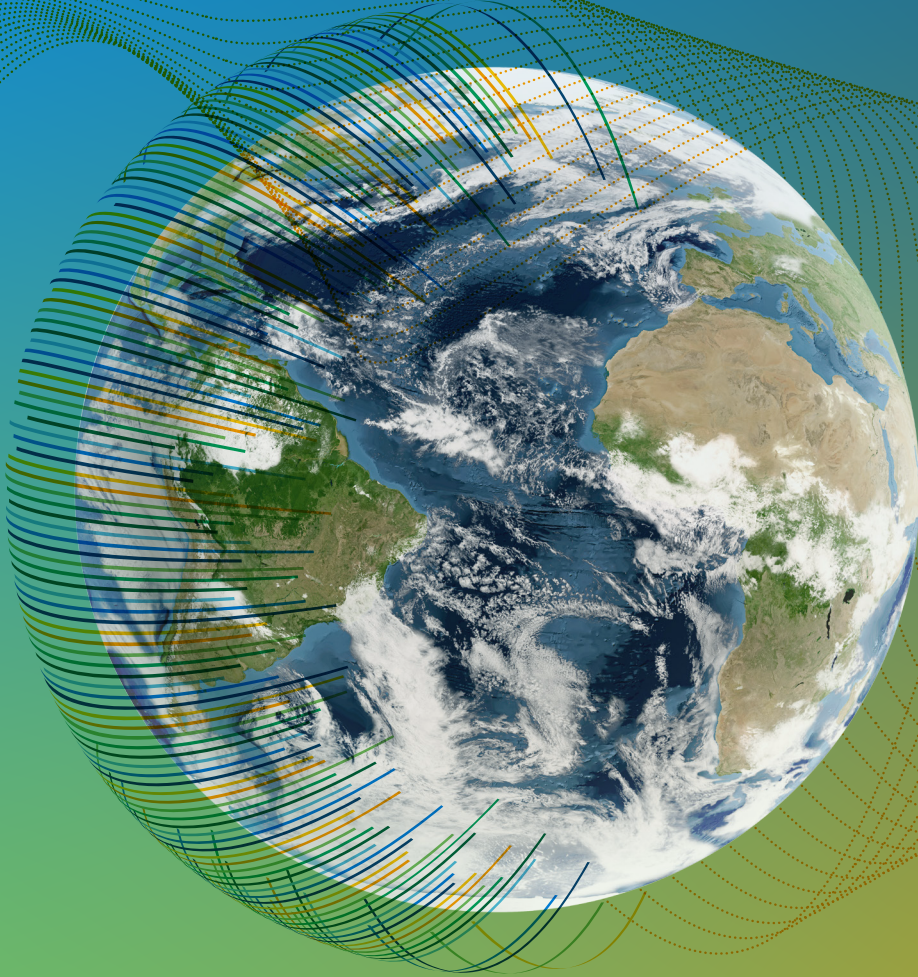


2020

Social impact report





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1.

Committed to change



There has never been a more critical time to work toward transformational change in the world. Racial injustice, climate change, and the coronavirus pandemic underscore the pressing need for action.

This report highlights our firm's ongoing progress in our second year as a signatory of the United Nations Global Compact. With this milestone and report, I affirm my ongoing support of the 10 Principles of the UN Global Compact on human rights, labor, environment, and anti-corruption.

Milliman has also committed to advance the UN's Sustainable Development Goals, which aim to unite global stakeholders to end extreme poverty, fight inequality and injustice, and protect our planet by 2030. At Milliman, our primary focus is on the following goals, due to their alignment with our mission: #3 Good Health and Well-Being, #4 Quality Education, and #8 Decent Work and Economic Growth.

Our Work: Our Mission to protect the health and financial well-being of people everywhere remains more relevant than ever. Our microinsurance programs are helping people address risk and create a more secure future. We're also taking a leading role in our industry to help our clients address the impact of climate change. And we're using our expertise to solve challenging problems, including addressing retirement saving strategies and the implications of the coronavirus.

Our People: Our mentorship and professional development programs are helping employees build their careers and enhance satisfaction with their work. We're acting to build diversity and inclusion through educational partnerships and employee engagement. And we're helping our employees stay healthy in this time of global crisis.

Our World: Our employee-directed Milliman Giving Fund addresses poverty and inequities in education in the United States, is working to build stronger communities in Uganda, and has provided global COVID-19 relief. Through scholarships and sponsorships, we're advancing under-represented people in our professions. Employees are helping underserved students build their math skills. And we're supporting racial and social justice through financial contributions and sponsorship of nonprofit efforts to raise awareness.

In this year of unprecedented change, we've seen our colleagues rise to meet the many challenges they have faced with strength and generosity. With this spirit, we look forward to all we can accomplish in 2021.

Best regards,

Steve White
President and CEO

2.

Our mission



Our mission is to serve our clients to protect the health and financial well-being of people everywhere.

Every day, in countries across the globe, Milliman works with clients to improve healthcare systems, manage emerging risks, and advance financial security, so millions of people can live for today and plan for tomorrow with confidence.

3.

Building a better future

Health and financial well-being have no borders. That's why we're committed through our work and our partnerships to addressing global challenges in education, health, and economic development. Our employees are driving innovation in microinsurance, solving retirement security challenges, and using the power of analytics to assess risks and trends of natural disasters.

We're also breaking barriers by creating opportunities for under-represented people in our industry. And we're engaged in global education programs that offer training and hope for a more secure future.

4.

The 10 Principles of the UN Global Compact

As a signatory of the United Nations Global Compact, Milliman incorporates the UN's 10 Principles into its strategies, policies, and procedures—affirming a culture of integrity. Corporate sustainability starts with a company's value system and a principles-based approach to doing business—and at a minimum, meeting fundamental responsibilities in the areas of human rights, labor, environment, and anti-corruption.

Milliman has four ways that it ensures all employees are aware and compliant with our standards:

- All policies, including those regarding human rights, labor practices, environmental standards, and anti-corruption are reviewed by each employee at the outset of their employment.
- Further education and training are made available through Milliman's e-learning platform, Milliman University.
- A peer review process is in place to assess risks, compliance, business effectiveness, and ethics for each line of business within Milliman. The firm also has an internal audit process that reports to the Audit Committee.
- The Chief Compliance Officer and Global Compliance Committee provide requisite reporting on an annual basis to the board of directors.

guides all our work and is published throughout our employee handbook and Milliman's policies, which are available on our intranet site.

Our operations are governed by a series of policies and processes that ensure our work is high quality and provided in a legal and ethical manner. In addition, a series of specialized committees oversee various business areas, including focused committees in Quality Assurance, Corporate Social Responsibility (CSR), and Global Compliance.

The Global Compliance Committee is responsible for ensuring that all laws, rules, regulations, and Milliman policies are followed on a global basis. Our compliance program is designed with key elements as outlined by the U.S. Department of Justice and the U.S. Sentencing Guidelines. These elements include policy oversight, training, monitoring, and reporting. The initial steps of the program are through a global risk assessment that identifies the regulatory risks associated with Milliman's services.

Additionally, the Global Compliance Committee reviews this risk assessment on an annual basis and oversees compliance with all Milliman's policies. Potential violations should be reported to the Global Compliance Committee and investigated based on the nature of the violation. The chief compliance officer serves as the chairperson of this committee. The committee reports to the board annually on its activities and potential violations of law or policy. If needed, the chief compliance officer has direct access to all executives, officers, and/or directors and can immediately report potential issues.

Human Rights

Principle 1

Businesses should support and respect the protection of internationally proclaimed human rights.

Principle 2

Make sure that they are not complicit in human rights abuses.

Milliman is committed to supporting and upholding the provision of basic human rights to all individuals globally. This commitment aligns with Milliman's Mission statement that

Training and acknowledgment

Our goal is to ensure that each employee is aware of his or her obligations. Training on the CSR Program is available on Milliman University. This includes guidance in specific topic areas, including anti-discrimination and anti-bribery. Each new employee is required to acknowledge certain Milliman policies upon hire and receives training in specific areas and access to all corporate policies.



Auditing standards

Milliman policies are reviewed and affirmed on an annual basis. Changes or additions to policies are made on an as-needed basis. The Global Compliance department monitors policies for effectiveness and compliance. Focus areas are determined through the risk assessment completed by the Global Compliance Committee. The compliance department audits these annual focus areas and reports findings to the Global Compliance Committee.

Handling policy violations

Potential violations may be reported in a number of ways as outlined in the Whistleblower and Anti-Retaliation Policy detailed in the Employee Handbook. Once a violation is reported, a senior employee performs an investigation. If a violation of law or policy is confirmed, action will be based on the nature and severity of the violation. Disciplinary action may include termination of employment and/or reporting to law enforcement agencies if the violation is severe.

Annual report to board

The Corporate Social Responsibility Committee reports annually to the board on areas that include the effectiveness of the program and on global employee participation.

The Global Compliance Committee reports annually to the board on the committee's and the compliance group's activities. This report includes information on the risk assessment, policy review, training, monitoring activity, and potential violations. If a severe issue arises, the chief compliance officer may report to the board at any time.

United Nations sanctions

Milliman is committed to complying with the United Nations Security Council Sanctions (whenever these apply to its operations), and the firm will not sell products or services to individuals, companies, or entities in the nation states on the UN Sanction lists. We have included this as part of our Corporate Social Responsibility Statement and Policies.

Labor

Principle 3

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

Principle 4

The elimination of all forms of forced and compulsory labor.

Principle 5

The effective abolition of child labor.

Principle 6

The elimination of discrimination in respect of employment and occupation.

Child labor/slavery

Slavery, human trafficking, and child labor are fundamental violations of a person's rights and freedoms. Milliman is totally opposed to such abuses in its direct operations, its indirect operations, and its supply chain as a whole. Milliman will not use or allow the use of forced or compulsory labor, slavery, servitude, human trafficking, or child labor in the course of its business. It's our policy that these practices are strictly prohibited in any Milliman office. We're confident in the steps we take to ensure that slavery, human trafficking, and child labor do not take place in any part of our business, but we remain alert for possible occurrences.

We're committed to driving high standards across all supply chains. We maintain a zero-tolerance policy and any vendor found violating this policy will be terminated immediately.

Vendor Code of Conduct

In 2020, a Vendor Oversight Working Group began developing a Vendor Code of Conduct, which it will present to Milliman's Board of Directors for approval. The Code aids in implementing policies and practices to help ensure our vendors are ethical, sustainable, and that we support diverse suppliers. Our finance system also was revised to update the list of options we use going forward to identify ownership of our vendors' businesses, including whether the

business is owned by a veteran, disabled person, woman, or minority. We will also add this information for existing vendors.

Discrimination

With the full support of our board of directors and executive staff, we're committed to protecting the rights of all applicants and employees. We recruit, train, promote, and consider qualified applications for employment in all positions without regard to age, ancestry, citizenship status, color, creed, familial status, genetic information, marital status, national origin, political ideology, race, sex, sexual orientation, gender identity, status as an individual with a disability, or veteran status, and we prohibit discrimination against any individual or any other characteristic protected by law.

An active diversity and inclusion committee made up of leaders throughout Milliman drives efforts in our firm to increase awareness and build a more diverse workplace.

In 2020, the firm published its first public **statement on racial equity and justice** and continued formal efforts to promote racial equality throughout the firm through the Diversity and Inclusion Committee.

Milliman also formed the Black Employee Resource Group (BERG). The BERG is Milliman's first employee resource group. It has four main goals: recruitment, advancement, engagement, and representation.

In 2019, The Milliman Board of Directors approved expanded wording to our values to more strongly communicate our commitment to diversity by stating that "Milliman is committed to embracing diversity and providing all of our people opportunities to achieve their full potential."

Employees who attend annual employee forums for our lines of business the option to display the pronouns they identify with on their name tags—e.g. "they, them;" "she, her;" "he, him." It's part of our commitment to a culture of respect and inclusion and sends a clear sign of solidarity and support to all employees.

We're promoting awareness about equality and diversity in the workplace through Milliman University, our online training platform. It hosts anti-harassment training and classes about cross-cultural considerations, unconscious bias, understanding gender identity, and creating a more inclusive workplace.

Milliman's Unlawful Harassment Policy states that all employees are responsible for ensuring that our workplace is free from all forms of unlawful discrimination and harassment. All employees are required to avoid any action or conduct that could be viewed as harassment, including unwelcome sexual advances, offensive conversations or comments, requests for sexual acts or favors, or other verbal or physical conduct of a harassing nature. Employees must also avoid any action or conduct that could be viewed as violent or threatening behavior toward a coworker, coworker's family, supervisor, or visitor. To ensure awareness of our policies, all employees are required to complete annual anti-harassment training.

Milliman's Grievance Procedure outlines both an informal and a formal process that employees may initiate, and should any employee witness such prohibited behavior, they are required to report the behavior through the various methods outlined in Milliman's Whistleblower and Non-Retaliation Policy.

Employee health and safety

Our employees are our greatest asset and their safety and well-being is a primary concern. Each office provides safe working conditions that are conducive to creating high-quality work. Each office is required to develop a disaster plan that includes a focus on employee safety in case of emergencies.

Career management

We believe we make our company stronger by encouraging employees to grow and build new skills. We advocate career development from short-term, project-driven goals to long-term, career-oriented goals. We believe we'll increase job satisfaction by cultivating the next generation of leaders early on. Our Professional Development Committee identifies and explores opportunities to help employees advance professionally and develop consulting skills that supplement their technical expertise.

In 2016, Milliman launched its first formal mentorship program. The program matches senior leaders with junior employees for a nine-month guided program. The program is highly sought after, with hundreds of participants in each cycle. Past participants cite benefits as diverse as learning new skills to breaking down social barriers.

In 2017, Milliman launched Milliman University, an online learning system. Milliman University helps employees develop career paths, identify key skill learning opportunities, and participate in online training.

In 2018, Milliman launched the Milliman Leadership Academy, a comprehensive program that builds and enhances leadership skills in high-achieving Milliman leaders. Its structure enables participants to learn and demonstrate proven foundational leadership principles.

Environment

Principle 7

Businesses should support a precautionary approach to environmental challenges.

Principle 8

Undertake initiatives to promote greater environmental responsibility.

Principle 9

Encourage the development and diffusion of environmentally friendly technologies.

Commitment to our environment

As a service provider, Milliman doesn't have the same carbon footprint as a manufacturing company. Even so, we encourage sustainable processes, primarily in the areas of recycling and energy conservation. Examples throughout the firm include sustainability initiatives that range from reminders to turn off computers at night to the use of energy-efficient lighting.

Milliman recycles paper, aluminum, and plastic in coordination with programs in the local marketplace. Most often, recycling bins for glass, plastic, and aluminum are placed in common areas, while we locate paper recycling bins at each workstation or office and adjacent to copy machines and printers. It is our policy that we consider environmental impacts when making decisions about process design or vendor selection.

Where possible, we choose the process with the least environmental impact. We also support sustainable procurement initiatives.

Many offices provide public transportation subsidies to encourage environmentally friendly commuting options. For example, the Seattle office provides each employee the opportunity to purchase a transportation pass at a dramatically reduced rate. This pass covers the full fare for regional buses, trains, water taxis, and light rail.

Several of our offices are located in Leadership in Energy and Environmental Design (LEED) Certified buildings.

As part of our environmental commitment, the firm began the first steps in 2020 on a project to measure the firm's carbon footprint. This information will help Milliman work toward its goals to reduce carbon emissions. It will also help our clients calculate their carbon footprint by understanding how our work together makes an impact. Many companies, including many of our clients, commit to certain carbon reduction goals by 2030, 2040, or 2050. Their success in part is dependent on their vendors also making progress.

In 2020, we established a small Carbon Group, which will continue into 2021 with goals to establish a baseline review and select a third-party system/platform to advise and guide us in our data collection, calculations, and reporting.

Anti-corruption

Principle 10

Businesses should work against corruption in all its forms, including extortion and bribery.

Anti-bribery

Milliman's Anti-Bribery Policy prohibits all types of bribery or the appearance of bribery to public officials and private entities. Our employees are educated on this policy through our outreach and training program. We monitor activities on a global basis through a series of financial audits by internal and external auditors. Milliman's Audit Committee oversees the audit process and the Global Compliance Committee oversees compliance with the policy.

Conflicts of interest

Milliman is committed to a conflict-free environment. As a privately held company, we retain our independence. Conflicts are managed through a series of procedures, starting with a conflict check prior to entering into any client work and continuing with conflict reporting and management throughout the project. Milliman's policy requires any employee who becomes aware of a conflict or potential conflict to report it in a timely manner. Conflicts will be analyzed and addressed either through conflict mitigation or disclosure.

Fraud

We're committed to legal and ethical behavior throughout the organization as stated in The Milliman Code. Internally, this is maintained through a series of policies, including our Anti-Bribery Policy and our Whistleblower and Non-Retaliation Policy. Milliman also acts to prevent fraud

from outside the company. Our Milliman Information Security Policy and various policies relating to the protection of data require all employees to take steps to ensure that threats from outside the company are detected and prevented where possible.

Money laundering

As a service provider, Milliman is unlikely to be involved with money laundering; however, it is our policy to prohibit money laundering in all areas. We do our best to detect and prevent any work or support provided to any individual or entity engaged in money laundering.

All U.S. employees submit to a background check, which includes screening against the Office of the Inspector General exclusion lists prior to starting employment and each month thereafter. Prior to providing services to any potential client, an entity undergoes a thorough background check. For global entities, this includes a screening through WorldCheck. On a continuous basis, all employees maintain close contact with their clients. If employees notice any suspicious behavior, they're required to report it through the Whistleblower and Non-Retaliation Policy.

On a global basis, several business units are legally required to implement anti-money laundering programs. These robust programs are tailored for the types of services provided and the clients who receive the services. Each program is reviewed on a periodic basis, and any suspicious activity must be reported. Employees who are subject to these anti-money laundering programs are trained to identify and detect money laundering.

5.

Our approach

A spirit of social responsibility has permeated Milliman's DNA since its founding in 1947.

Three pillars represent our commitment:

Our Work

Our innovative work and pioneering technology are helping revolutionize the financing and delivery of healthcare, the management of risk across complex systems and organizations, and the development of retirement planning and financial risk management solutions.

Our People

We nurture and celebrate employees through activities that promote diversity and inclusion. We're committed to increasing underrepresented people in our industry through scholarship programs and sponsorships of the International Association of Black Actuaries and the Organization of Latino Actuaries. Education and mentoring programs, including Milliman University and the Milliman Mentorship Program, help employees grow in their careers.

Our World

We're creating a better future for people everywhere by contributing to our communities through volunteer activities and financial donations.

Three themes guide our efforts:

Good health and well-being

Promote access to public and mental health services.

Quality education

Support underserved populations in the STEM categories.

Community investment

Focus on creating employment opportunities and environmentally friendly and sustainable practices.

Our work

Addressing racial disparities in healthcare

In keeping with our vision and our values, Milliman commits to lead on diversity, equity, and inclusion efforts in our communities and with our partners and clients. One way we're doing this is through the Milliman Racial Disparities in Healthcare Work Group (RDWG).

The mission of the RDWG is to initiate and promote the development and publication of Milliman research to “shine a light” on racial disparities in healthcare. With access to data, expertise, and a credible voice in the healthcare domain, Milliman’s health practice is in a unique position to produce informative research that can contribute to the broader societal conversation about racial disparities.

The RDWG membership is comprised of a diverse group of Milliman actuaries, clinicians, and other consultants. Through its grassroots efforts, the RDWG is working with Milliman professionals on several research projects covering topics such as:

- Medicare Advantage plan characteristics by beneficiary race and ethnicity
- Racial disparities in preventive care for Type II Diabetes
- Racial disparities in cardiovascular conditions and possible causes and solutions
- Impact of COVID-19 on racial disparities in oral health

The RDWG is also actively engaged in development of the Milliman Atlas of Racial Disparities. This publicly available tool will allow users to examine disparities in access to healthcare services in communities

throughout the United States using an interactive map.

Milliman is known for its independent, data-driven, and objective approach to research and solutions. It aims to contribute this same analytical expertise to solution-oriented research on racial disparities in healthcare.

Solving climate challenges

A forum for building climate resiliency

From weather-related disasters in the Americas to regulatory pressures in the EU, the complex consequences of climate change are not only being felt today. They’ll continue to have a long-lasting and compounding effect around the world. In 2020, The World Economic Forum ranked climate change as the top challenge facing humanity. But it is not a problem that can be solved in silos.

As experts in risk, Milliman has a unique view of the global climate future. With that backdrop, we launched the Milliman Climate Change Resilience Initiative (MCRI). The initiative unites perspectives across industry, government, nonprofit, and academia to anticipate and measure climate risks, find long-term solutions, and drive change.

In March 2021, over 50 financial, governmental, and community leaders worldwide will meet virtually at the Milliman Climate Resilience Forum. We’ll be leading discussions on how to strengthen climate resilience through analytics, regulatory action, and industry innovation or adaptation.

Milliman is driving research and modeling risk across property, casualty, health, and financial markets to measure current and future risks. Solutions to combat climate challenges require a collective effort that includes the right people, data, and technology. With our climate initiative, we’re creating a coalition to make decisions now that will create a more resilient future.

MicroInsurance Centre at Milliman

Ethiopian farmers manage weather risks with parametric microinsurance

Smallholder farmers in Ethiopia face the risk of drought, hail, and frost to their crops. Crop failures can create debt, deplete savings, and make it difficult for farmers to feed their families. But an innovative insurance product is protecting farmers from these risks, which are increasingly caused by climate change.

Under a five-year project funded by the International Fund for Agriculture Development, the MicroInsurance Centre at Milliman (MIC@M) and its partners launched a three-year pilot project in the Tigray and Amhara regions of Ethiopia to create and market a crop index product. The low-cost parametric insurance relies on weather data collected by satellites and weather stations on the ground. When specific meteorological conditions occur, farmers are paid. Claims adjusters don’t need to visit the farms to assess damage, which makes the insurance inexpensive to administer.

In-depth field research was conducted to examine the risks that low-income people face, as well as the barriers that insurers

and distribution channels have in offering insurance to these markets. The research identified insurance gaps that MIC@M could address through product design, benefits, better distribution, and marketing strategies.

In 2019, MIC@M began marketing the product to almost 900 northern Ethiopian farmers. Out of the initial pilot, 175 farmers purchased insurance. In the 2019-20 harvest in the regional state of Tigray, farmers reported average to excellent yields. Only one location in northeast Amhara reported a full-scale yield loss, and three farmers received payments.

In 2020, 107 farmers purchased insurance. While the program was on track to grow, the pandemic hampered marketing and sales efforts due to travel and meeting limitations. Sellers were unable to connect with larger farmer groups, including about 700 irrigation farmers in Seyimt Ruba.

Risk management solutions extend beyond insurance. Farmers have access to advice from agronomists aimed at creating more resilient operations. A partnership with the International Crop Research Institute for the Semi-Arid Tropics offers information about drought-resistant crop varieties, irrigation options, and other technical solutions.

The effects of climate change are far-reaching. Weather catastrophes disproportionately affect low-income and vulnerable populations, which could lead to an additional 100 million people living in extreme poverty by 2030. Pilot programs like the one in Ethiopia are helping people manage climate change and other risks. It’s all part of a goal to provide 3 billion low-income people globally with access to valuable microinsurance products.



Microinsurance Impact Hack crowdsources technology solutions to help low-income people

Milliman employees around the world heard the challenge: Find innovative technology solutions to address pressing problems that low-income people face. And they responded.

In a year when the pandemic restricted in-person meetings and global travel, the Microinsurance Impact Hack created a virtual opportunity to make a social impact through our work. The [MicroInsurance Centre at Milliman](#) organized a “Hackathon” in the fall to bring employees with diverse skills and backgrounds together to connect with colleagues globally and solve real-world challenges.

More than 75 employees on 12 teams participated in the firm’s first Microinsurance Impact Hack. Employees from more than 10 countries, including Australia, Belgium, Canada, India, Indonesia, Malaysia, Singapore, UK and United States joined forces, collaborating across practices and specialties. Teams started by taking Microinsurance 101, an interactive course that the firm created and shared on our e-learning portal, Milliman University.

Then, teams created proposals to address these challenges:

- Offer migrants easier ways to access low-cost remittance services for their families.
- Redesign claims payouts to be speedy, efficient, and transparent.
- Link insurance options to remittances to reduce families’ risks.
- Provide a quality label for microinsurance products in the market.
- Improve customers’ health and risk profiles so they’ll more easily qualify for insurance.
- Provide affordably priced veterinary advice to rural farmers.
- Nudge low-income customers to plan for their financial future so they can retire well.

Teams pitched their solutions to judges at two virtual pitch days, where judges narrowed the field to four teams and two teams tied for second place. The final four presented proofs of concept at the firm’s January Shareholders meeting, and judges announced a winner. The winning team was recognized for its medication recycling platform that aims to improve people’s health outcomes.

The next step could be to build a prototype that could turn into a new product. It’s one way Milliman is driving innovation to protect the health and financial well-being of people everywhere.

Sharing spare computing power to fight COVID-19

When COVID-19 began spreading around the world in the spring of 2020, Milliman’s Life Technology Solutions (LTS) team found a way to leverage its spare cloud computing resources to contribute to research for lifesaving therapies.

Globally, scientists have been researching treatments and COVID-19 vaccines. The LTS team found it could donate idle compute time to Folding@home, the largest distributed supercomputer network in the world. Volunteer scientists use the network’s power to simulate protein dynamics on their personal computers, including the process of protein folding associated with a variety of diseases.

By February 2021, the Folding@LTS team had performed more than 8,000 work units for volunteers, which amount to between 48,000 to 96,000 core hours, depending on the projects.

Milliman runs stress tests to ensure its infrastructure meets the needs of actuarial clients who rely on it to calculate computationally intensive insurance risks using mathematical modeling. Actuarial modeling requires immense computational power in the same way that scientists

rely on computing power to simulate and conduct protein folding analyses. Since Folding@home workloads and actuarial workloads share very similar computing characteristics, it’s a natural fit for our scale-testing needs.

Milliman’s actuarial software Integrate® operates on Microsoft’s Azure cloud. The scale of the computational demand from clients requires Integrate to schedule jobs across the globe. As the pandemic amplified demands on Azure, Milliman refined Integrate to optimize which regions it uses. It distributes to regions with spare capacity and ensures clients are able to run all models without capacity issues.

Significant engineering by the LTS team reduced cost and runtime, providing elasticity without increasing waste. As a result, a typical customer consumption of around 1,800 core years per quarter produces only 432 core years of overhead. Additionally, Integrate is able to leverage the overhead for other purposes. This makes it possible to donate spare core years towards COVID-19 research via the Folding@home network.

In February 2021, Milliman received the Risk Markets Technology Award for Best use of cloud. By optimizing its use of cloud computing, the team was able to super serve its clients and aid in the quest for lifesaving COVID-19 therapies.

Our people

Committing to a more diverse workplace

Whether it's in our workplace or our communities, we're committed to building a more equitable culture and helping all people meet their full potential. The deaths of Black people in America and racial unrest around the world in 2020 highlighted the history of systemic, global inequities.

We've committed to strengthening our quest for equality and diversity through our policies and our actions. We know that a diverse workforce drives better ideas, innovation, and solutions and allows us to do better work for our clients.

As a sponsor of the International Association of Black Actuaries, Milliman has [pledged](#) to combat racism and foster support of Black actuaries. The pledge, and the "Four Es" in the [Commitment to Change](#), are aligned with Milliman's Commitment to Diversity, Equity, and Inclusion statement and the [Statement on Racial Equity and Justice](#) adopted by our board of directors in 2020.

Real change requires action. Our Diversity, Equity, and Inclusion (DEI) Committee is expanding its efforts to create a diverse, equitable, and inclusive environment for all employees. Our DEI CoP features a wealth of information, conversations, and ideas to support Black Lives Matter and all Black, indigenous, and people of color. It also has a Racial Justice Resources list, where employees can share educational resources on race and equality issues.

Employee Resource Groups (ERG) are critical to creating a more targeted focus in support of our goals. As our first ERG, the Black Employee Resource Group (BERG) is focused specifically on equity and inclusion for Black employees.

In July, Milliman leaders announced the

formation of the BERG. Its mission is to increase the representation, recruitment, advancement, and engagement of employees of color.

- **Representation:** The BERG has already worked to ensure representation on appropriate Milliman committees and is now represented on the DEI Committee, Recruitment Committee, and Professional Development Committee, with more committee representation underway.
- **Recruitment:** A recruitment program is the centerpiece of BERG's efforts. To date, the BERG has worked with Human Resources to create standard language on all U.S. job postings that is more inclusive of international applicants.
- **Advancement:** The BERG has also worked to expand the Milliman Mentorship program to become more expansive in who can be mentors and mentees. The BERG is also defining an advocacy program to support persons of color over the course of their careers.
- **Engagement:** Milliman hired a DEI HR Business Partner to support DEI initiatives throughout the firm. We also engaged Dr. Shirley Davis, a diversity and inclusion consultant, to complete a multilevel audit and strategic diversity plan. Dr. Davis brings a team of risk, legal, and HR practitioners to guide this process and provides professional counsel. The BERG is supporting these efforts, from assessing to implementing recommendations.

The BERG lays the foundation for other employee resource groups at Milliman that will be rolled out in 2021.

Celebrating a spirit of inclusion with Pride

Milliman rose to the challenge to find new ways to engage and celebrate Pride month with the onset of COVID-19. Now, more than ever, the call for celebration and allyship rang out. The London office focused on education, showcasing LGBTQ+

heroes and activists in its daily Pride month e-newsletter, The Gayly News. The month also had a host of other activities, including a Rainbow Photo Contest that challenged employees to showcase their rainbow colors. A new LGBTQ+ Resources section on the DEI CoP shared helpful educational materials for LGBTQ+ issues and topics.

Our biggest milestone came on June 30, when Milliman hosted Pride Celebration 2020: Breaking Barriers. It was our first virtual, firmwide Pride event attended by more than 920 employees. The event also featured the premiere of Milliman's new video [Pride and Protest](#), which included testimonials on the value and the journey of being our authentic selves at Milliman. CEO Steve White wrote about the event in a [column on LinkedIn](#) and shared his thoughts about employees' personal stories.

Building skills, growing careers

Milliman's Learning and Development group has curated and created a suite of more than 300 professional development classes. Topics include business acumen, compliance, leadership development, and relationship management and are hosted on our e-learning portal Milliman University.

Courses in goal setting, writing a self-assessment, and preparing for an effective performance review help employees develop their careers.

The Skillsets Online platform expands our course offerings with more than 6,000 courses. Employees can learn about and get certified in cloud technologies, computer programming, network administration, and project management.

Learning and Development also provided the firm's annual anti-harassment training to promote an equitable and safe workplace. We're also advancing our commitment to diversity and inclusion through courses

about unconscious bias, understanding gender identity, and creating a more inclusive workplace.

As the coronavirus upended how and where employees worked in 2020, Milliman responded with tools and support to manage work and personal challenges. New training helped employees adapt to remote working with courses that shared best practices for running virtual meetings and holding virtual presentations. A firmwide webinar shared tips for working remotely, and a Working Remotely CoP offered opportunities to share experiences and questions. In Seattle, the Milliman Toastmasters group went virtual. As employees adjusted to changes in their work and personal lives, the firm launched the Goodbye 2020, Welcome to 2021 Wellness Challenge that focused on physical and mindfulness goals. All employees received free one-year subscriptions to the wellness app Calm.

Milliman Mentorship Program

We support a culture of lifelong learning and professional development through our mentoring program, now in its fourth year. Expanded eligibility requirements make the program more accessible and inclusive and bring more people and new perspectives to the program.

More than 260 employees signed up for our 2020 program, up from 170 in 2019. In monthly meetings, mentors and mentees set professional goals, built business acumen, and gained new perspectives about career development. As COVID-19 affected the way we worked, mentees and mentors revisited goals and learned new ways to navigate change in the midst of the pandemic. The 2021 program continues to grow, matching 346 participants.

Our world

Racial unrest following the death of Black Americans in 2020 highlighted global inequities and structural racism and sparked worldwide protests. Milliman joined the [global call for racial equity and justice](#).

Milliman's equity principals and senior leaders donated \$572,000 to [Facing History and Ourselves](#) and the [Equal Justice Initiative](#). These groups aim to address systemic racism, close education gaps, and address mass incarceration, all of which are devastating to Black, indigenous, and other people of color. Building on that donation, the firm invited employees and retirees to contribute to this collective effort.

We've pledged to lead diversity, equity, and inclusion efforts in our communities and with our global clients and partners.

Building a more diverse workplace

We have increased our efforts for diversity and equity through scholarships, internships, and mentoring programs to attract, retain, and advance diverse talent, including Black talent.

International Association of Black Actuaries

Milliman has sponsored the International Association of Black Actuaries (IABA) since 2016. We participate in several activities and events throughout the year to support its mission to develop and recognize the achievement of Black actuaries. In 2020, Milliman employees attended IABA's virtual annual meeting, including a session on Racism in the Actuarial Profession. Consultants volunteered at a virtual career fair on July 30 and August 5, where they visited with 37 IABA members.

In November, two Milliman volunteers networked with IABA members at a virtual event that featured mentoring and resume reviews.

Organization of Latino Actuaries

We're on a mission to increase the numbers of Latinx actuaries in our firm, and in the actuarial field as a whole. As part of our sponsorship of the Organization of Latino Actuaries (OLA), our Chicago office held the 2020 OLA Actuarial Development event in June for students and graduates.

Since the event, two participants have gone on to work with Milliman—one as an intern and one as a full-time employee. Milliman also sponsored a scholarship for an OLA member for summer 2021.

The occasion was originally planned as an in-person event for 10 to 12 participants. As the pandemic spread, it went virtual, which opened the opportunity to 17 members. Participants learned about the actuarial profession, career opportunities, and job search tips. Mock interviews helped them hone their skills.

In September, 12 Milliman consultants participated in OLA's virtual career fair attended by 89 members. Consultants had one-on-one video chats with potential actuarial candidates from the OLA Academy.

Ada Developers Academy

Milliman has partnered with [Ada Developers Academy](#) to provide internships to under-represented people who want to be software developers. Since 2017, Milliman has sponsored four interns from Ada, including one in 2020. Ada provides an intense software development program with six months of full-time classroom training followed by a five-month paid internship. Its mission is to "diversify tech by providing women and people of nonbinary gender the skills, experience, and community support to become professional software developers who contribute to changing the world with software." The program is provided at no cost to students and is funded by donations.

Growing our professions through education

Milliman provides educational opportunities in our industry with scholarships that encourage academic achievements in actuarial and computer science, mathematics, and finance.

The Actuary of Tomorrow—Stuart A. Robertson Scholarship

This scholarship honors our co-founder Stuart Robertson's dedication to excellence and influence on the professional lives of many colleagues. This scholarship recognizes academic achievements of undergraduate students pursuing a career in actuarial science. Now in its 15th year, the scholarship has provided funding for 26 students. In 2020, the Stuart A. Robertson Memorial Scholarship Fund granted five scholarships to college seniors majoring in the actuarial field.

The Wendell Milliman Scholarship Fund

This scholarship is awarded annually to qualified children of Milliman employees worldwide. Students must be attending an accredited two- or four-year public or private college or university full-time at the undergraduate level. They must be majoring or intend to major in mathematics, computer science, business, finance, economics, actuarial science, or health sciences. In 2020, 19 children of non-shareholder employees were awarded Wendell Milliman Scholarships.

Milliman Opportunity Scholarship

Opportunity Scholarships assist students from ethnic groups and races that are under-represented in the fields of actuarial science, data science, computer science, economics, programming, mathematics, statistics, data analytics, or finance. Recipients must have demonstrated academic excellence and plan to pursue a career in actuarial science or related fields. In 2020, 17 students from colleges and universities across the United States, Australia, and South Africa received scholarships. Since it began in 2017, the Opportunity Scholarship program has awarded 61 scholarships.

International Association of Black Actuaries

Milliman sponsors one IABA scholarship each year. Scholarships are available to black students of African descent originating from the United States, Canada, the Caribbean, and African nations. Recipients must be studying actuarial science or courses that will help them pursue an actuarial career.



Sharing with our communities

Serving communities during the pandemic

COVID-19 continues to take a health and financial toll on communities, especially for the most vulnerable. Here's a snapshot of what our employees worldwide did in 2020 to help.

Employees around the globe took up needles and thread and sewed masks for their communities and colleagues. They distributed the masks to nursing home and front-line essential workers, including grocery store staff.

Chicago and Milwaukee-area employees supported local food pantries. Collectively, they raised \$9,750 for [The FOOD Pantry](#) Serving Waukesha County, as well as significant donations to local Chicago food pantries. Chicago employees have also made individual donations. Others in the firm have volunteered with these essential service organizations.

In India, employees collaborated with two local NGOs to adopt critically vulnerable clusters to ensure that several hundred families have adequate food.

In Seattle, Milliman employees, families, and friends volunteered at [Food Lifeline](#) to honor Dr. Martin Luther King Jr. They helped pack cereal, produce, and dairy products to provide 14,288 meals for hungry

children, adults, and seniors. Each year, Food Lifeline rescues millions of pounds of nutritious food from farmers, manufacturers, grocery stores, and restaurants that would otherwise go to waste. The food is distributed to more than 300 food banks, shelters, and meal programs throughout Western Washington.

Living our wellness mission

Milwaukee employees supported the [Movember Foundation](#), a charity changing the face of men's health, tackling mental health, suicide prevention, prostate cancer, and testicular cancer. Milwaukee employees, including 17 contestants, raised more than \$7,000 in their annual mustache contest.

Milliman teams in the UK had a lofty goal they pledged to reach: A virtual climb of Mount Snowdon, Scafell Pike, and Ben Nevis. As part of Mental Health Awareness Week, the UK Diversity and Inclusion Committee launched a series of four activities, with the virtual Three Peaks Challenge as the finale. By tracking their steps, 16 climbers collectively scaled roughly 8,000 feet in elevation, raising over £3882 for Dementia UK.

Burning calories to fight poverty

In September, employees in India organized a fundraising fitness event for disadvantaged people with the motto: The More You Burn, The More They Get. In one day, 147 participants burned 461,745 calories, raising US\$6,112 for a variety of local organizations.

Opening up the world with books

Employees in Milwaukee and Appleton, Wisconsin, had a plan: Collect 400 books to donate to the nonprofit organization [Next Door](#). They received nearly 1,000. Next Door supports the intellectual, physical, and emotional development of children by partnering with their families for success in school and the community.

Healing the environment

In 2020, Milliman identified carbon emission reduction as a key focus of its social impact program. These improvements have the potential to make a significant impact, fulfilling our mission to improve the health and well-being of people everywhere. The firm has committed to conduct a comprehensive assessment of our carbon footprint and create a long-term carbon reduction plan. We identified vendors to assist in gathering data, assessment, and strategic planning. A team was organized to drive the project in 2021.

The MicroInsurance Centre at Milliman (MIC@M) worked for a year to create a system to track its emissions and determine the amount of carbon offsets needed to neutralize that impact. They analyzed business travel, commuting, office supplies, and services. After intense research and system implementation, MIC@M fully offset its carbon footprint through a donation to the Darfur Low-Smoke Stoves Project.

The Dublin office partnered with Mossy Earth, an organization that restores wilderness through rewilding and reforestation projects across ecosystems around the globe. A number of Dublin staff members signed up to the Mossy Earth membership, aiming to plant 48 native trees per year. Their contribution in 2020 led to the planting of 104 trees within Europe. A portion the office's CSR budget was also allocated for an exclusive Milliman rewilding impact project, which all staff members get to vote on.

The Milliman office in Gurgaon, India partnered with the NGO SankalpTaru to plant a tree on behalf of every employee in India as a green gift for Diwali, the festival of lights celebrated by Hindus, Jains, and Sikhs. Each person received a personalized email containing the name of their respective species, the picture, and google map link of the geotagged sapling, and a plantation certificate. The initiative planted 500 saplings of 12 varied species, which restored ecology and created a green patch in the otherwise barren land in the Manesar region at the foothills of Aravalli.

6.

Transformative initiatives

Our firmwide philanthropy

Milliman Giving Fund

The Milliman Giving Fund formed in 2018 to amplify our company mission. It pools employee and alumni contributions to fund transformational programs that improve education, economic development, and health of communities worldwide.

Milliman provides operational support to the Giving Fund so all donations go directly to our partner programs. The oversight committee that governs funding decisions and provides operational support is comprised of employees and retirees who donate their time—and resources—to make it succeed. Committee members matched employee donations in our 2020 funding campaign.

What we fund

The Milliman Giving Fund partners with programs that create transformational change in three focus areas determined by our employees:

- **Education**—STEM at the primary and secondary level in underserved communities
- **Community and Economic Development**—focusing on job creation
- **Health**—global, public, and mental health services and access

We also look for programs that play to Milliman employees' unique skills and strengths, and ideally offer opportunities for them to volunteer in addition to donating. And since Milliman is a global company, we look for the majority of our efforts to be global in nature.

Education: The Actuarial Foundation – Math Motivators

Milliman's Giving Fund is the premier sponsor of The Actuarial Foundation's volunteer-driven [Math Motivators](#)—a math tutoring program. It closes the math achievement gap in the United States by pairing lower-income middle and high school students with professionals and college students who have strong mathematics backgrounds.

It is perfectly aligned with both our mission and many of our employees' skills.

In 2019, the Milliman Giving Fund made a \$750,000 commitment to fund Math Motivators' expansion across the United States over a three-year period. This support has helped the program expand from operating in 22 schools in nine cities in the 2018-19 school year to 42 schools and 19 cities in 2020 and 51 Milliman employees and alumni volunteer as tutors in seven cities.

As the coronavirus spread in 2020, Math Motivators shifted the program to virtual learning, expanding opportunities for both students and tutors. Math Motivators tutors provided the only math instruction some students received as schools moved their curriculum online. The virtual program allows tutors to volunteer even if they aren't near a participating school. The program continues to grow, and it's on track to expand to more than 50 schools in 32 cities, including five new states.

Community and Economic Development: Opportunity International—Opportunity Zone

The Milliman Giving Fund is partnering with Opportunity International (OI) to fuel the economic transformation of thousands of parents and children living in poverty in Uganda. In 2019, Milliman awarded a grant of \$250,000 per year, renewable for up to three years, to fund an Opportunity Zone program in Mityana, Uganda.

The Opportunity Zone program combines two high-impact education and rural finance programs to create a zone where more jobs, higher incomes for parents, and quality education for children accelerate the pace for families and communities to build a better future. Even with the coronavirus pandemic, the education team found innovative ways to engage school leaders, educators, and parents and share guidance with them. The agricultural finance team revamped the technology used to deliver metrics, bank information, and farmer training.

To date, OI has trained more than 4,000 farmers and supported 66 schools, and they partnered with Opportunity Bank Uganda to disburse 690 loans to farmers, small businesses, schools, and parents. They partnered with banks and community members to find innovative ways to reach rural community members more effectively. Despite challenges due to the pandemic, they didn't change their plans or goals and have continued to innovate to meet the needs of the community.

Health: Coronavirus support

In June 2020, the Milliman Giving Fund offered a match of up to \$100,000 for employee donations to support coronavirus relief. Employees gave more than \$250,000 to a variety of organizations. The matching funds were provided to three organizations that work globally to support governments and communities to adequately respond to the pandemic: [PATH](#) (\$48,000), [Partners in Health](#) (\$31,000), and [VillageReach](#) (\$21,000).

New program

The Giving Fund Oversight Committee also began work to identify a third health-related initiative to be announced in 2021.



Corporate Social Responsibility Statement and Policies

Social responsibility is embedded in everything we do—how we work with clients, hire and develop our people, and interact with our communities. Our corporate social responsibility (CSR) statement and policies set a standard for ethical and sustainable business practices, innovation that transforms communities, philanthropic pursuits, and diversity and inclusion.

For more information about our social impact activities, contact us at csr@milliman.com and visit milliman.com/social-impact.

About Milliman

Since 1947, we have combined technical expertise with business acumen to create elegant solutions for our clients. Today, we are helping organizations take on some of the world's most critical and complex issues, including retirement funding and healthcare financing, risk management and regulatory compliance, data analytics and business transformation.

Visit us at milliman.com.