

Our Impact

2024



CSAA Insurance Group,
a AAA Insurer

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At CSAA Insurance Group, we exist to help AAA members and policyholders prevent, prepare for and recover from life's uncertainties with care and compassion.

This year marks the fifth anniversary of our Impact Report, and we have taken significant steps to enhance CSAA's approach to being a socially responsible business.

Last year, we embraced the Total Social Impact lens, rebranding our report to "Our Impact" to better reflect the breadth of our efforts and our focus on positive outcomes. This report is a testament to our

From our CEO

Planet

People

Practice

dedication to economic, social and environmental impact.

Our efforts on Planet, People and Practice are in different sections in this report, but they overlap—deliberately. We formalized our emphasis on sustainability, climate resilience, inclusion and belonging to ensure alignment with our overall business strategy.

Planet: As an insurance company, we see firsthand the impacts of climate change on our business. Increased frequency and severity of extreme weather and wildfire affect employees, customers and the communities we serve. That's why we work to understand and minimize our impact on our planet and climate. Last year, we embedded sustainability into everyday practice through decisions we made, strategies we built and actions we took.

People: We strive to attract and retain the best talent, as our people are the most important asset. We prioritize a diverse, engaged and inclusive workforce because we believe every voice should be heard. Quite simply, happy and engaged employees offer the best service to our customers. In 2024, we worked to ensure culture group processes and models prioritize high impact, inclusivity, user experience and sustainability. Additionally, we partnered with suppliers who share our mission of providing the highest level of service to our customers and communities.

Practice: Ethical business practices are table stakes, and this report provides insights into ways we make our employees, policyholders and partners proud. Last year, we bolstered our cybersecurity measures by deepening our investment in zero-trust architecture. We focused on the governance of artificial



CSAA Insurance Group,
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intelligence (AI) as the responsible use of AI enables better experiences for CSAA employees and policyholders.

Our continued focus on a Total Social Impact strategy facilitates an empowered workforce and trust in our company, which are integral to our organization's sustainable growth and profitability. We are proud of the progress we've made and remain dedicated to driving positive change.

On behalf of all those who work every day to make a difference, I thank you for making CSAA Insurance Group an employer, partner and insurer of choice.

Michael J. Zukerman
President and CEO
CSAA Insurance Group

Planet

What was new in '24?

Carbon footprint

- Fleet and facilities
- Evolving Scope 3 emissions

Culture

- Go Green Benefit
- Go Green webinars

Community

- Partnerships
- Recycling and repurposing

Consumer

- Paperless adoption
- Wildfire landscaping contest
- SBP Climate Corps Program

Communication

- Increasing accountability with CDP
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What's next?





What was new in '24?

'24

- Set new greenhouse gas (GHG) emissions reduction goals for 2030
- Collected supply-chain emissions baseline data
- Set new goals for supplier engagement
- Completed inaugural year of the Go Green Benefit
- Sponsored [GreenBiz](#)—the largest national corporate sustainability conference
- Initiated an all-electric vehicle study with two electric vehicles (EVs)
- Reused 49 furniture systems for new construction in Colorado Springs, CO and Folsom, CA
- Switched to sustainable paper/utensils for in-office and in-person events
- Facilitated an e-waste event on Earth Day where employees dropped off a total of 452 pounds of e-waste to be properly destroyed



 Carbon Footprint

As an insurance company, we see firsthand the impact of climate change with the increased frequency and severity of extreme weather. Our corporate responsibility and best business practice is to continually reduce our greenhouse gas emissions (GHG) across our business operations.

Since 2016, CSAA has been actively measuring GHG emissions released into the atmosphere as a direct result of our business operations. Calculating our GHG emissions with a 2016 baseline (Scope 1, 2 and 3,

inclusive of business travel, employee commute, work-from-home energy and paper use), we worked diligently to achieve our goal of 50% decarbonization from this baseline by 2025. We were proud to report last year that we met this goal two years ahead of plan.

We continue to set ambitious GHG reduction goals and targets across all areas of operations. After achieving our 2025 goal, we are now looking ahead at the next five years and continuing to challenge ourselves

and set an example. Our new goals for 2030 will continue to be set according to best business practices by aligning with science-based targets. Our goals are:

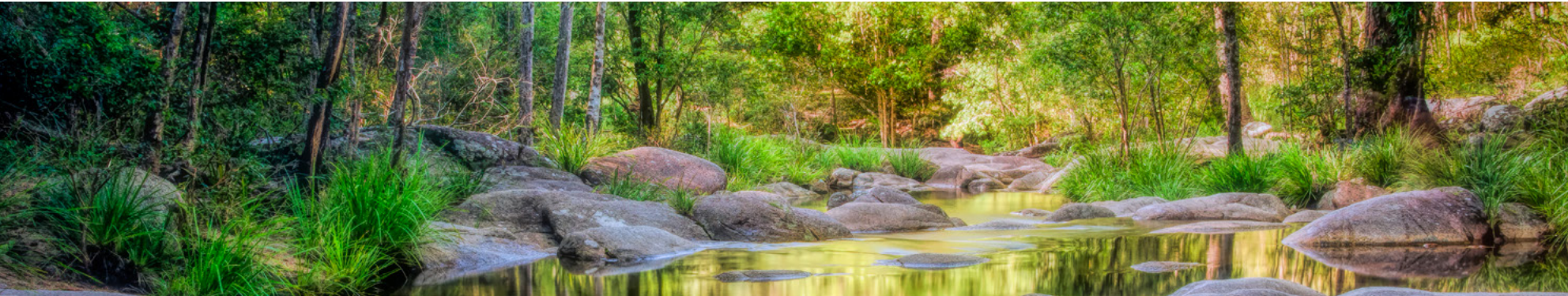
- 1. continue to reduce Scope 1 and 2 emissions by 85%
- 2. continue to reduce Scope 3 emissions (work from home energy, business travel, employee commute, and paper) by 35%

Our GHG emissions inventory is collected from a variety of stakeholders across our organization. To calculate

our GHG emissions annually using the GHG Protocol, we work with an outside consultant. Our inventory is then audited each year by an accredited third party.

While we are very proud of the work we have done to reduce our emissions by 50%, there is more work to do. We will continue to mature our journey moving forward.

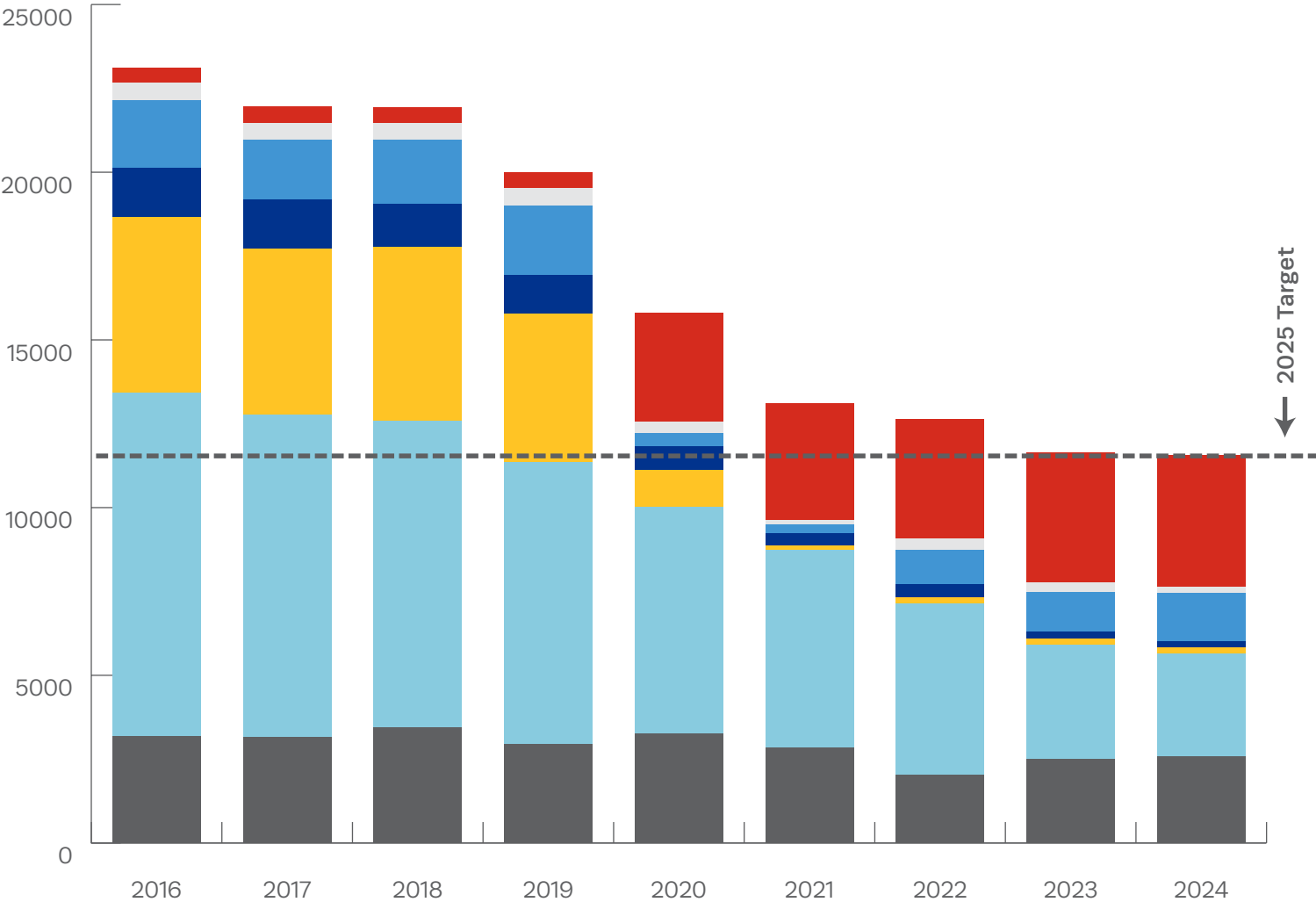
As part of this journey, we will continue to make investments in support of our communities.





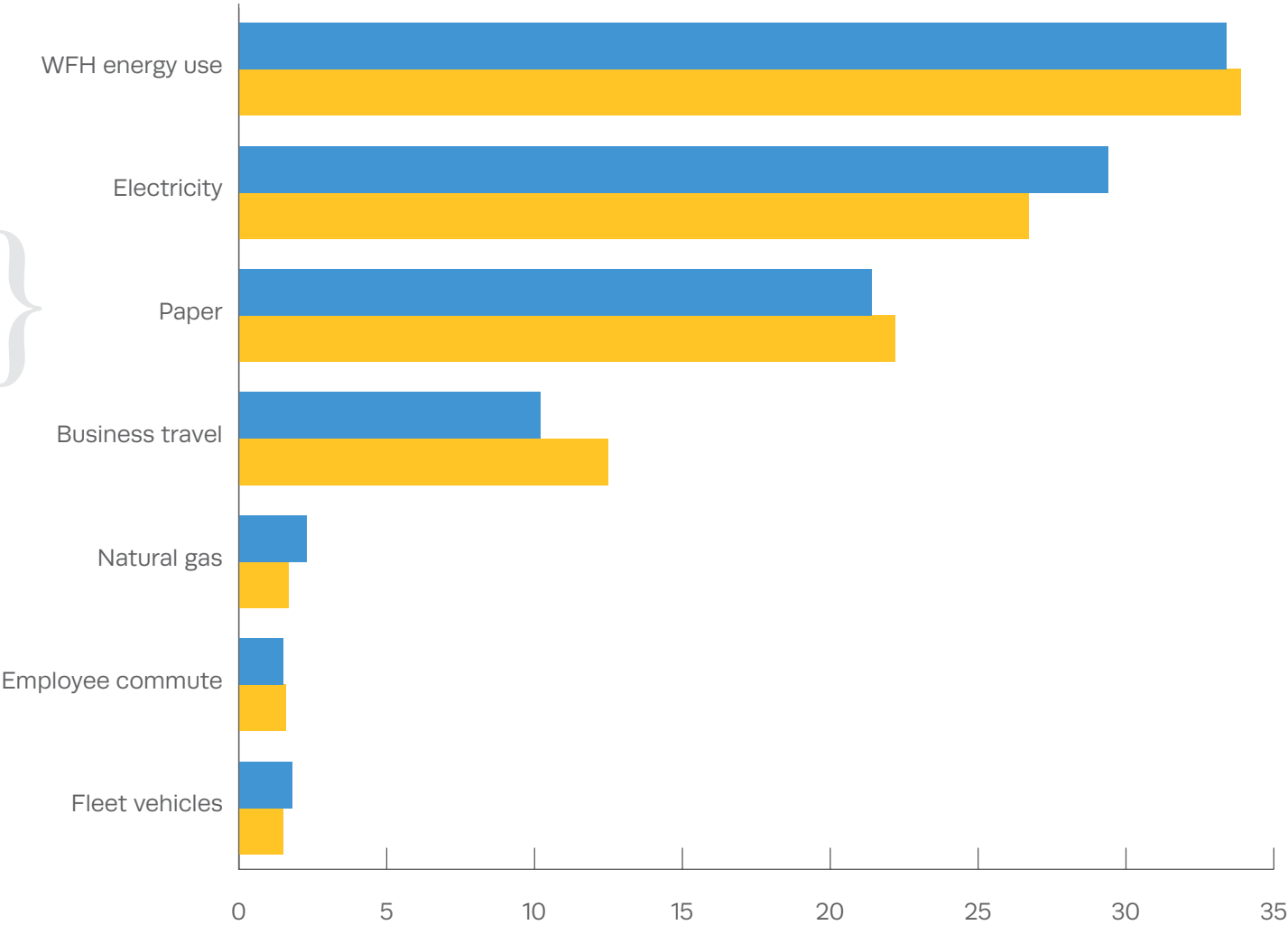
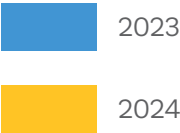
CSAA met its goal of a 50% reduction of greenhouse gas (GHG) emissions by 2025, with a 2016 baseline across Scope 1, 2 and 3 (business travel, employee commute, paper, and work from home).

- WFH energy use
- Natural gas
- Business travel
- Fleet vehicles
- Employee commute
- Electricity
- Paper





The top sources of CSAA's currently measured emissions (2023 and 2024) were work-from-home energy use, building electricity, and paper emissions.





Fleet and facilities

We look at every aspect of our operations to identify areas of efficiency, including optimizing how we use our resources across fleet (Scope 1) and real estate (Scope 2). Shifting to working from home during the pandemic significantly reduced our real estate footprint.

In the years following the COVID outbreak, CSAA consolidated the Oakland (Calif.) law office into the Walnut Creek (Calif.) facility and further reduced the footprint in Oklahoma City, Menlo Park (Calif.) and Mount Laurel (N.J.).

Energy use continues to be one of our top sources of currently measured emissions—and also our area of greatest progress. We commissioned an energy assessment and sustainability audit at our largest owned facility (Walnut Creek) to ensure we were operating the building at its optimal efficiency. These efforts are helping us strive toward our decarbonization targets, and we will

continue to focus on these areas as we refine how and where we work.

With approximately 92% of our employees working from home, we have seen our office electricity emissions drop 70% between 2016 and 2024. Work-from-home electricity emissions now make up 51% of total electricity emissions. This result was driven by a wide variety of actions, from reducing our real estate footprint and using smart technology to powering down electricity when not in use. We also use preventive maintenance to identify equipment efficiencies, thereby reducing energy usage and carbon emissions.

To offset energy use associated with our buildings, we purchase renewable energy certificates (RECs), which play an important role in our shift to green electricity that began in 2021. By purchasing RECs, we help reduce our carbon footprint and drive an increased demand for development of green energy projects across the utility-provider landscape.

After significant progress transitioning to hybrid vehicles (>90% of fleet), CSAA began testing all-electric vehicles for anticipated expanded use in the vehicle fleet. In 2024, we continued testing adoption of all-electric and plug-in hybrid vehicles.

Despite encountering initial challenges, we continue to explore implementation of EVs—which hold promise for fleet decarbonization—and will begin to transition from hybrids to plug-in hybrids as the infrastructure continues to mature.





Evolving Scope 3 emissions

When it comes to Scope 3 emissions—those not produced by CSAA or resulting from activities from assets owned or controlled by CSAA, but that we are indirectly responsible for, up and down our value chain—our calculations have been evolving over the years. We began by calculating emissions from business travel and employee commutes. The shift to the vast majority of CSAA employees working from home helped decrease our employee commute emissions by approximately 97% and in-office energy use emissions by approximately 70% from baseline. In 2022, we added work-from-home emissions as our organization switched to a primarily remote workforce. In 2023, we expanded even further to include paper emissions from across the organization.

With the reduction in real estate and our fleet, we have achieved our goals, but in 2024 we saw an increase in both business travel and work-from-home emissions. We continue to look for

opportunities to decarbonize across all scopes and develop new programs to support more sustainable business travel and home offices.

Additional milestones in this area include:

- Sustainability tips and best practice education were provided to administrators coordinating division events and executive travel.
- We updated our travel policies that support reducing emissions (direct flights/carpool/green hotels).
- Our Meetings Team Leader completed the Sustainable Event Professional Certificate (SEPC) program from the Events Industry Council (EIC).
- We rolled out a travel booking tool update that allows travelers to see their emissions impact when building their business travel itinerary.
- We updated large conference registration sites to include sustainability tips and carpool finder options.





As CSAA's business operations directly add to the impact of climate change, it is our responsibility to reduce our impact and be environmental stewards through our actions. We want to lead by example and actively effect change.

For these reasons, we are deeply committed to our climate journey, to

integrating our sustainability work across our business and to continuously striving to do better. CSAA's environmental sustainability goals are now embedded across all divisions in the organization, with each group working closely with our sustainability lead to determine and implement goals.

In 2024, CSAA's efforts to accelerate environmental stewardship were much more visible across the company as we increased engagement with our employees and board of directors around our climate journey.

Through town hall meetings, lunch and learns, leveraging the employee intranet, our employee sustainability culture group and our Go Green guide, we continue to strengthen internal literacy around climate change and our company's climate journey to reduce our impact.

Go Green Benefit

For all the environmental benefits of working from home, we had more control over CSAA's energy emissions when most employees worked in offices. It's been challenging to influence a reduction in employee work-from-home emissions. With that in mind, in 2024 we implemented the Go Green Benefit program. This decarbonization strategy offers employees financial incentives to purchase green electricity for home offices, supports employees with solar energy and encourages climate-friendly commuting for in-office employees. In year two, we're reimagining Go Green to increase accessibility and participation across the organization.

Go Green webinars

Across auto clubs in North America (AAA/CAA Sustainability Collaborative), we hold monthly sustainability meetings to share information and best practices. This year the collaborative hosted three Go Green webinars for all employees focused on sustainable efforts at home, work and in the community.



CSAA remains committed to action outside our walls, supporting a wide array of initiatives that leverage the combined strength of many private and public organizations to achieve aspirational environmental goals. Complementing CSAA's direct action every year, we also seek and evaluate investments in emerging opportunities, including forest restoration and wildfire mitigation.

We are incorporating sustainability and inclusion standards as part of our supplier contracts and asking suppliers to provide sustainability and Tier II (our suppliers' suppliers and subcontractors) inclusive spend.

In 2024, we worked hard to build awareness of our Supplier Inclusion and Sustainability program. Through this program we offer diverse, local suppliers an opportunity to compete for our business with larger competitors.

In addition to rolling out our new [Supplier Code of Conduct](#), which includes CSAA's expectations regarding inclusion and sustainability, we issued an annual survey to our top 100 suppliers. This survey provides us with a better understanding of supplier business practices.

We also established that CSAA will measure and report supply-chain emissions from 80% of our suppliers, with the goal of capturing data for Scope 1 & 2 emissions, and evaluating the inclusion of Scope 3 emissions into our GHG calculations. These efforts will assist us in setting a supply chain emissions reduction target by 2030.

(Learn more about our Supplier Inclusion and Sustainability program in the [People](#) section of this report.)





Partnerships

CSAA is an active member of the [Business Council on Climate Change](#) (BC3), a multi-sector partnership dedicated to incubating, scaling and sharing world-leading solutions to address climate change.

Additionally, as a sponsor of the [Wildfire Interdisciplinary Research Center \(WIRC\)](#) at San Jose State University, CSAA supports high-impact wildfire research. The WIRC does modeling and predictive work that helps forecast smoke impact, where a fire is going to go and its behavior, and the effects of weather and climate change on these fires. It aims to build higher-resolution prediction and risk models that will be crucial for insurance due to the growing frequency of large wildfires and the volume of fire-and smoke-damage claims.

CSAA is a proud member of the [Insurance Institute for Business & Home Safety \(IBHS\)](#), which conducts objective, scientific research to identify and promote effective actions that strengthen homes,

businesses and communities against natural disasters and other causes of loss. The [IBHS Wildfire Prepared Home™](#) is a wildfire mitigation certification that allows homeowners to achieve a designation showing they have taken the science-based actions required to meaningfully reduce their home's wildfire risk. CSAA offers discounts for California homeowners and communities that meet certain criteria to encourage them to decrease their fire risk, and will not non-renew homeowners who have achieved and maintain a Wildfire Prepared Home designation.

In February 2023, CSAA led the effort with [Blue Forest Asset Management](#) to create the California Wildfire Innovation Fund, in which [CSAA committed to invest \\$25M](#). In September 2024, this investment was matched by the State of California's Infrastructure Bank, bringing the fund total to \$50M. Similar to Blue Forest's focus with the [Forest Resilience Bond](#)—in which CSAA had invested \$5M since 2018—the intention is to attract and

apply these investment dollars for forest restoration, woody biomass utilization and wildfire mitigation. This is expected to help accelerate the pace and scale of ecological restoration in Northern California. Part of our investment has been committed to impactful projects like [Heartwood Biomass](#) and [Tahoe Forest Products](#), which are helping reduce wildfire risk, and thereby carbon emissions, while creating job opportunities in rural communities. The fund is an important step toward addressing ongoing forest management in the state and will help protect our customers and communities from wildfire while supporting local economies.

In 2024, we also continued to grow our Green Repair Network (launched in 2021) of auto repair facilities that are committed to reducing their impact on the environment. This elite group of independent auto repair facilities are dedicated to reducing their overall impact on the environment to help improve the health and safety of their customers,

communities and employees. Program requirements include strict standards around emissions, pollutants, water and electricity usage, and the disposal of hazardous waste.

Last, we work to identify sponsorship opportunities, such as [GreenBiz](#), the largest national corporate sustainability conference.

Recycling and repurposing

Our eWaste program manages the harmful effects of electronics no longer needed by the company. For proper eWaste disposal, we engage a vendor, resulting in very little going to landfill.

Additionally, to help offset emissions produced in laptop manufacturing, we have extended the in-use cycle of our laptops from 36 months to 48 months (on average). We continue to repurpose and donate furniture systems and equipment as we reduce our footprint and relocate facilities.



CSAA is committed to help our members and communities prevent, prepare for and recover from life's uncertainties with care and compassion. We continuously challenge ourselves to find innovative and better ways to serve members and communities.

Paperless adoption

In 2023, CSAA added emissions from paper use to our reduction targets and took further steps to build awareness of and reduce paper usage. Since 2019, we have significantly reduced printed marketing materials, and we have also expanded digital capabilities across CSAA. The increased demand for digital distribution and digital materials has been driven by many factors, including the shift to remote work, but it also corresponds with our efforts to reduce paper usage and increase paperless communication.

We are investing in digital payments to reduce checks; digital document uploading and processing capabilities to reduce our paper trail; and a simplified MyPolicy, which allows members to access and manage their policy through a desktop or mobile browser, to support digital self-service.

Each year, we increase customer adoption of paperless communication. Paperless adoption for 2024 was 39% of CSAA's policies in force (PIF)—for 1.13M policies on paperless. We are continuously pursuing opportunities to improve paperless adoption and reduce paper documents.

Wildfire landscaping contest

In late 2023, CSAA announced a landscape design contest at the University of California, Berkeley, designed to produce innovative, affordable ideas for homeowners that

emphasized wildfire defense while preserving attractiveness. Conceived by CSAA and hosted by the university's College of Environmental Design, the collaboration also included the participation of the Insurance Institute for Business & Home Safety (IBHS), the American Society of Landscape Architects, CAL FIRE, Habitat Corridor Project, Novato Fire Protection District, UC Cooperative Extension, and UC Davis, and aligns with CSAA's other initiatives focused on helping protect communities from wildfire.

The [winning ideas](#), announced in May 2024, feature full-landscape designs, with special emphasis placed on the zero-to-five-foot noncombustible zone, consistent with the [Wildfire Prepared Home™](#) standard developed by IBHS. Based on the latest wildfire research, this system of mitigation actions can meaningfully reduce the likelihood that embers will ignite a home.

SBP Climate Corps Program

CSAA pledged \$125K to SBPUSA's two-year [Disaster Resilience Fellows](#), focused on identifying and receiving funds to support wildfire preparation and prevention in Northern California.

SBP will place a Fellow with [After the Fire](#), which supports communities as they recover from fire. The goal will be to raise at least \$5M over a two-year period in Northern California communities at risk of wildfires, for help with fire prevention, response and recovery, and mitigation and resilience initiatives.



 ommunication

We continue to be transparent and accountable to our goals and targets on our climate journey. To further engage external audiences, we publish this report annually as well as informational social media posts and LinkedIn articles.

Increasing accountability with CDP

For the third year, we voluntarily submitted our climate journey, including our emission inventories, to the **CDP** (formerly the Carbon Disclosure Project), a not-for-profit charity that runs a global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts.

Reporting our environmental data through CDP aligns with our goals of transparency and accountability as we continue to advance our climate journey. Further, it enables us to protect and improve CSAA's

reputation, boost competitive advantage, uncover risks and opportunities, and track and benchmark our climate progress.

CSAA scored a C in 2024. Our results offer insights that will help us establish specific goals across our company to deepen accountability as we continue our climate journey. As we prepare for California Climate Bill SB253 we will adjust our method of disclosure to align with the regulatory landscape.

TCFD

In 2022, we adopted reporting standards from the Task Force on Climate-Related Financial Disclosures (TCFD) to help us better prepare for climate impacts to our business and policyholders. The Financial Stability Board created the TCFD to develop recommendations on the types of information that companies

should disclose to support investors, lenders and insurance underwriters in appropriately assessing and pricing a specific set of risks—risks related to climate change. CSAA's first TCFD report was issued in November 2022.





What's next?



- We will make progress toward our newly set emission-reduction goals and targets for 2030, continuing to reduce our carbon footprint.
- We will further integrate sustainability into our culture to engage employees, solicit ideas and encourage action.
- We will continue to evolve stakeholder engagement, with a focus on educating, engaging and inspiring our customers in 2025.
- We will deepen our work with our vendors and measure the impact of our investments by understanding the ROI of different decarbonization levers.
- We will broaden year two of the Go Green Benefit program to include more sustainable actions employees can take.
- We will conduct an analysis on the ROI of converting fleet to more energy-efficient vehicles (plug-in hybrids/EVs).
- We will leverage our supplier survey to identify new courses of action to meet our goals.
- We will install a more efficient HVAC system in the Las Vegas office.
- We will continue to explore new ways to partner on wildfire science, resilience and innovation to protect properties and communities and preserve the availability and affordability of insurance.
- In 2025, we will host the next iteration of our successful 2023 wildfire symposium, bringing together reinsurance capital providers with an array of speakers from the fire service, utilities, modelers, state government, nonprofits and public-private partnerships, to share strategies and responses to combat and mitigate wildfire risk.
- Alongside these actions for impact, we are looking at how climate change will affect our business and strategizing ways to address risks and identify opportunities.

People

What was new in '24?

CSAA is people

- Flexible work environment
- Systems thinking
- Holiday flex program
- Inclusion and belonging
- Hiring and empowering our people
- A culture of care and accountability
- Supplier and inclusive customer reach
- Inclusive sourcing

Community engagement

- Community giving
- Investing in community
- Volunteerism
- Health and well-being benefits
- Sound body and finances
- Sound mind and connections
- Business travel and events

People awards and achievements

What's next?





What was new in '24?

'24

- Facilitated more than 120 CSAA-sponsored volunteer opportunities curated in partnership with our grantees and nonprofit partners—50 of which were curated specifically for new-hire cohorts during their onboarding and for individual teams to make an impact as a group by dedicating a team meeting to volunteerism
- Increased the number of employee volunteers by 450 and engaged 10% more of our workforce than the year prior
- Provided more than \$600K to nonprofits, with 1,700 employees donating \$210K out of pocket while tapping into \$400K of our matching gifts, Dollars for Doers rewards, and Dollars for Board Service grants
- Showcased key enterprise-wide culture initiatives and their impacts, emphasizing these employee-led contributions and our dedication to active, actionable efforts
- Launched our updated [Supplier Code of Conduct](#) and Supplier Inclusion and Sustainability program
- Hosted the 2024 Inclusion Summit, uniting more than 300 CSAA employees and external guests for three half-days of celebration, learning and growth
- Hosted the inaugural AAA federation-wide Inclusion & Belonging Conference
- Expanded partnerships focusing on sustainability, environment and disaster resilience
- Established people and social goals for all VP and above roles
- Introduced new recruiting processes and recruiter training to make it easy for applicants to request accommodations
- Refined minimum requirements for all job levels using a systems thinking approach
- Contributed to the [California Equal Pay Playbook](#)



CSAA is people

At CSAA, we believe inclusion is what better enables us to serve our customers and makes us great. Our ~4,000-employee workforce is made up of individuals from a wide range of backgrounds, interests, perspectives and experiences. These broad perspectives help drive better business strategy, which in turn help deliver better experiences for our customers.

We are committed to meaningful impact with passionate people dedicated to doing the challenging yet rewarding work of assisting our customers and improving our communities and our world. We devote significant resources to cultivating a culture of inclusivity that impacts all levels of the business and to building the programs and infrastructure that make everyone across our spectrum of talent feel welcome and valued.





Flexible work environment

CSAA has aggressively embraced new ways of working, including a companywide flexible work model that leads with flexibility and employee choice.

Our Future-Ready Organization initiative encompasses all aspects of the employee experience, from work environments to benefits and healthcare, with the goal of enabling our employees to seamlessly connect, create and collaborate across boundaries to improve the employee experience while delivering business results. This has meant reevaluating everything from our talent strategies to the design of our workplace to the design of our culture.

As a result, in 2024 voluntary employee turnover at CSAA was at an all-time low, excluding during the pandemic, with employees appreciating the flexibility, in addition to other benefits, such as lowered commuting costs.

Approximately 95% of CSAA's employees now work remotely full time. The company is focused on flexibility and creating purposeful and intentional in-person gatherings where it makes sense. With CSAA's distributed workforce, the flexible model allows our employees to work from home, in an office or a combination of home and office. This flexibility allows the company to customize its approach based on the individual as well as business needs.

An additional benefit to focusing on employee choice and flexible work is access to new talent pools. Historically, the vast majority of CSAA's hiring was near our major regional locations or working with people to relocate. Our approach has allowed CSAA to hire coast-to-coast. We now have access to the talent we need anywhere in the lower 48 states, and new hires keep their lives where they already reside. We have gone from having employees in approximately 26 states to approximately 43 states and Washington D.C.

It is not only about new talent. We are committed to continuing to develop current employees as well. CSAA has identified critical skills for our future—those that are most important for a mostly remote workforce—and we're providing educational and experience opportunities for employees to develop in these key areas. The skills are categorized for different target audiences (enterprise, division-specific, role-specific and people leaders), and the company's C-suite executives champion these skills and are committed to employee growth.

Systems thinking

By embedding systems thinking into our organization, we're gaining a deeper understanding of the complex issues at play and developing more effective strategies for creating an inclusive workplace.

Progress against 2023's goal to promote systems thinking was substantial. In 2024, we established a cross-enterprise cohort of leaders

and system owners. This group engaged in a 10-session learning path designed and facilitated by CSAA employees who had earned credentials from the [Waters Center for Systems Thinking](#) in 2023. The year-long program aimed to introduce systems thinking concepts, methodologies and a common language. It equipped participants with basic tools to apply in their daily work, including analyzing inclusion and belonging.

We also refined minimum requirements for all job levels using a systems thinking approach and took a systems thinking lens to the candidate experience and hiring manager experience, redesigning our process and guidelines for recruiting exceptional employees in 2025 and beyond.



Holiday flex program

The company offers 12 paid holidays—all 11 federal holidays and the day after Thanksgiving. For those required to—or who volunteer to—work on holidays, our holiday flex program enables employees to either be paid the holiday pay or bank the time and use it to observe an alternative day off of their choosing. This holiday flex program gives employees the flexibility to celebrate a cultural holiday that is not among our 12, or to take a day off for other reasons.

Inclusion and belonging

- The inaugural AAA Inclusion & Belonging Conference brought together senior executives, HR professionals, inclusion practitioners and employee resource group leads to share insights and best practices, fostering a more cohesive and inclusive culture across the entire AAA federation.
- In collaboration with fellow signatories of the AAA CEO Action for Diversity and Inclusion—

organizations across the AAA ecosystem—we jointly hosted the Days of Understanding program, an annual event that encourages open and honest conversations about inclusion in the workplace. The event focused on the importance of cultivating a culture of care and accountability in the workplace. The program emphasized that the company's innovation, productivity and growth are supported by trust-based, collaborative relationships.

- CSAA's continued commitment to inclusion and belonging has encouraged an ongoing engagement of leaders to participate in Intercultural Development Inventory (IDI)-based coaching. This crucial effort provides space to broaden horizons and perspectives around inclusion and belonging, impacting decision-making and allowing for stronger leadership skills, better decisions, and inclusive outcomes. Nearly 70 leaders across the organization, including the executive leadership team, have now participated in this experience.

- Our 2024 Inclusion Summit, "Co-Creating Inclusive Outcomes," united more than 300 CSAA employees and external guests for three half-days of celebration, learning and growth. Highlights from the biennial event included keynotes from adrienne maree brown and

David Stroh, personal stories from employees, panel discussions on topics such as Total Social Impact and a Zooniverse community impact event in collaboration with the Adler Planetarium where participants categorized and analyzed 3,000 pieces of data.





Hiring and empowering our people

Every time CSAA conducts a retrospective or starts planning for a cyclical talent process, we put on a human-centered and inclusive lens. This involves proactively hosting conversations with leaders to look at their function's talent data, across all employee lifecycle stages (attraction, recruitment, onboarding, performance, development, retention and separation).



These ongoing discussions allow us to stay in tune with our culture, have richer conversations and explore how our processes and practices are deepening a sense of belonging.

Creating a fair employment experience starts when someone is looking for their next role. In 2024, we embarked on candidate journey mapping to gain deeper insights into the experiences of candidates, hiring managers and interviewers. Opportunity areas were evaluated and prioritized by their impact on fairness, effectiveness and efficiency. A multiyear roadmap is being developed and will be deployed in phases. The first phase of enhancements scheduled for early 2025 is focused on creating consistency in hiring manager and interviewer practices.

We have been committed to pay fairness and transparency for years, which is visible in how we design our compensation policies. The salary

ranges for all non-executive jobs in the company are posted on CSAA's intranet and have been posted for many years before pay transparency legislation was widely adopted. Additionally, we run time-series analysis throughout the year to see if we need to monitor any concerns before we conduct an annual companywide pay equity audit. Our goal is to be proactive, rather than reactive, to any potential structural barriers in our compensation policies and practices. As CSAA has been identified as a leader in pay transparency, we are a key contributor to the [California Equal Pay Playbook](#) and have been an active presenter in educational briefings, which encourage other companies to adopt pay-related best practices.

We are growing the data literacy and storytelling skills of the Talent Acquisition team to inform recruiting strategies and consult with hiring managers throughout the recruitment lifecycle.

To further enhance data management, we developed the Inclusion Group PowerApp, scheduled for release in early 2025. This app will streamline employee affiliation with culture groups, automate tasks and improve data accuracy and user experience.

Additionally, we'll track mid-year progress against annual plans to better capture culture group impacts, and enhance annual planning for proactive collaboration, reducing event conflicts and securing enrichment time.

In 2024, CSAA started a partnership with the [Oklahoma City Hispanic Chamber of Commerce](#), which among other benefits, is an opportunity for Spanish-speaking or bilingual recruitment opportunities in one of our focus markets.

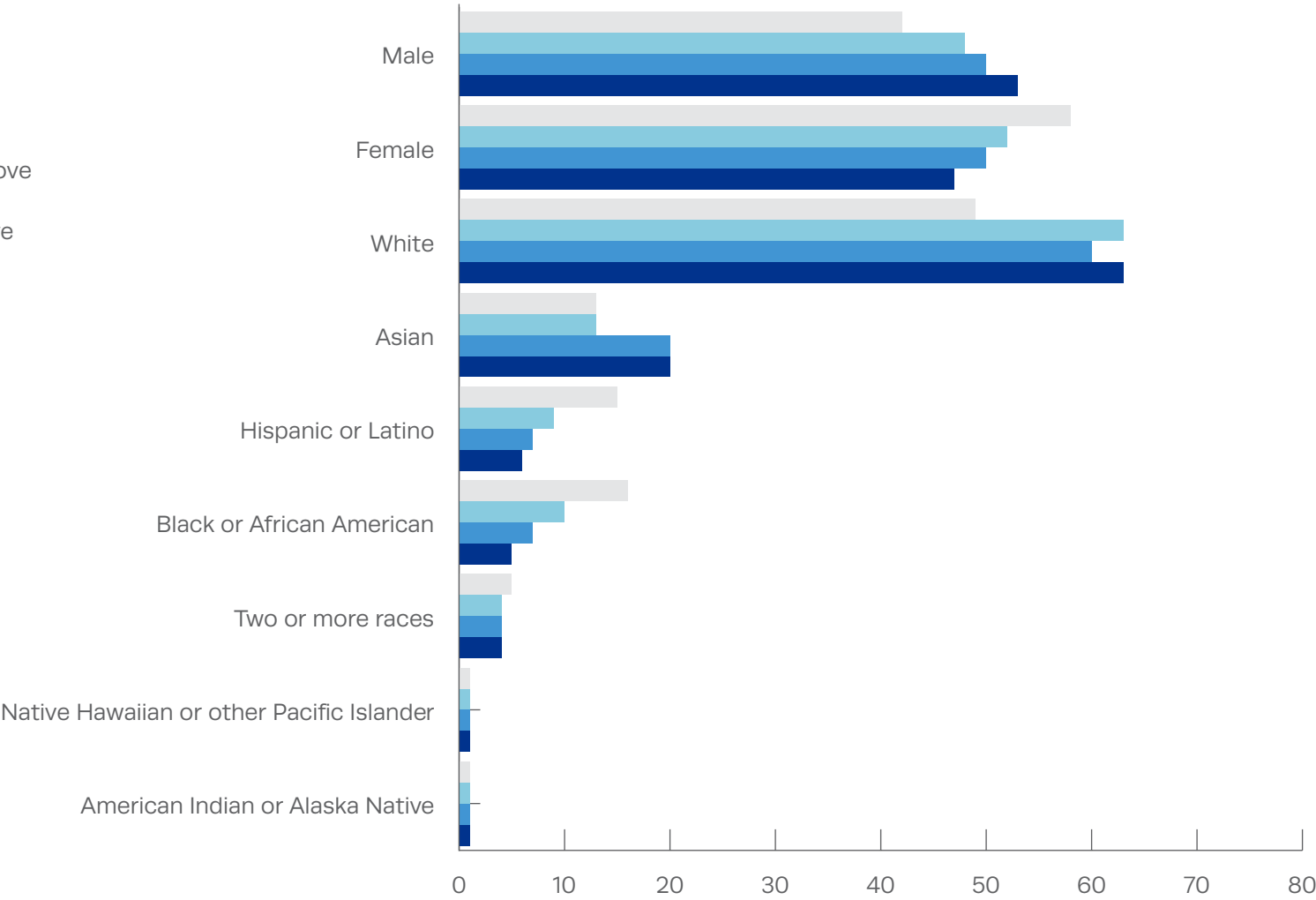
As believers in the power of inclusion, we strive to create a safe, caring environment for all employees.



Ethnicity Race Gender

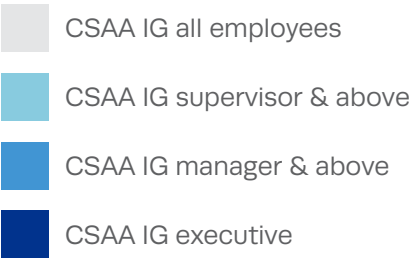
- CSAA IG all employees
- CSAA IG supervisor & above
- CSAA IG manager & above
- CSAA IG executive

This chart provides a breakdown of the gender and ethnic makeup of employees at CSAA Insurance Group, categorized by their roles: All Employees, Supervisors, Managers, and Executives.

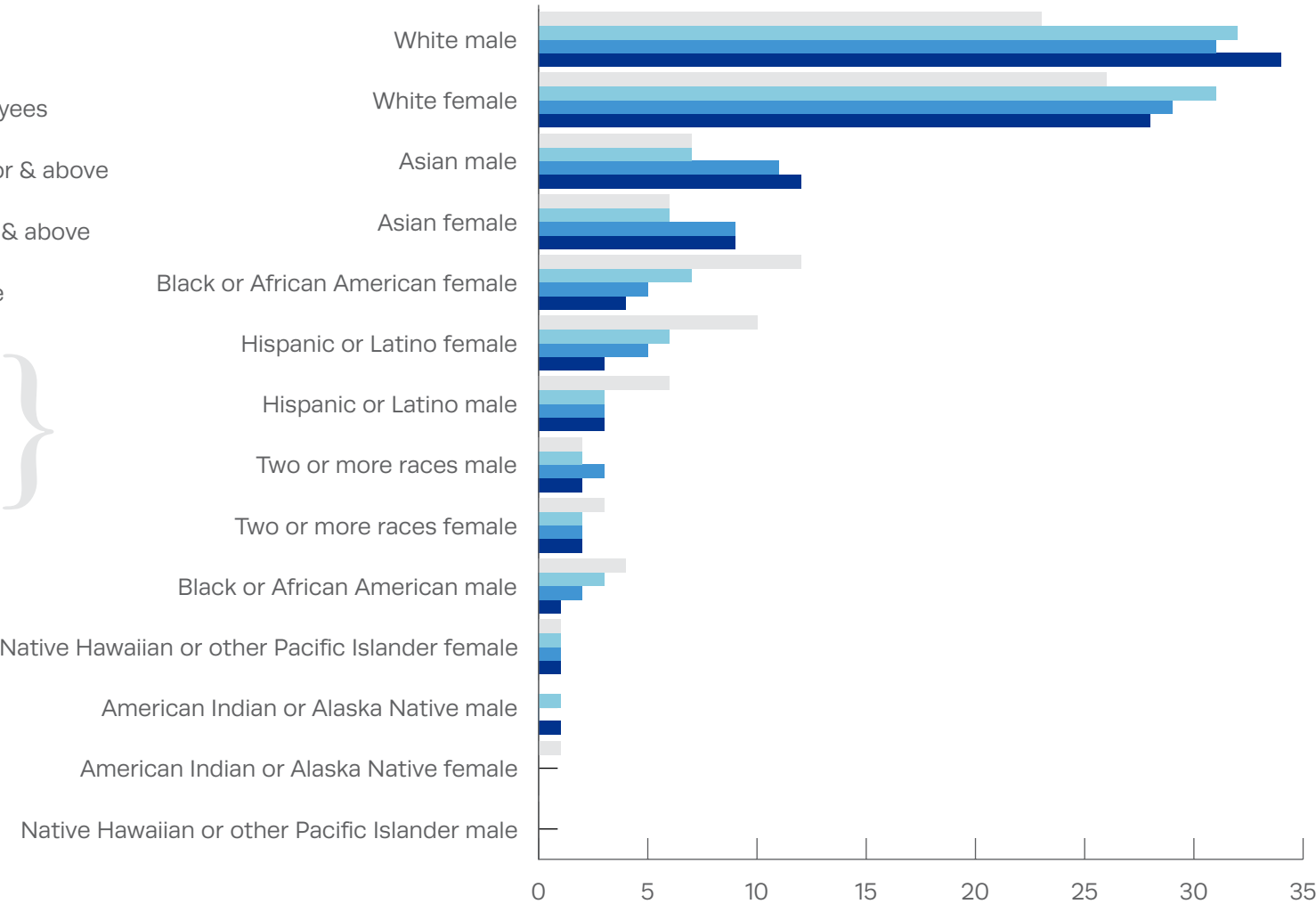




Intersectionality



This chart provides a breakdown of CSAA IG employees by role, categorized by the intersection of gender and ethnicity.





A culture of care and accountability

The employee experience is critical to our business success. Employees who are highly engaged and feel they can bring an authentic version of themselves to work are more likely to be strongly committed to the organization and provide better customer service and help us achieve our business goals.

To that end, CSAA fully supports a wide variety of employee resource and culture groups that bring employees together. Open to all employees, these groups create opportunities to build belonging, and ensure we are an inclusive organization meeting the needs of our employees and customers. They also allow us to identify areas

for improvement and to celebrate the differences—and commonalities—among us.

In 2024, our employee resource groups (ERGs) strategically focused on boosting engagement, increasing awareness and fostering connections. These initiatives led to several impactful cross-collaborations,

generating enthusiasm for future involvement among employees.

The following pages offer a snapshot of what happened with some of our ERGs and culture groups in 2024.





The **FLEX Culture Group**, which exists to support the career and professional development of all employees, supported Professional Development Month in April 2024. FLEX supported eight live sessions that provided education, exposure and experience with more than 1,300 employees participating. FLEX members are committed to offering these types of programs going forward.



The **Inclusion Collective** revitalized the Inclusion Conversation series with a timely content update and rebrand, enhancing the learning experience for all participants. This forum offers employees a brave and open space to discuss and collaborate. Through group discussions, employees learn from one another to foster a more inclusive culture at CSAA.



Military Appreciation Group (MAG) leveraged external connections to grow engagement and awareness to military service and experiences. MAG invited a West Point guest speaker to share his inspiring story with CSAA. It also co-sponsored the Pat Tillman Foundation 20th annual run for the fourth year in a row, allocating 30 CSAA-sponsored entries to Pat's Run.



Pan Asian Connection (PAC) championed the "I Choose My Future: Asian Americans for Community Involvement" essay contest, with 22 members supporting the "Growing Up in America (GUA)" art, essay and video contest for K-12 students. This initiative attracts 400–600 participants annually and offers 10 cash prizes, including a \$1,000 grand prize, encouraging youth to explore cultural identity creatively.



In 2024, CSAA's **PRIDE** group partnered with the Women's Professional Network ERG and other groups across AAA to invite guest speaker Charlie Martin, a transgender motorsports driver, to share insights on creating inclusive spaces for women and transgender associates. This event united more than 350 people across our multiple entities.



Supporting and Empowering Employees with Disabilities (SEED) curated several key events to connect employees and caregivers with vital resources and support, including Leave and Accommodations, Disability 101, and Disability Empowerment sessions. Through a series of publications for Disability Pride Month, National Disability Employment Awareness Month and Caregivers Month, SEED provided education, amplified employee voices and fostered connections across CSAA.



CSAA's **Women's Professional Network** launched "Broadening the Circle," a series promoting intersectionality and collaboration among culture groups. The first event, held during Asian American and Native Hawaiian/Pacific Islander (AANHPI) Heritage Month with the Pan Asian Connection, attracted more than 200 attendees and explored the complexities of gender and culture. The second event, in partnership with the Black Employees Association, drew about 100 attendees.

Here is CSAA's full list of employee resource and culture groups:

- **Black Employees Association**
- **Christian Employee Resource Group**
- **Community Impact Champions**
- **FLEX Your Career**
- **Go Green Group**
- **Inclusion Collective**
- **Military Appreciation Group**
- **Mindful Employee Resource Group**
- **Native American Employee Association**
- **Pan Asian Connection**
- **PRIDE**
- **¡Somos Unidos!**
- **Supporting & Empowering Employees with Disabilities**
- **Well-being Champion**
- **Women's Professional Network**



Supplier and inclusive customer reach

CSAA is committed to offering suppliers an opportunity to compete for our business. By diversifying our supplier base, we also potentially increase innovation, attract talent and help the communities by adding new business opportunities, tax revenue and income.

In the interest of increasing visibility and awareness of our Supplier Inclusion program, we conducted meetings with our top suppliers to emphasize the importance of inclusion and sustainability and influence progression. We also enhanced partnerships with business service organizations that can play a critical role in educating companies about available contracts. These include The Women’s Business Development Center, National Minority Supplier Development Council, The National Gay & Lesbian Chamber of Commerce, and the Western Regional Minority Supplier Development Council. For the latter, we served as a premier sponsor

of four major networking events designed to connect minority-owned businesses with major-buying organizations like CSAA.

We also rolled out our new [Supplier Code of Conduct](#), which includes CSAA’s expectations and values regarding inclusion and sustainability, our high regard for safe working conditions, fair and respectful treatment of employees, and ethical practices. It also covers artificial intelligence, how to manage CSAA’s information, guidance on gifts and entertainment, and more. More than 350 contracted suppliers have now received a copy of our Supplier Code of Conduct. And it will become a part of the supplier onboarding process in 2025.

In 2024, we teamed up with [SpotzCity](#) in Rosemont, Ill., to provide insight to suppliers on the importance of having a risk mitigation plan; we served as a California Department of Insurance symposium panelist, providing more

than 150 suppliers with insights on contracting opportunities in the insurance sector; and we conducted one-on-one meetings with 32 suppliers invited by the California Statewide Coalition on Diversity Initiatives.

We also launched a redesigned Supplier Inclusion and Sustainability program in 2024. This program now serves as a one-stop shop of information for potential and existing suppliers.

CSAA’s new supplier portal system provides a centralized, easy-to-navigate database of suppliers accessible to its procurement team members, streamlining the process of sourcing qualified businesses.

CSAA spent \$71M with 221 inclusive businesses in 2024—representing 19% of our total managed spend with suppliers. This marks a 4% spend increase from 2023.

CSAA spent

\$71M

with 221

inclusive
businesses

in 2024



Inclusive sourcing

CSAA continues to demonstrate that supplier inclusion isn't just good practice—it's smart business. Our inclusive sourcing efforts supported approximately 4,000 jobs across the economy. These jobs span not only our direct supplier partners, but also ripple through indirect suppliers

and the communities where their employees live and work.

As a result of this impact, CSAA generated an estimated \$158 million in total compensation. This figure represents the wages, salaries, and benefits earned by the people whose

work is supported—directly, indirectly, or through induced economic activity—by our inclusive supplier spending. These are real dollars fueling households, strengthening local economies, and reinforcing the power of inclusive procurement to drive shared prosperity.

By intentionally investing in a broad base of suppliers, CSAA is not only building a more diverse supply chain—we're expanding opportunity, supporting families, and contributing to economic resilience across the communities we serve.

{ 4,000 }

Total jobs supported

{ \$158,104,689 }

Total compensation



Community engagement

Community giving

At CSAA, we are proud to support resilient and vibrant communities with a focus on supporting those most underserved.

We have strong multiyear and multifaceted partnerships with [The Trust for Public Land](#), [Junior Achievement](#) affiliates and local food banks in all of our main site locations, as well as more than 80 community organizations nationwide. Through our corporate giving and employee giving programs, CSAA provided \$1.64M to nonprofit partners in 2024.

Supporting access to healthcare is a particular passion point of ours. CSAA is a longstanding member of the [Purchaser Business Group on Health](#) (PBGH), a nonprofit coalition representing nearly 40 private employers and public entities across the United States that purchase





healthcare services for more than 21M Americans and their families. PBGH has a 30-year track record of incubating and scaling new, disruptive operational programs that lower healthcare costs and increase quality across the United States. In 2024, CSAA served on several PBGH panels to share our work on health equity and using REAL and SOGI data. We continue to serve on PBGH's Comprehensive Maternity Care Workgroup to advance comprehensive and quality of care for mothers.

Furthermore, our well-being team partnered with Community Impact on our High Five community-focused incentive program, through which we're making a donation of up to \$10,000 to support [Phoenix Children's Hospital Crews'n Health](#) mobile clinic, a nonprofit providing no-cost medical and preventive care to homeless youth in the Phoenix, Ariz., area. This yearlong focus replaces our once-a-year partnership, where a donation is tied to program participation.

Investing in community

CSAA's Community Investments Program (CIP) invests in low-income and underserved communities by investing in projects that are responsive to community needs, qualify as green investments and have a significant positive impact on the economic welfare of the community. One percent of CSAA's investment dollars are earmarked for the program.

In 2024, we committed an additional \$80M toward low-income housing and community redevelopment across the United States, with a particular focus on California and Nevada along with other investments in Colorado, Virginia and Oklahoma.

In California, CSAA committed \$49M to support the development of housing for low-income families in Elk Grove and Goleta. The Elk Grove property is being developed by a leading minority-owned real estate business in the Bay Area, and each apartment building features

solar panels and units with modern amenities.

CSAA provided \$19M in capital for small businesses in Nevada through a program that offers low-cost financing to stimulate economic growth in underserved or disadvantaged communities.

Other investments include low-income housing for families and seniors in Arvada, Colorado and Oklahoma City, Oklahoma and historic rehabilitation in Portsmouth, Virginia.

These community-focused investments have resulted in the expansion of affordable homes and new businesses in the communities we serve while generating tax benefits that enhance the profitability of our insurance operations.

In 2024, we committed
an additional

\$80M

toward low-income
housing and community
redevelopment
across the United States



Volunteerism

CSAA believes strongly in going “beyond the check” and provides holistic support through various volunteering opportunities for our employees, including multiple pro bono programs with the [Taproot Foundation](#) and monthly volunteer days at local food banks.

Our efforts in 2024 included more than 120 CSAA-sponsored volunteer opportunities curated in partnership with our grantees and nonprofit partners—50 of which were curated specifically for new-hire cohorts during their onboarding and for individual teams to make an impact as a group by dedicating a team meeting to volunteerism.

more than
120
CSAA-sponsored
volunteer opportunities

2024 highlights include:

- Ten additional Community Impact Champions were trained to lead and manage local volunteer events
- Hundreds of employees came together at our Arizona and New Jersey offices to pack 60,000 meals that were provided directly to our local food bank partners and distributed to the community.
- Seven build days were completed with local [Rebuilding Together](#) affiliates, where more than 100 CSAA employees volunteered more than 600 hours, providing home renovations, landscaping and community garden maintenance in low-income communities.
- In June 2024, we also hosted the largest Pro Bono Marathon we’ve held, with 11 nonprofits and 43 employees providing 430 skills-based volunteer hours.

CSAA increased the number of employees participating in volunteer efforts by 450 employees and engaged 10% more of our workforce than in 2023. In total, 2,138 employees logged more than 20,157 hours of volunteering throughout 2024, resulting in a 55% participation rate, despite many workers remaining remote and dispersed throughout the country. This includes more than 700 hours from 92 volunteers providing pro bono services through the Taproot Foundation.

2024 also saw an increase in all of our employee giving programs, including 42% of our employees donating out-of-pocket or using rewards earned through volunteerism. Together, CSAA and its employees provided more than \$600K to nonprofits and \$103K to CSAA grantees, with 1,700 employees donating \$210K out of pocket while tapping into \$400K of our matching gifts, Dollars for Doers rewards, and Dollars for Board Service grants. These were the

highest employee donation rates and amounts for matching gifts, volunteer rewards and out-of-pocket donations to date.

This big leap in participation can be attributed to intentional partnership with our training team and new-hires onboarding program, as well as an intentional strategy to engage new CSAA employees and those working remotely and away from one of our main office hubs.

To quantify the external impact of our volunteering efforts, we adopted [Impact Genome](#) employee giving reports, which provide us quantitative data on the funding and outcomes of our employee giving programs. This allows us to focus on more than just the engagement but also on what the engagement really provided.



Health and well-being benefits

At CSAA Insurance Group, we know that by supporting our employees and their families, we enable them to always be at their best. We know yesterday's benefits will not stand the test of time and have built our award-winning Living Healthy at AAA program around four pillars of well-being: social, mental, physical and financial.

Rather than solely focusing on the absence of injury and disease, we recognize the importance of encompassing the broader holistic dimensions of well-being.

One of our focuses in 2024 was on improving the overall experience and support for employees during birth/maternity. Maternity and newborn mortality rates, particularly among women of color, continue to rise. We have recognized disparities in outcomes across different groups. CSAA's goal is to ensure our employees receive access to quality, affordable healthcare, ongoing

postpartum support and culturally sensitive care. Through thoughtful program design and communication targeting the needs of our employees, we have enhanced maternal care to be more inclusive and impactful. By working closely with our health plans, we have improved comprehensive care to reduce risks, complications and unnecessary C-sections. In 2024, we were the recipient of the PBGH Moonshot award for our work in creating quality maternity programs.

Sound body and finances

Our Future-Ready Organization initiative encompasses employee well-being, whose needs have taken a very different form under our flexible model. CSAA employees can now access a wide variety of health and well-being support to encourage healthy behaviors, such as using preventive care, vaccines and preventive drugs at no cost, accessing virtual visits, engaging in programs to support their mental well-being, and more.

Our recognized well-being program engages employees to design and follow a custom plan to improve their well-being and be rewarded for healthy lifestyle behaviors.

CSAA's health support and company-funded health accounts meet the needs of our employees, such as infertility, and cancer support services, expanded eligibility for preventive breast cancer and colon cancer screenings, no-cost weight loss and diabetes coaching programs and medical travel.

We also subsidize the cost for fitness and meditation apps that allow participants to support their well-being anytime and anywhere. This is in addition to offering virtual programs to include all employees, regardless of work location.

And we offer programs that support the financial health of employees, including a 401(k) plan with a rich 401(k) match of up to 6% of eligible pay, a profit-sharing plan with a target of 2%, one-on-one sessions

with retirement counselors, a virtual financial well-being fair, company-paid life and disability insurance programs, and tuition reimbursement programs. CSAA is also among the first companies to offer repayment assistance to help employees pay off their student loans.

We have reduced copays for the implemented salary-tiered company health savings account (HSA) and health reimbursement arrangement (HRA) contributions to address affordability and access to care for lower-paid employees.

And we have family-friendly programs such as adoption assistance, parental pay for bonding, and health and welfare benefits coverage.



Sound mind and connections

With our Flexible Work Environment, CSAA keenly focuses on employees’ mental well-being. Through our partnership with [One Mind at Work](#), a global employer-led coalition that works to improve mental health in the workplace, CSAA reassessed our progress toward our mental health



efforts by completing the Mental Health at Work Index, a technology-based assessment tool that allows us to measure and improve our mental well-being programs. Our overall self-assessment score is 4.0 on a maturity scale of zero to five. Since originally completing the index, we improved and are at or above benchmark in seven out of 10 categories, up from two out of 10 in 2022.

The Mental Health at Work Index inspired our focus in 2024 on involving our workforce to determine our needs for mental well-being programs, and provision of mental health programs and services.



After certifying more than 250 employees in Mental Health First Aid, we developed our own condensed version of the training, offered on-demand to all employees. In 2024, we also went live with our new mental well-being and work life vendor to offer enhanced services, easier access to care and access to more providers.

Business travel and events

With most CSAA employees working from home, 2024 saw an intentional increase in travel and in-person gatherings. Teams collaborated to maximize the value of travel by hosting multiple back-to-back engagements in the same destination, focusing on fewer, longer business trips. With on-site being the new off-site, our meetings team leveraged owned facilities whenever possible and showcased mobility-friendly hotel and restaurant options. In addition, the meetings team promoted sustainable food and beverage options, leveraged technology to reduce paper at meetings, incorporated giveback activities and hosted virtual programs when appropriate.

Engagement in this benefit increased from 2023 through 2024.

Our Well-being Wednesday breaks have continued as a way for employees to form social connections with colleagues and engage in well-being activities. And our well-being platform supports social well-being by allowing employees to connect with one another, add friends from outside the company, initiate challenges with others and interact in social groups.

Furthermore, in 2024, CSAA formed a cross-functional team with representatives from Inclusion & Belonging, Employee Communications, External Affairs, and Human Resources to support employee well-being during election season, offering resources such as listening sessions, people leader and ERG resources, all-employee resources, reminders about voting policies and crisis communications exercises.



People awards and achievements

In 2024, we received the following recognition for our commitment to inclusion and belonging and community impact:

- **California Department of Insurance:** Insurance Diversity Index (Silver)
- **Fair360:** Top 50 Noteworthy Companies ranked 41 and Top Companies for Women ranked 14th
- **Forbes:** 2024 Best Employers for Diversity
- Since 2005 CSAA has achieved a score of 100 on the **Human Rights Campaign's Corporate Equality Index** (Equality 100 Award: Leader in LGBTQ+ Workplace Inclusion)—the national benchmark for corporate policies and practices pertinent to LGBTQ+ employees.
- **Seramount:** Inclusion Index
- **Seramount:** Best Company for Multicultural Women, ranked #3
- **Seramount:** Top Company for Executive Women, ranked #3
- **The Civic 50:** For the ninth year, CSAA Insurance Group, a AAA Insurer, was named one of the 50 most community-minded companies in America by [Points of Light](#).

These accolades are a testament to our ongoing efforts to create a workplace that is inclusive and a place of belonging for all.

California Department of Insurance

Fair360 // Forbes // Human Rights Campaign

Seramount // Points of Light



What's next?



- We will ensure the [Supplier Code of Conduct](#) becomes an integral part of our supplier onboarding process and will obtain and share detailed inclusive supplier data to develop an even more intentional focus for improvement areas.
- We will continue our relationship with business service organizations that support inclusion.
- We will build on systems thinking initiatives, conducting targeted training sessions for leaders and broadening access to systems thinking consultations across the enterprise.
- We will engage directors and managers in Intercultural Development Inventory (IDI)-based coaching and promote inclusion and belonging learning paths.
- We will establish a team and roadmap to examine and improve fairness in performance management.
- We will collaborate with key leaders to integrate disability inclusion into organizational practices and culture and implement feedback mechanisms.
- We will explore inclusion and belonging strategies for our contingent workforce.
- We will partner with Contra Costa College and the Enterprise Mobility Foundation's collision engineering program, supporting a pipeline of talent that will help better serve our customers.
- We will fund an SBP Resilience Fellow in a high-need community for two years; the fellow will focus on supporting local communities to secure federal and state disaster prevention and response funding.
- We will expand from four to six builds nationally with Rebuilding Together and will serve as joint presenting sponsor with CAN and Guidewire for Thurgood Marshall's 2025 Innovation Challenges, providing an engaging skills-based volunteer opportunity for targeted leaders.
- We will continue to review enhanced demographic data such as ethnicity, salary band and zip code to identify gaps in coverage and social determinants of health to promote access to quality and affordable healthcare and employee and dependent engagement.
- We will implement medical plan design changes, lowering copays and out-of-pocket maximums to increase affordability and accessibility to care.
- We will hire a registered dietitian nutritionist to provide a nutrition education program with a focus on food insecurity in a social and supportive setting and will implement a weight loss program focused on clinical counseling, building long-term healthy habits and subsidized meal delivery.
- We will implement enhanced bonding leave and a comprehensive and culturally diverse maternity program that supports mothers with pregnancy, childcare and back to work.
- We will continue to advance mental health by executing our strategy for companywide mental well-being.

Practice

What was new in '24?

Corporate governance

- Data privacy and security
- Artificial intelligence
- Compliance
- Enterprise risk management
- Regulatory oversight
- Our board
- Code of conduct

What's next?





What was new in '24?

'24

- Activated AI Guiding Principles and a governance program to ensure CSAA's use of artificial intelligence (AI) and generative AI are in line with CSAA's core values
- Amped up education efforts for all employees about our guiding principles for the use of AI
- Stood up a more formalized AI Council to review all AI-related projects and initiatives to ensure our use of AI adheres to our Guiding Principles, Security position and Regulatory and Compliance needs
- Brought the Enterprise Regulatory Change Management process under Corporate Compliance
- Formed an AI Board comprising our executive leadership team and an AI Accelerator team incubated within Security & Intelligence to prioritize and fund the AI projects that will be most impactful for the company
- Rolled out a refreshed Code of Conduct, as well as continued to highlight the most common ethical questions and concerns via an advice column published on our company intranet
- Reestablished our IT and Cybersecurity Governance Committee, responsible for aligning our technology and security strategies with business objectives, regulatory requirements, and risk-management frameworks
- Made significant progress in remediating any identified security issues, investigating root cause, and addressing those causes
- Established relationships with several reputable incident response companies to ensure CSAA can quickly and adequately respond to a potential privacy or security incident
- Continued to deploy information security awareness training and yearlong phishing campaigns (45,000+ phishing simulations) to highlight the importance of cybersecurity and appropriate data handling and increase employee vigilance
- Refreshed our policies and procedures to ensure our U.S. sanctions compliance program remains current
- Celebrated our commitment to doing business with integrity by hosting an enterprise event featuring compliance leaders from across the AAA federation and employee-created films and memes
- Updated the company's third-party risk management program



Corporate governance

CSAA has a strong corporate governance structure that ensures our compliance with legal and financial regulations and ethical conduct in everything we do. Even as we have the utmost confidence in our policies and procedures, we continually evaluate and update them to ensure CSAA leads the way when it comes to governance. A cross-functional team collaborates on the assessment of all new applicable laws and regulations, and we incorporate the latest technology with best practices from public and private business.





Data privacy and security

CSAA is committed to protecting the privacy and security of the personal information we maintain. Our approximately 4,000 employees are our first line of defense in keeping CSAA secure, and all employees and contingent workers are required to comply with our privacy and security notices, policies, processes and standards.

To increase employee vigilance and awareness of our collective and individual responsibility to safeguard personal information, we deployed yearlong phishing campaigns (45,000+ phishing simulations) and information security awareness training in 2024. This training highlights the importance of cybersecurity and handling data appropriately, and all new employees and contingent workers are required to take the course.

Additionally, to combat the continued cyber threat posed to the company, we onboarded several well-respected incident response vendors under our privacy incident response program

to assist if we suspect a potential privacy or security incident.

In April 2024, we conducted our annual Lighten Up! Week. This campaign motivates employees to assess and discard records no longer pertinent to our operations. The objectives are multifaceted: to decrease storage costs and volume, safeguard sensitive information and adhere to regulatory retention standards. This yearly event fosters the maintenance of precise, relevant and secure data, which facilitates organizational growth, efficiency and success. By sustaining a healthy data ecosystem, we contribute to reducing our carbon footprint, as less data stored in the cloud equates to fewer emissions.

In October, we orchestrated Cybersecurity Awareness Month to underscore the critical importance of cybersecurity awareness and preparedness. Our initiatives included annual phishing awards, an interactive trivia contest, recognition rewards,

and insightful guest speaker presentations, all aimed at fortifying CSAA's security posture. A standout event of the month was our Chief Information Security Officer's panel discussion on artificial intelligence, with the CEO of a cutting-edge cybersecurity firm and two internal experts.

In addition, we continue to implement privacy and security controls to reduce the likelihood of loss, misuse or other inappropriate disclosure of personal information. Examples include ongoing testing and courses on email phishing and security best practices, and data classification and handling applications, among other initiatives.

CSAA also created the Data Office in 2024 to review new data initiatives and ensure they align with company objectives, policies, ethical standards, laws and regulations. It comprises subject matter experts from across the company, including members of Legal, Corporate Compliance and IT.

Artificial intelligence

In 2024, we formalized artificial intelligence (AI) governance, ensuring we uphold the trust placed in us by our customers, employees, agents and other partners through the responsible use of AI, including generative AI.

To this end, we:

- Implemented a governance program to ensure CSAA's use of AI and generative AI are in line with CSAA's core values
- Formed an AI Board comprising our executive leadership team and an AI Council that reviews all AI-related projects and initiatives to confirm our use of AI adheres to our Guiding Principles for AI, our Security position and our Regulatory and Compliance needs
- Stood up an AI Accelerator team incubated within Strategy & Corporate Development to prioritize, fund and manage the AI projects that will be most impactful for the company



- Amped up education efforts for all employees about CSAA's Guiding Principles for AI, which outline CSAA's vision for AI at the company; offer transparency to customers, agents, media and other external stakeholders; and provide us with high-level guidance when considering opportunities to leverage AI in our business operations

Compliance

Our Corporate Compliance function tracks ongoing compliance activities throughout the organization, evaluating our compliance risk profile across a variety of categories. Compliance reports to the chief legal officer, who also serves as the chief compliance officer, reporting to senior management, the audit committee and board of directors.

The Compliance function has always played a central role in regulatory change management. Given that, in 2024, the company moved product compliance under the corporate compliance umbrella to provide more structure and support to the

implementation of all new laws. An effective regulatory change-management process requires cross-functional coordination and collaboration across our organization to ensure we implement changes that meet our legal obligations. As Corporate Compliance has typically played this role in the organization, this change was natural, and now the same team is managing all regulatory changes. In 2024, we focused on improving user experience of our third-party compliance program management solution by attending training sessions hosted by our vendor, configuring program features, hosting business partner training sessions, and refreshing reference materials. This is just the beginning, and we know that this change will continue to strengthen our regulatory change management process.

Our Compliance function also leads employee education and awareness initiatives to cultivate a culture of integrity. In 2024, we hosted Adventures in Compliance & Ethics with AAA, an enterprise event featur-

ing senior compliance leaders from across the AAA federation. This event celebrated our commitment to ethical business practices, in alliance with our valued AAA club partners. During the event, we also screened employee-created films as part of our third Compliance and Ethics Film Festival, in recognition of National Corporate Compliance and Ethics Week.

Enterprise risk management

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

To help us better prepare for climate impacts to our business and

policyholders, in 2022 we added an entirely new dimension to our risk management through the adoption of TCFD reporting. (See more in the Planet section of this report.)

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

Each year AM Best closely evaluates our balance sheet strength, operating performance, business profile and ERM program to rate our ability to meet our ongoing insurance obligations. It affirmed our financial strength rating of A (Excellent) and outlook of stable, unchanged from



its 2023 rating. AM Best recognized CSAA's balance sheet strength and its wildfire risk reduction in California.

CSAA also maintained its "Prominent" innovation assessment, placing it ahead of other peer companies in the innovation space and in the top 10th percentile. The innovation rating evaluates a company's innovation level based on its innovation process and the impact of its innovation efforts. AM Best's innovation scores are based on the premise that innovation is fundamental to an insurer's long-term financial viability.

Regulatory oversight

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

in each jurisdiction where they are selling insurance.

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

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

CSAA Insurance Exchange and its insurance subsidiaries maintain good working relationships with insurance regulators in the jurisdictions where they do business and have had no material findings arising from financial or market conduct examinations.

Our government affairs team keeps us informed of proposed, newly

enacted and amended legislation as well as the countrywide departments of insurance activities. Our regulatory affairs team works cross-functionally to ensure compliance with legislative and regulatory changes.

We continue to focus on enhancing our regulatory change management process to ensure that we keep pace with the growth of our business and new legislation. Our process now includes new lines of business and incorporates all jurisdictions where we operate, with additional staff support.

Our board

The CSAA board of directors comprises 11 elected directors and three ex-officio voting members. Each director brings strong business leadership experience and strategic oversight expertise, as well as their broad backgrounds, experiences and perspectives.

The board's responsibilities include approving major policy decisions; selecting, evaluating the performance

of and approving compensation for the CEO; approving the annual budget; defining decision-making authority for significant expenses, capital expenditures and substantive organization changes; providing expertise and counsel to management; and upholding and overseeing CSAA's maintenance of an ethical business environment.

The board has delegated authority to four standing committees: audit; finance and investment; compensation and human capital; and nominating and governance.

The roles and responsibilities for each committee are defined by charter and include oversight of a variety of environmental, social and governance matters.

Code of conduct

All of our activities are underpinned by our Code of Conduct, which clearly sets expectations for appropriate ethical business conduct and resources for speaking up regarding potential violations.

To ensure everyone at CSAA—including contingent workers and employees, all the way up to and including our board members—adhere to our standard of ethics, we have an ethics helpline (Speak Up Line) for employees to report potential misconduct. It is available 24/7, by phone or internet. All reports are reviewed and addressed or investigated, as appropriate. The helpline is operated by a third party, and reporters have the option to remain anonymous. CSAA does not tolerate retaliation against anyone who submits a good-faith report or participates in an investigation; the option for anonymity may provide reporters additional peace of mind and encourage individuals to come forward without fear of retaliation.

From our CEO

Planet

People

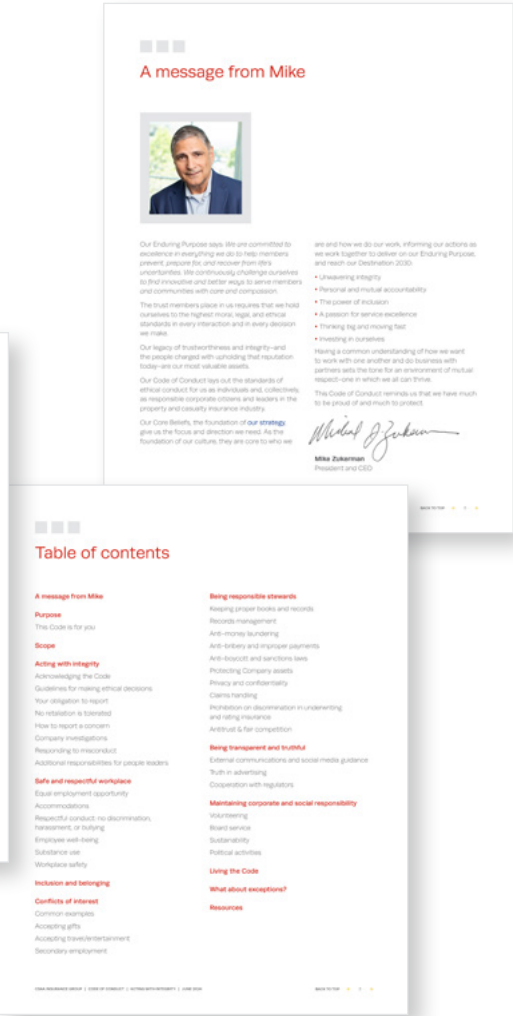
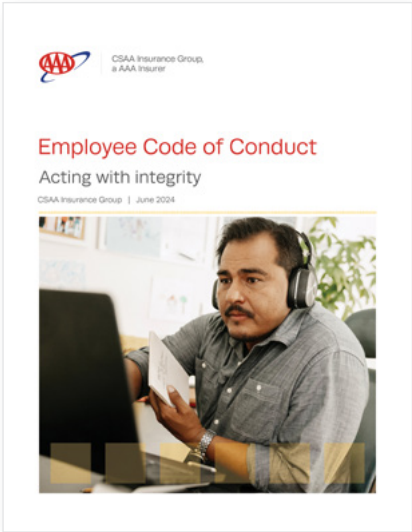
Practice

We also completed a refresh of the Speak Up Line to ensure that the process is clear and straightforward.

In 2024, we rolled out a refreshed Code of Conduct, as well as continued to highlight the most common ethical questions and concerns via an advice column published on our company intranet. Some topics included navigating political conversations professionally and respectfully, accepting vendor invitations to conferences, fostering a positive and engaged multigenerational team, and understanding the importance of accurate timekeeping.



CSAA Insurance Group,
a AAA Insurer





What's next?



- We are poised to take our cyber defense strategy to the next level. We will deepen our investment in zero-trust architecture, further strengthen our multilayered security approach, and leverage AI-driven analytics to enhance real-time threat detection and response. Our commitment to continuous improvement and adaptation is stronger than ever, as we prepare to counter the sophisticated threats of tomorrow.
- We will continue to conduct simulated privacy and data security exercises to prepare employees in case of a privacy or security incident and use learnings from simulated exercises to improve the company's incident response programs.
- We will continue to roll out our refreshed Code of Conduct and subsequent training program, as well as continue to highlight the most common ethical questions and concerns via an advice column published on our company intranet.
- We will build on the success of 2024's Lighten Up Week by actively communicating with, educating and encouraging employees to know what we have and to understand how to classify it, where to store it and how long to keep it for improved records and data management.
- We will continue to keep the board apprised of governance developments and monitor new privacy and security laws to ensure compliance and transparency.

