SPEAK UP

ANNUAL REPORT 2026

CareFirst

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SPEAK UP ANNUAL REPORT 2026

We all share a responsibility to cultivate a workplace where every workforce member feels heard and empowered to do the right thing. That commitment is central to who we are at CareFirst and to the trust we build with one another, our members and the communities we serve.

Speaking up is one way we protect that trust.

Our Speak Up Report shares what we're learning from concerns raised across the organization. It provides insight into our reporting and investigation process while illustrating how workforce feedback is shaping our culture and guiding improvements.

Whether seeking guidance or raising a concern, we want you to feel safe and confident using your voice. By speaking up, you help us create a stronger and more inclusive workplace for all.

With Care,



Darnell Burgess

VP, Chief Ethics & Compliance Officer
CareFirst BlueCross BlueShield



Angela Celestin

EVP, Chief Human Resources Officer
CareFirst BlueCross BlueShield

IN GOOD COMPANY

The World's Most Ethical Companies® award is given out by the Ethisphere Institute, a global leader in business ethics. **138 companies** across **17 countries** and **40 industries** were recognized as the 2026 World's Most Ethical Companies, highlighting their commitment to integrity, governance and ethical business practices. CareFirst is the one company representing the health insurance industry on the list.

In our **fourteenth consecutive year** as a World's Most Ethical Companies Honoree®, CareFirst stands with other companies that prioritize ethical behavior and understand the correlation between values-based leadership and overall business success.

2026 WORLD'S MOST ETHICAL COMPANIES® ™
ETHISPHERE
14-TIME HONOREE

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"In healthcare, trust is the foundation of everything we do. The people and communities we serve count on us to act with integrity, and a strong culture of compliance and ethics is how we honor that responsibility. It is a commitment shared across our organization, and when our Difference Makers speak up and hold themselves to the highest standards, they strengthen the work we do and the confidence placed in us."

Kurt C. Small

President & CEO,
CareFirst BlueCross BlueShield

THE INVESTIGATION PROCESS

Every investigation follows the same straight-forward process from beginning to end. Our goal is to provide fair and consistent outcomes for everyone involved. All investigations remain confidential to the greatest extent possible.

1. A concern is received and documented.
2. The concern is assessed and assigned for investigation.
3. The investigation takes place.
4. The information is reviewed for a fair and consistent outcome.
5. The investigation concludes and appropriate communications and actions are taken.



2025 YEAR IN REVIEW

INVESTIGATION STATUS

All reported concerns are treated seriously and investigated to the greatest extent possible to determine cause, context and solution. Additionally, investigations seek to identify any underlying issues or opportunities for improvement. Reporting issues is necessary for a compliant and ethical culture. In 2025, 207 concerns were received and analyzed. A total of 141 concerns required further investigation.

Unsubstantiated vs. Substantiated



47%
UNSUBSTANTIATED

A report is deemed unsubstantiated when it cannot be proven with sufficient confidence. Reasons include a lack of witnesses or insufficient or unclear information.

56% NAVEX GLOBAL BENCHMARK[1]

53%
SUBSTANTIATED

A report is considered substantiated when some or all of the allegations raised can be proven with reasonable certainty.

44% NAVEX GLOBAL BENCHMARK[1,2]

[1] Navex Global Benchmark Source: Whistleblowing & Incident Management Benchmark Report 2026

[2] A high Substantiation Rate reflects a well-informed workforce making high-quality reports, coupled with effective investigation processes.

Complete vs. Pending



100%
COMPLETE

34 DAYS
MEAN CASE CLOSURE TIME

The issue was investigated and is now closed. A summary of facts and conclusions were shared with business leadership. If substantiated, corrective action and appropriate communication were referred to appropriate parties.

42 DAYS NAVEX GLOBAL BENCHMARK[1]

0%
PENDING

The issue was evaluated and assigned for investigation. If pending, the case remains open.

Ethics & Compliance and Human Resources partner to determine the scope and assignment of investigations. All reported concerns are treated with the greatest confidentiality possible.

INVESTIGATIONS BY THE NUMBERS

CareFirst conducted a total of 141 investigations in 2025.

Identity of Reporters



27%
ANONYMOUS

55% NAVEX GLOBAL BENCHMARK[1]

73%
IDENTIFIED

45% NAVEX GLOBAL BENCHMARK[1,2]

Investigations by Team



27%
ETHICS & COMPLIANCE

9%
ETHICS & COMPLIANCE AND HUMAN RESOURCES JOINTLY

64%
HUMAN RESOURCES

Intake Method



17%
HOTLINE PHONE

25% NAVEX GLOBAL BENCHMARK[1]

51%
OTHER

Direct reporting to Ethics & Compliance, Human Resources, people leader or senior leadership

41% NAVEX GLOBAL BENCHMARK[1]

32%
WEB PORTAL

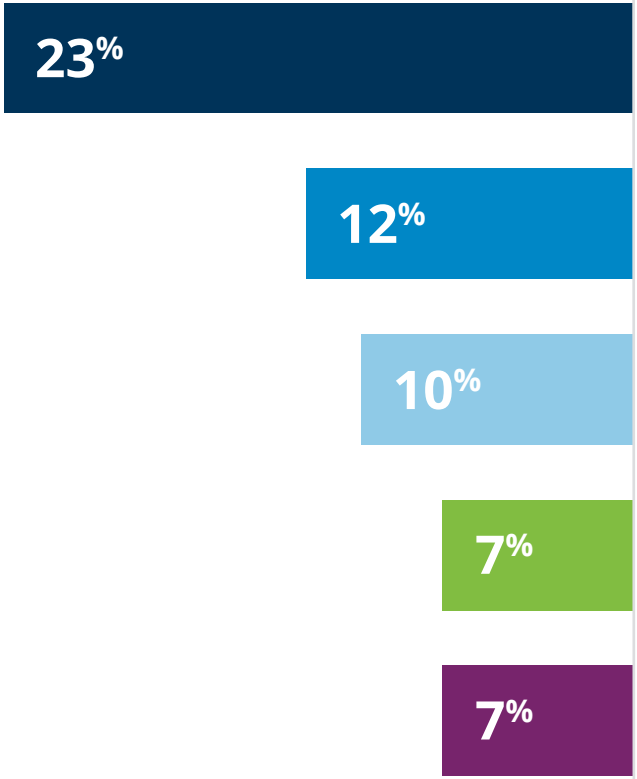
34% NAVEX GLOBAL BENCHMARK[1]

The Ethics & Compliance Office documents every reported concern. All reports are evaluated with Human Resources to determine how to best proceed. The majority of the concerns received are from individuals willing to identify themselves.

[1] Navex Global Benchmark Source: Whistleblowing & Incident Management Benchmark Report 2026

[2] Generally, a lower anonymity rate signals reporters trust the system without fear of retaliation.

TOP REPORTED ISSUES



Workplace Civility

Reports related to abusive or disrespectful behavior connected to work that are not harassment or discrimination.

Other Human Resources

Reports that cannot be categorized elsewhere and likely involve Human Resources. Examples include performance management, discipline, immigration, labor relations, grievances, job eliminations, arrests and convictions, and the sale or distribution of drugs.

Conflicts of Interest

Reports about a conflict of interest, either a self-report or a report involving the behavior of others. A conflict of interest can arise in any situation where a workforce member's financial or personal interest could potentially or actually interfere, or even appear to interfere, with their business judgement or the interests of the organization.

Retaliation

Reports of retaliation (including claims of reprisal or victimization) of any kind against a workforce member including claims of any action taken to punish or dissuade an individual from making a report or participating in an investigation either internally or externally. Retaliation claims most often involve allegations against a people leader, leadership or some other person with control and power over the reporting person. However, retaliation can also involve conduct by a coworker.

Harassment

Reports of harassment that are linked to a protected characteristic (such as race, gender identity or expression, sex (including pregnancy), religion, disability or history of disability, age, etc.) and includes allegations of unwelcome behavior that is offensive to a reasonable person, and is related to, or done because of, a protected characteristic.

*In 2025, a total of 207 concerns were received—representing 3.46 concerns per every 100 employees.**

3.96 REPORTS PER 100 EMPLOYEES FOR 2025 MEDIAN REPORTING VALUE (MRV) NAVEX HEALTHCARE BENCHMARK[1]

* Report volume per 100 employees is calculated by dividing the total number of reports by the number of full-time employees in the organization, then multiplying by 100.

[1] Navex Global Benchmark Source: Whistleblowing & Incident Management, Benchmark Report 2026

TRENDS

In 2024, we launched a new Ethics & Compliance Hotline reporting system and enhanced our processes. The Hotline is managed by a third-party vendor. Reports are first received by the vendor and then forwarded to us for review and investigation. Ongoing feedback was instrumental in shaping these improvements.

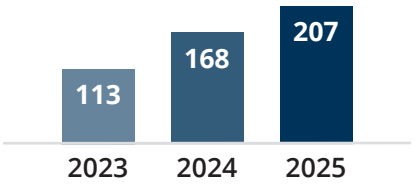
As the data shows, reporting volumes have increased since 2023, aligning with industry benchmarks that show a 27% rise in reporting since 2020. We also expected reporting to increase after implementing the third-party hotline.

Although overall reporting volumes have increased, anonymous reporting has declined. This differs from industry benchmarks, which show average anonymous reporting rates of 55% since 2020. At the same time, direct reporting to leadership, Human Resources, and Ethics & Compliance has continued to rise, which is consistent with industry trends. CareFirst's low anonymous reporting rate reflects the strength of our speak-up culture and a workforce that feels empowered to raise workplace conduct concerns.

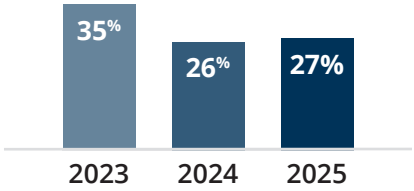
Here is what all this means for us:

- **Trust in reporting:** Choosing to use your name means you trust the company has your back and that you can speak up without fear.
- **Faster resolution:** When you talk to us directly, we don't have to guess the details. We can ask questions, get to the bottom of things and resolve your concerns faster.
- **Shows we care:** An increase in reports does not mean we have more problems. It means we refuse to look the other way. You are actively helping to keep CareFirst a fair, safe and respectful place to work.

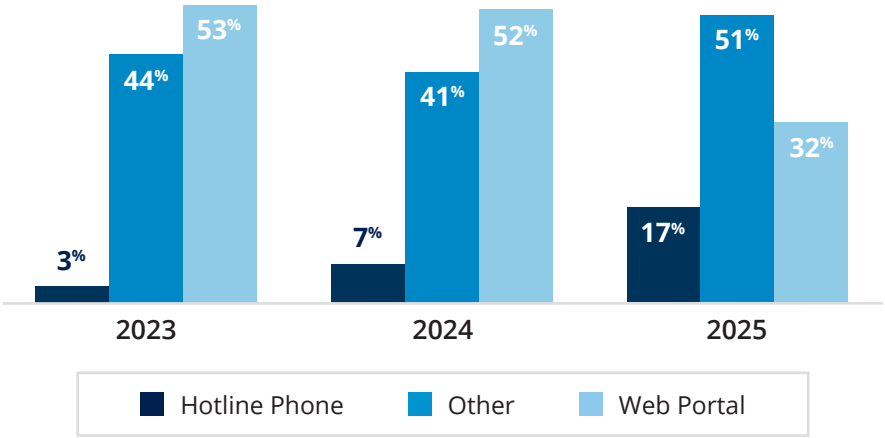
Total Concerns Received



Anonymous Reporters



Intake Method



CAREFIRST BY THE NUMBERS 2025

As a not-for-profit healthcare company, we are committed to the people and communities we serve. In 2025, we worked with communities across Washington, D.C., Maryland and Northern Virginia, investing in initiatives that advance accessible, affordable, high-quality care for all.

5,968

FULL-TIME EMPLOYEES

$25.9M

IN TOTAL CONTRIBUTIONS

including subsidies, grants and sponsorships

3.5M

MEMBERS

served by CareFirst



HOW TO SPEAK UP

If you know or suspect a violation, you have a duty to report it. Retaliation or intimidation against anyone who raises a concern in good faith or assists in an investigation is prohibited. Concerns about potential compliance or ethics violations, harassment, or illegal or inappropriate workplace conduct may be reported through any of the following channels:

Talk to your people leader or management team about your concern.

Contact your Human Resources Business Partner.

Contact the Ethics & Compliance Office by phone **410-528-7193** or by email at ethicsandcompliance@carefirst.com.

Contact the Ethics & Compliance Hotline online at carefirst.com/speakup or by phone at **410-528-7800**.

The Ethics & Compliance Hotline, managed by a third-party vendor, is available 24/7. Calls are completely anonymous, with no tracing or caller ID.

Thank you for making compliance and ethics a part of your daily work.



WHY IT'S IMPORTANT TO SPEAK UP

CareFirst is committed to reinforcing our longstanding culture emphasizing compliance and ethics, providing an environment that encourages individuals to bring their concerns forward.

Easily accessible reporting methods, supported by an investigation process focused on thoroughness and transparency, help us foster a "Speak Up" culture and retain that commitment.

Everyone is reminded that each one of us, through our day to day work-related activities and interactions, represents as a key element in ensuring the ethical health and strength of our company.

Retaliation and intimidation are prohibited. Individuals reporting issues in good faith should never face retaliation or intimidation. Refer to Illegal Retaliation policy HR 200.05.



ADDRESSING RELUCTANCE

In 2025, 95.4% of survey respondents stated that they would be willing to report misconduct they observed. Survey respondents who said they would not be willing to report observed wrongdoing or unethical behavior cited fear of retaliation, lack of anonymity and not believing corrective action would be taken as primary reasons for not reporting.*

Did you know?

- CareFirst has an Illegal Retaliation policy HR 200.05.
- We require every employee and contingent worker to complete Code of Conduct and harassment prevention training each year.
- Results of the annual Ethics and Compliance Perceptions and biennial Employee Engagement surveys are shared with leadership as well as the Board of Directors.
- People Leaders and those interested in leadership roles can review the Leadership Onboarding Playbook. The playbook includes Ethics & Compliance Program documentation and educational and support tools, made available to further assist people leaders in their role and in education of their teams regarding compliance and ethics topics.

How can employees help?

- Review our Code, policies and other resources.
- Take pride in CareFirst's reputation for ethical business practices.
- Respond to ethics and engagement surveys.
- Participate in awareness efforts.
- Complete mandatory training.

How can people leaders help?

- Lead by example: Live the CareFirst values.
- Know our Code and policies.
- Build trust with your team.
- Encourage speaking up.

We want to hear from you

*We're here to answer your questions and offer our help. Contact us at ethicsandcompliance@carefirst.com or by phone at **410-528-7193**.*

* 2025 Ethics and Compliance Perceptions Survey

ABOUT THE SURVEY

Every year, the Ethics & Compliance Office facilitates a survey to evaluate workforce perception of the CareFirst compliance and ethics culture. The results are used to measure our ability to detect and prevent misconduct and our workforce's awareness of resources. It also helps identify opportunities for improvement and guide compliance and ethics efforts for the following year.

According to the 2025 CareFirst Ethics and Compliance Perceptions Survey:

76.1%

respondents agreed that the **company enforces its non-retaliation policy**.

76.6% ETHISPHERE®, 2025 CULTURE QUOTIENT BENCHMARK

94.4%

respondents said they have a **personal responsibility for making sure the company behaves ethically**.

91.8% ETHISPHERE®, 2025 CULTURE QUOTIENT BENCHMARK



96%*

respondents said they **knew how to make an anonymous report** regarding wrongdoing or unethical behavior.

74.6%*

respondents said they feel **the company handles ethical problems completely and appropriately**.

*Ethisphere®, 2025 Culture Quotient Benchmark not available.

CONCERNS TO REPORT

Compliance is a necessity in maintaining an ethical business culture and certain concerns require you to speak up. These concerns may include:

- Abuse of accounting, financial policies and requirements
- Bribery or kickbacks of any kind
- Conflict of interest with any business, individual or organization
- Disclosure of proprietary or confidential information
- Filing false claims with a government agency or violating government contract requirements
- Harassment, intimidation or other inappropriate workplace behaviors
- Misuse of company resources, funds or property
- Theft, fraud or other criminal activities
- Violation of a law or regulation



REAL-LIFE SCENARIOS AND OUTCOMES

The scenarios on the next few pages provide summaries of actual investigations conducted in 2025 and represent concerns raised to and addressed by the CareFirst investigation teams. These investigations involved individuals across all levels of the organization.

Details of the investigations have been adjusted or redacted in order to balance CareFirst's ongoing commitment to both confidentiality and transparency.



HOTLINE REPORTS

Workplace Civility, Other Human Resources, Conflicts of Interest, Retaliation and Harassment were the most reported concerns in 2025.

Conflict of Interest and Time Fraud: Daylighting

In May 2025, a compliance investigator from another health insurer contacted the CareFirst Ethics & Compliance Office ("E&C") regarding an employee potentially working two simultaneous full-time jobs. E&C launched an investigation that included reviewing documentation and the employees' emails, an IP geolocation review, interview with the employee, and other health insurer confirmation that the individual was working concurrently in the exact same role being performed for CareFirst.

CareFirst policy does not prohibit secondary employment, however, outside activities must not conflict with your primary obligations to CareFirst. Additionally, the CareFirst Code of Ethical Business Conduct & Compliance (the "Code") specifies that company time is just one example of a company asset. As such, working two simultaneous full-time jobs would be a violation of the CareFirst Code and policies.

During the investigation, the employee acknowledged they were working for CareFirst and another health insurer with the same core working hours. The employee, in lieu of termination for violating the CareFirst Code and policies, submitted their resignation.



Timesheet Falsification

In April 2025, a CareFirst Human Resources ("HR") business partner received a concern regarding overtime hours submitted by an employee. The Ethics & Compliance Office ("E&C") partnered with HR to launch an investigation that included an interview of the employee, as well as a review of documentation, timesheets, system access logs and a cybersecurity review. E&C and HR confirmed that some work was not completed during the documented overtime hours reported on the employee's timesheets.

The CareFirst Code of Ethical Business Conduct & Compliance (the "Code") states: "We are all responsible for ensuring that the financial and operational information we record and report as part of our daily job duties is truthful, accurate and timely entered. This includes the time you have worked." In addition, Human Resources Policy, HR 400.03 Timekeeping states: "All Non-Exempt Employees must record in the Company's electronic timekeeping system the length of time they work each day. The correct number of hours and minutes must be entered into the timekeeping system for each day worked, including the beginning and ending times for lunch periods and additional unpaid breaks."

The employee was terminated for timekeeping falsification and violation of the Code.



Confidential and Proprietary Information

In November 2025, the Ethics & Compliance Office ("E&C") and Human Resources received a concern regarding an employee forwarding a meeting invite that contained proprietary and confidential information to their home email address. E&C launched an investigation that included a review of system logs, email history and a cybersecurity review. E&C confirmed the employee sent confidential and proprietary information to their personal email, violating the CareFirst Code of Ethical Business Conduct & Compliance (the "Code"), Privacy Policy, PRV 100.08 Privacy Best Practices, and other corporate policies.

Privacy Policy, PRV 100.08 Privacy Best Practices states: "It also is strictly forbidden to send any CareFirst documents to your personal email account for any reason. You must access documents through a company-approved solution when working remotely and/or when using a non-company owned device (e.g., personal device, kiosk, etc.)."

The employee was terminated for failure to protect confidential and proprietary information and violation of the Code and corporate policies.









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Speak Up Annual Report 2026 (7/26)