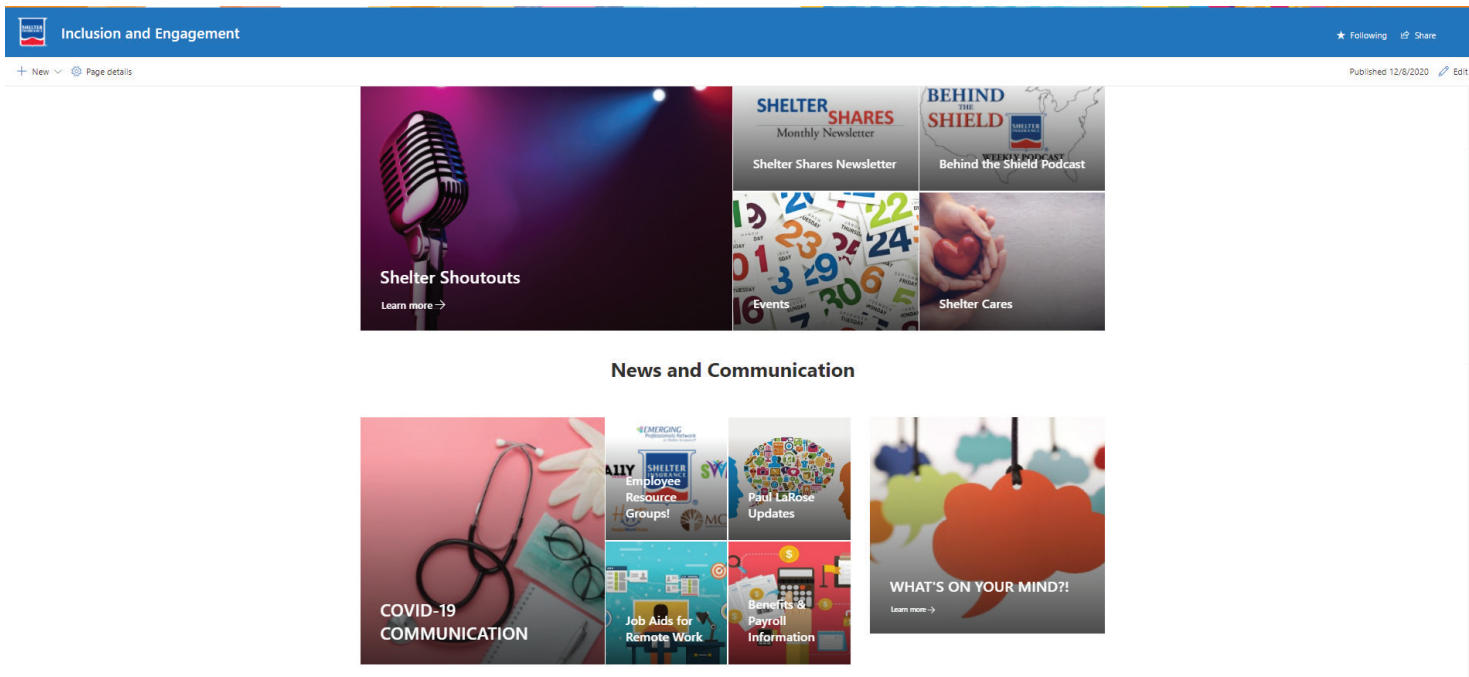


In 2020 Inclusion & Engagement held several company events and supported many new initiatives. Monthly Donut & Dialogue sessions kicked off in January and have been held virtually since Shelter began remote work. These sessions allow employees an opportunity to get together and discuss anything from what is happening within the company to current events and upcoming activities. These sessions have been a great way for employees to connect with leadership and each other in an informal way.

The Shelter Insurance Talent Show was held in 2020 using the Innovation Portal, Field of Dreams, sponsored and supported by the I&E team. Inclusion & Engagement wrapped up the year with a virtual Shelter Feud competition and End of Year Celebration.

<p>Shelter Strong</p> <p>A Audrey Walker</p> <p>PENDING ↑ 11 5</p>	<p>Song</p> <p>K Kris Gray</p> <p>PENDING ↑ 38 24</p>	<p>Star Spangled Banner</p> <p>K Kenzie Kendrick</p> <p>PENDING ↑ 51 16</p>	<p>The Quarantine Foot Shake</p> <p>G Gina Mitten</p> <p>PENDING ↑ 18 5</p>
<p>Crafting Tina's chair</p> <p>M Mark Workman</p> <p>PENDING ↑ 76 21</p>	<p>Harmonica Beatbox Legend!</p> <p>L Lionel Clark</p> <p>PENDING ↑ 37 10</p>	<p>Shannon Murray Submission - Savana...</p> <p>M Macie Peterman</p> <p>PENDING ↑ 77 24</p>	<p>Can your dog sneeze?</p> <p>M Michael Mayfield</p> <p>PENDING ↑ 25 1</p>

Inclusion & Engagement launched the Behind the Shield podcast, the Shelter Shares Newsletter, and the Inclusion and Engagement site in 2020. These were ways to stay connected with employees and share corporate communications. In 2021 we will continue to evaluate and adapt our communication strategy as we pursue the most effective and impactful ways to communicate with our employees.



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Shelter Insurance® & Best Places to Work

In 2020 Shelter was named, for a fourth year in a row, as one of the Best Places to Work in Insurance by Business Insurance. This recognition would not be possible without the feedback and engagement of our employees and we are thankful for everything they do, day in and day out, to make our company so great!



In Conclusion...

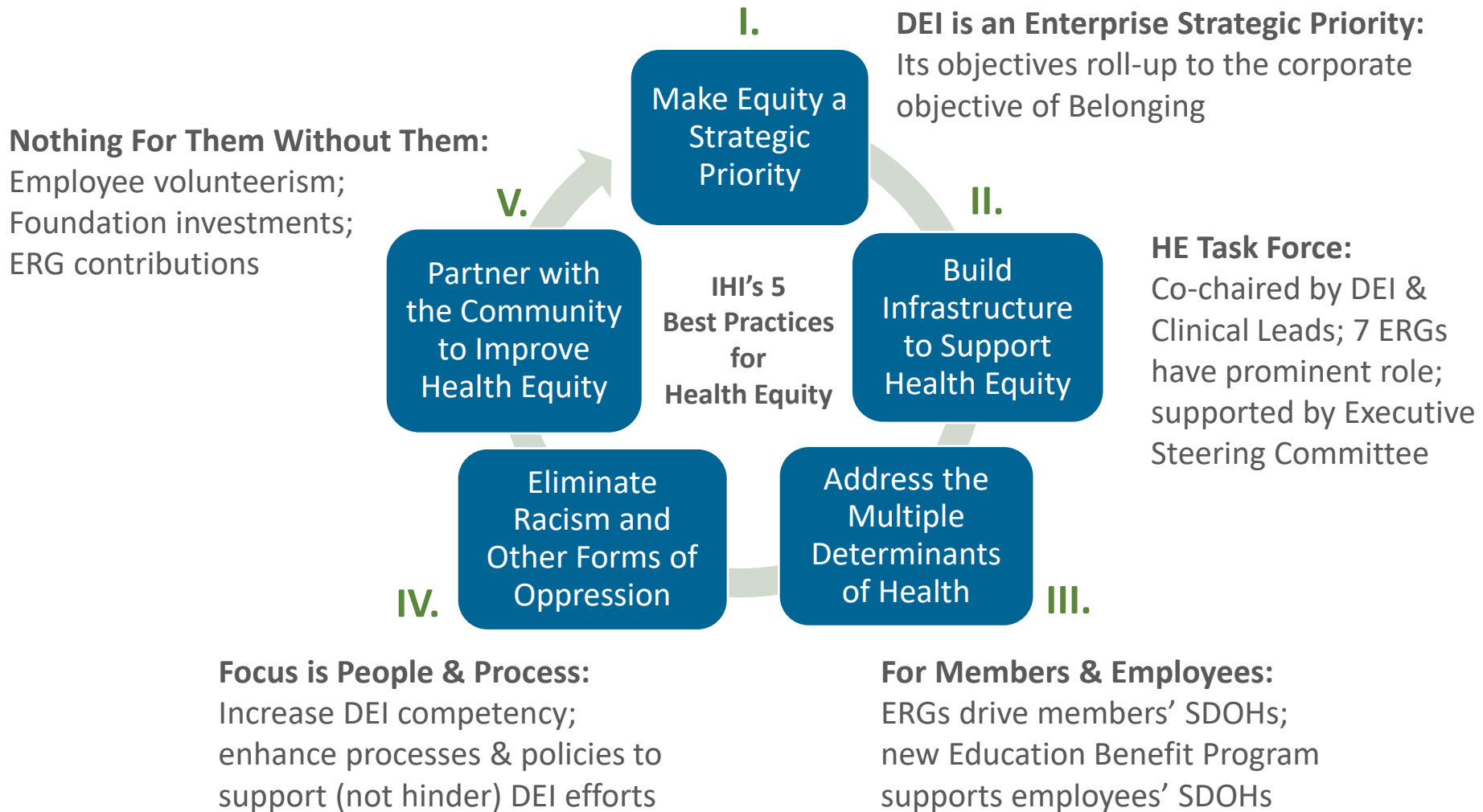
As evidenced in this report, 2020 has been another productive and innovative year for the Inclusion & Engagement department. Our team looks forward to using all of the initiatives that were started this year and data that was collected to continuously build on our focus and commitment to diversity, inclusion, employee engagement and employee communication.

WE'RE YOUR SHIELD.



WE'RE YOUR SHELTER.

DEI Efforts Support Regence's Mission of Health Equity*



*The Five Best Practices to Achieve Health Equity, Institute for Healthcare Improvement.

Independence Blue Cross DEI Initiatives November 2021

At Independence Blue Cross, our commitment to diverse and underserved communities is not new. More than 30 years ago, our Board of Directors established a Diversity and Inclusion Committee. This group guides a corporate culture that actively promotes and embraces diversity, equity, and inclusion – whether that is through our workforce or how we engage with the larger community.

Engaging associates

The steps we take to retain our workforce are also vital, and employee surveys can reveal critical information, particularly when they embed questions on topics such as equity and belonging. By including these types of questions, we've been able to better engage with our workforce. One way this has manifested for us is in the employee-led creation of associate resource groups (ARGs). ARGs provide a forum and safe space for associates who are drawn together by characteristics they have in common.

Each ARG has a team of executive sponsors who are expected to hit long- and short-term goals to support diversity, inclusion, and equity. This measurement helps drive home the significance of our commitment across all levels of the company. It also helps us understand where we still have room to grow.

Our ARGs play a significant role in guiding on-going learning opportunities for our workforce. For example:

- iLead (Inspiring, Lifting, and Empowering the African Diaspora) has helped guide the company through hard and necessary conversations about racial injustice. In the summer of 2020, they hosted a series of company-wide conversations called “The State of the Black Community.” Within the first eight weeks, more than 1,200 employees participated in the sessions.
- ABLE (Associates Beyond Limited Expectations) has led conversations about working from home with autism.
- The PRIDE (People Recognizing Inclusion, Diversity and Equality) group has hosted sessions to address health disparities in the transgender community.
- The imPACT (Pan-Asians & Allies Collaborating Together) community series has led discussions about anti-Asian racism and how to be an ally.

Most recently, three Independence ARGs – iLEAD, imPACT, and Latinos con Propósito (the Hispanic, LatinX, Afro-LatinX ARG) – came together to present a conversation about colorism in the workplace. The session addressed the challenges that Black, Indigenous, and People of Color (BIPOC) face.

In addition, Independence's Someone You Know group works to break the stigma of addiction and raise awareness about the effects of addiction at work as well as at home.

All associates can access the online Independence Diversity, Equity, and Inclusion University when it's a convenient time for them. Learning options include training classes, videos, and other resources. Topics include: How to handle microaggressions; Culturally sensitive issues; and the TED Diversity Channel.

For managers, Independence launched a mandatory “Inclusive Leadership” training series focused on several key learning areas, including unconscious bias, allyship, culture of inclusion, and emotional intelligence.

Measuring your success

Knowing whether our DEI strategy is succeeding can be difficult. That's why measurement is critically important at Independence.

The most successful organizations have a firm understanding of what's important to them. They take steps to measure those principles and are transparent about sharing that information with their leadership team, workforce, and board of directors. Having candid conversations about our successes and shortcomings is crucial, because it allows us to better understand how to grow, what's working well, and where there is work to do.

An important DEI goal for Independence is developing a talented and diverse workforce. There is an intentional commitment throughout the company to ensuring a level playing field with equal opportunity.

A monthly "dashboard" shared broadly with our talent acquisition and associate teams provides an analysis of our workforce representation by gender, race, and age, as well as management, non-management, and tenure. Similarly, our talent acquisition team monitors demographics within the company and across the region and uses those metrics during each step of the recruitment and hiring process. This attention to data helps hold us accountable. Likewise, disaggregating the data is critical in order to have true clarity of the state of the organization.

For Independence, when we look at hiring during the last 24 months, we saw that 56 percent were diverse. For promotions, the breakdown was 49 percent. Similarly, in the past 24 months we've welcomed eight people to officer roles. Six of the eight are women of color or women who identify with another underrepresented group, including the Chief People Officer position. Over the same time period, six existing officers were promoted to higher level roles. Of these, two are women and two are men of color or who identify with another underrepresented group, including the positions of Chief Executive Officer and Chief Financial Officer.

Overall, our senior leadership team is one-third women, 25 percent diverse, and reflects a good mix of tenure and a range of skills.

Seeking external guidance

External partners also help us think differently about how we source underrepresented talent. At Independence, we continue to expand our recruitment pool through alliances with Historically Black Colleges and Universities, including Cheyney University, Lincoln University, Delaware State, and Morgan State. Through our work with The Precisionists, Inc., we offer a supportive, welcoming work environment for adults with autism.

We are a founding partner of the Cristo Rey Work-Study and Internship program, and a leading supporter for nearly 20 years of WorkReady Philadelphia, a summer internship program for high school students in Philadelphia.

Thinking long-term

Organizational accountability is a marathon, not a sprint; and consistency in the actions we take to improve is key. Many organizations - like Independence - launched DEI programs decades ago. We continue to champion a diverse and inclusive business community and an equitable health care system and overall economy. We are proud of our efforts while understanding that we still have work to do.