



2024 **SUSTAINABILITY REPORT**



PAGE

03 CEO Letter

PAGE

04 About W. R. Berkley Corporation

PAGE

11 Our Sustainability Strategy

Environmental, Social, & Governance (“ESG”) Framework & Three-Pillar Approach.....	12
Governance & How We Operate	13

PAGE

14 Pillar 1: Human Capital & Community

Human Capital Management & Governance	15
Diversity, Inclusion, & Belonging	16
Employee Well-Being	20
Community Impact.....	27

PAGE

32 Pillar 2: Climate Risk Management

Risk Assessment & Modeling.....	34
Climate Change Risks & Opportunities.....	37
Climate Change Risk Management & Mitigation	45

PAGE

50 Pillar 3: Responsibility & Transparency

Governance, Ethics, & Compliance	51
Cybersecurity.....	55
Responsible Investing	60

PAGE

65 Appendices

TCFD Index.....	66
SASB Metrics	67
UN SDG Priority Mapping.....	69

CEO Letter



W. Robert Berkley, Jr.

President &
Chief Executive Officer

For more than 55 years, W. R. Berkley Corporation has created value for its shareholders by focusing on the principles of long-term risk-adjusted returns and conscientiously meeting our obligations to our stakeholders – our shareholders, employees, customers, distribution partners, and communities.

These principles form the basis of our environmental, social, and governance (“ESG”) framework, which we have organized into three pillars – Human Capital and Community, Climate Risk Management, and Responsibility & Transparency. Our supporting ESG operating model leverages our decentralized structure, allowing our initiatives to follow a common framework that can be implemented at a local level.

The Human Capital and Community pillar focuses on our investment in our employees, customers, and communities to drive the long-term sustainability of our business. In 2023, we continued investing in talent management and developing and enhancing our culture of inclusivity through employee engagement endeavors and our Diversity, Inclusion, and Belonging (“DIB”) committee’s focus on “belonging.” We also continued our long-standing tradition of community involvement, devoting time and resources to supporting the next generation, combating food insecurity, and protecting the environment.

Activities in the Climate Risk Management pillar in 2023 included a review and update to our climate risk analyses and the integration of regular regulatory scans into our ESG operating model to determine current and upcoming reporting requirements for each entity in relevant jurisdictions. We continue to assist our clients in confronting the physical impacts of climate change through evolving products and services by leveraging the expertise of our specialty Businesses.

In support of the third pillar of our ESG framework, Responsibility & Transparency, we maintain our strong emphasis on ethics and compliance, data privacy and cybersecurity, and responsible investing. In 2023, we added an eighth strategic-level goal to our cybersecurity program to drive home our commitment to governance and oversight and enhanced this report with additional information on our data privacy program.

Sustainability is an important component of creating value for our shareholders and delivering strong long-term risk-adjusted returns. Every day, we strive to make our business stronger, more agile, and more resilient. We hope you enjoy learning more about W. R. Berkley Corporation.

A handwritten signature in black ink, appearing to read "W. Robert Berkley, Jr.", written in a cursive style.



ABOUT W. R. BERKLEY CORPORATION

ABOUT W. R. BERKLEY CORPORATION

W. R. Berkley Corporation (the “Company”) is an insurance holding company founded as a small investment management firm by its Executive Chairman William R. Berkley in 1967. It is among the largest commercial lines writers in the United States and operates worldwide through 60 insurance Businesses (collectively, “Businesses,” and individually, “Business”), each focusing on a niche market that requires specialized knowledge about specific products, industries, or territories. Throughout this report, “Berkley,” “we,” “us,” and “our” are used to refer collectively to the Company and its Businesses. With more than 8,300¹ employees, we operate in two segments of the property and casualty insurance business: 1) Insurance and 2) Reinsurance & Monoline Excess.

Our specialized knowledge and customer-centric focus set us apart from others in our industry. Our culture promotes integrity, embraces our commitment to “always do right,” fosters entrepreneurship and innovation, and places a high value on making thoughtful decisions with a long-term view. For more information about Berkley, please visit [berkley.com](https://www.berkley.com).



Insurance

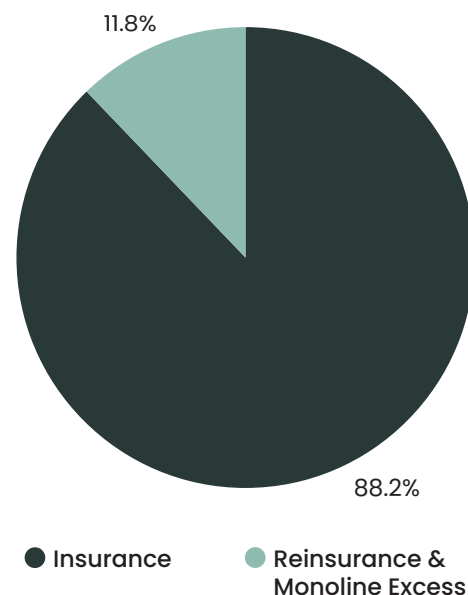
Our Insurance Businesses underwrite predominantly commercial insurance, including excess and surplus lines, admitted lines, and specialty personal lines in the United States, the United Kingdom, Continental Europe, Latin America and the Caribbean, Canada, Mexico, Scandinavia, Asia, and Australia.



Reinsurance & Monoline Excess

Our Reinsurance Businesses provide facultative and treaty reinsurance, primarily in the United States, the United Kingdom, Continental Europe, Australia, the Asia-Pacific Region, Latin America and the Caribbean, and South Africa. Monoline Excess businesses retain risk solely on an excess basis.

Percentage (%) of 2023 net premiums written by each business segment:



¹Includes employees of insurance and non-insurance Businesses.

ABOUT W. R. BERKLEY CORPORATION

Helping Clients with Risk Management

As a property and casualty insurance provider, we focus on helping clients manage risk. Our risk management and assessment processes may include considerations of environmental, social, and governance (“ESG”) risks along with other traditional and emerging risks. We draw on our risk management expertise to support our Businesses, employees, and clients through the following actions:

- Analyzing risk in our underwriting, investment, and operational decisions
- Using established internal policies and practices to support our employees
- Helping policyholders address risk through our products and services
- Helping policyholders reduce their losses from events related to climate change through education about prevention measures

Berkley Values

Berkley is a company of people who serve people. Our decentralized structure empowers individuals to make unique contributions to our long-term success while uniting them through a common set of values:



Integrity



Responsibility



Strategic Mindset



Knowledge



Trust



Caring

Elements of Corporate Culture

Our corporate culture drives our success. W. R. Berkley Corporation’s Board of Directors (“Board”) has recognized five elements of our corporate culture that are essential to our long-term success:



Risk-Adjusted Returns



Accountability



People-Oriented Strategies



Responsible Financial Practices



Transparency

These elements unify our employees around the world and position us to continually innovate and evolve in a way that will best serve our diverse clients. There is no one “Berkley way,” yet each of our Businesses has a distinctive culture that embodies our shared values.

ABOUT W. R. BERKLEY CORPORATION

Resilient & Accountable Structure

Our decentralized operating structure is part of our long-term strategy to enable our Businesses to identify and respond quickly and effectively to changing market conditions and local customer needs. This structure also allows us to focus on issues particular to one Business without affecting the larger enterprise. In addition, our decentralized structure optimizes financial accountability

and incentives to local management and enables us to attract and retain professionals of the highest caliber.

Berkley Businesses

Berkley has 60 Businesses, each with deep expertise in specific products, industries, or territories. For questions about our Businesses and their product offerings, please email us at findyourberkley@wrberkley.com.

Segment Key

Industry Specialty: Provides coverages to customers within a particular industry that are best served by underwriters and claims professionals with specialized knowledge of that industry

Product Specialty: Provides specific lines of insurance coverage













Excess & Surplus ("E&S"): Offers coverages to businesses with complex risk or unique exposures that typically fall outside the underwriting guidelines of the standard insurance market

Regional United States: Provides standard insurance products and services focused on meeting the specific needs of a geographically differentiated customer base

Reinsurance: Provides other insurance companies and self-insureds with assistance in managing their net risk through reinsurance, either on a portfolio basis through treaty reinsurance or on an individual basis through facultative reinsurance

International: Provides products and services tailored to each regional customer base through teams of professionals with expertise in local markets and knowledge of regional environments

Learn more about each Berkley Business by clicking on the logos in the table below:

 Berkley Agribusiness <small> a Berkley Company</small>	Berkley Agribusiness Risk Specialists	 Berkley lifesciences <small> a Berkley Company</small>	Berkley Life Sciences
 Berkley Alliance Managers <small> a Berkley Company</small>	Berkley Alliance Managers	 Berkley Luxury Group <small> a Berkley Company</small>	Berkley Luxury Group
 Berkley Asset Protection <small> a Berkley Company</small>	Berkley Asset Protection	 Berkley Offshore <small> a Berkley Company</small>	Berkley Offshore Underwriting Managers
 Berkley Construction Solutions <small> a Berkley Company</small>	Berkley Construction Solutions	 Berkley Oil & Gas <small> a Berkley Company</small>	Berkley Oil & Gas
 Berkley Entertainment	Berkley Entertainment	 Berkley One <small> a Berkley Company</small>	Berkley One
 Berkley Environmental <small> a Berkley Company</small>	Berkley Environmental	 Berkley Program Specialists	Berkley Program Specialists
 Berkley Financial Specialists <small> a Berkley Company</small>	Berkley Financial Specialists	 Berkley Public Entity	Berkley Public Entity
 Berkley Healthcare <small> a Berkley Company</small>	Berkley Healthcare	 Berkley Risk	Berkley Risk
 Berkley Human Services <small> a Berkley Company</small>	Berkley Human Services	 Berkley Small Business Solutions <small> a Berkley Company</small>	Berkley Small Business Solutions

ABOUT W. R. BERKLEY CORPORATION

Segment Key

 Industry Specialty

 Excess & Surplus ("E&S")

 Reinsurance

 Product Specialty

 Regional United States

 International

 Berkley Technology Underwriters	Berkley Technology Underwriters	 Midwest Employers Casualty	Midwest Employers Casualty
 Carolina Casualty	Carolina Casualty	 Preferred Employers Insurance <small> a Berkley Company</small>	Preferred Employers Insurance
 GEMINI TRANSPORTATION UNDERWRITERS <small> a Berkley Company</small>	Gemini Transportation	 Acadia INSURANCE	Acadia Insurance
 intrepid DIRECT INSURANCE	Intrepid Direct	 Berkley Mid-Atlantic Insurance Group <small> a Berkley Company</small>	Berkley Mid-Atlantic Insurance Group
 Berkley Accident and Health <small> a Berkley Company</small>	Berkley Accident & Health	 BNP Berkley North Pacific	Berkley North Pacific
 Berkley Cyber Risk Solutions	Berkley Cyber Risk Solutions	 Berkley Southeast Insurance Group	Berkley Southeast
 Berkley Enterprise Risk Solutions <small> a Berkley Company</small>	Berkley Enterprise Risk Solutions	 Berkley Southwest <small> a Berkley Company</small>	Berkley Southwest
 Berkley Fire & Marine <small> a Berkley Company</small>	Berkley Fire & Marine Underwriters	 CWG® <small> a Berkley Company</small>	Continental Western Group
 Berkley INDUSTRIALCOMP	Berkley Industrial Comp	 Admiral INSURANCE GROUP	Admiral Insurance
 Berkley Management Protection <small> a Berkley Company</small>	Berkley Management Protection	 Berkley Aspire	Berkley Aspire
 BerkleyNet	Berkley Net Underwriters	 Berkley Custom	Berkley Custom Insurance
 Berkley Product Protection <small> a Berkley Company</small>	Berkley Product Protection	 Berkley E&S Solutions Group <small> a Berkley Company</small>	Berkley E&S Solutions
 Berkley PROFESSIONAL LIABILITY	Berkley Professional Liability	 Berkley Specialty Excess <small> a Berkley Company</small>	Berkley Specialty Excess
 Berkley Select <small> a Berkley Company</small>	Berkley Select	 NAUTILUS INSURANCE GROUP	Nautilus Insurance Group
 Berkley Surety	Berkley Surety	 VELA INSURANCE SERVICES <small> a Berkley Company</small>	Vela Insurance Services
 Key Risk <small> a Berkley Company</small>	Key Risk	 VERUS SPECIALTY INSURANCE <small> a Berkley Company</small>	Verus Specialty Insurance

ABOUT W. R. BERKLEY CORPORATION

Segment Key

- Industry Specialty

■ Excess & Surplus (“E&S”)

■ Reinsurance
- Product Specialty

■ Regional United States

■ International

 Berkley Re	Berkley Re North America		Berkley Europe
 Berkley Re	Berkley Re Asia Pacific		Berkley Insurance Asia
 Berkley Re Solutions	Berkley Re Solutions		Berkley Insurance Australia
 Berkley Re	Berkley Re EMEA		Berkley Latinoamérica
 Berkley CANADA	Berkley Canada		W/R/B Underwriting



ABOUT W. R. BERKLEY CORPORATION

Sustainability at Berkley




Doing the right thing for our people, our communities, and the environment earns the trust of our policyholders, distribution partners, employees, and shareholders, enabling us to grow our business profitably and meet the diverse needs of our stakeholders². The simple concept of “doing the right thing” embodies the principles that guide the way we do business. It is embedded in our culture and exemplified by our employees each and every day.

Our four guiding principles—“Everything Counts, Everyone Matters®,” “Always Do Right,” “Act Responsibly,” and “Embrace Innovation”—serve as the cornerstone of our success and our Company values. Every day, our Businesses are guided by these principles and by our values in the way they conduct their work, engage with team members, and give back to their communities. They add sustainability and resilience to Berkley while also contributing to the broader society. Whether employing individuals with diverse backgrounds and demographics, giving back to the communities in which we live and work, or managing our impact on the environment and working with our policyholders to help them manage their environmental impact, our principles and values have been embedded in our culture from the founding of our Company.



²The term “stakeholder” is amorphous, meaning different things to different people with its meaning further adapting to the context in which it is used. As used in this report, the term “stakeholder” broadly refers to any party with an interest in our operations, provided, however, such use of the term stakeholder does not imply and does not create any legal, equitable, contractual or fiduciary right vis-à-vis any such interested party, which right does not already independently exist.

Recognition

<div>MSCI</div> <div></div> <div>MSCI ESG Ratings 1.5 C Aligned</div>	<div>SUSTAINALYTICS</div> <div></div> <div>Sustainalytics ESG Rating: Medium</div>	<div>FORTUNE</div> <div></div> <div>Fortune 500</div>	<div></div> <div>Ward's 50</div>
<div>Forbes</div> <div></div> <div>Forbes Global 2000: World's Largest Public Companies</div>	<div></div> <div>FTSE4Good Index Series</div>	<div>S&P</div> <div></div> <div>S&P 500 ESG Index</div>	



OUR SUSTAINABILITY STRATEGY

OUR SUSTAINABILITY STRATEGY

Environmental, Social, & Governance (“ESG”) Framework

Our ESG framework delivers trust to our stakeholders through three pillars: investing in human capital and communities, incorporating climate risk into our business decisions, and holding ourselves accountable through responsible management and transparent practices.



Operating Model

Governance

Berkley has engaged in practices that support sustainability since its founding. Our ESG framework, built on these practices, incorporates guidance from the Sustainability Accounting Standards Board (“SASB”) and the Task Force on Climate-related Financial Disclosures (“TCFD”), as well as our assessment of ESG best practices within the property and casualty insurance industry. In evaluating these resources, we believe that the most meaningful ESG issues for Berkley involve our people and how we interact with the community, the environment and the impact of climate risk on our business, and our desire to uphold trust with our stakeholders through disclosure and responsible business practices. Our analysis helped us to identify the three pillars of our ESG framework, which are supported by our operating model and governance structure:

- **Human Capital & Community:** Berkley’s greatest asset is our people. Through this pillar, we undertake to

- invest in our employees to support their professional growth and to meet the needs of our customers with world-class expertise and service. We endeavor to have a positive impact on our communities, which supports the long-term sustainability of our business.
- **Climate Risk Management:** Climate change and the environmental issues it encompasses are significant drivers of industry and global change. This pillar focuses on our efforts to integrate the risks of climate change into business decisions, including our investments, underwriting, product offerings, and operations.
 - **Responsibility & Transparency:** Key factors in our success include our consideration of matters that are of interest to our stakeholders—an ongoing focus throughout our history—and our intention to maintain trust with our stakeholders through our guiding principles.

OUR SUSTAINABILITY STRATEGY



The Berkley Model

Our decentralized structure is fundamental to our operating strategy. Each Business operates within a niche market based on product, industry, or territory, and is empowered to explore what makes sense for its specialized market and employees within our framework. This flexibility allows us to maximize our ability to respond to changing markets and meet employee and customer needs.

Managing ESG within our organization necessitates cross-functional support and coordination. Internal leaders and internal stakeholders collaborated in establishing our framework to ensure voices were heard and important issues were considered. Our ESG framework continues to be refined with evolving regulations, industry practices, and emerging issues.

Governance & How We Operate

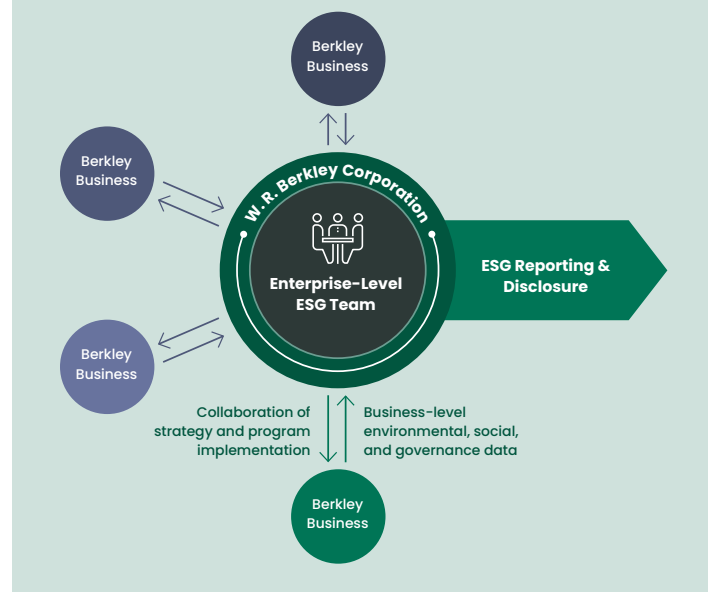
ESG Operating Model

Our ESG framework supports our efforts to remain flexible in the face of shifting global markets and risks. It leverages the decentralized organizational structure that is key to our success, enabling us to both universalize initiatives and tailor programs to our various Businesses. We developed an ESG operating model in which a multidisciplinary ESG team leads, manages, coordinates, and supports ESG efforts from an enterprise level, as overseen by the Board. In 2023, we focused on refining our data collection processes and preparing for evolving regulatory reporting requirements in the various jurisdictions in which we operate.

This team specifically leads strategy, program implementation, and ESG reporting and disclosure within our ESG framework. As we have many distinct Businesses around the world, the ESG team also provides support for the diverse Businesses collecting and reporting data and empowers them to understand and act on the insights gained from our ESG program architecture and reporting function. The flexibility of our Businesses remains an integral component of our operating philosophy, and this model allows our initiatives to follow a common framework that can be implemented at a local level.

Moreover, we believe the continued evaluation and consideration of enterprise risk includes the examination of ESG-related risks and opportunities. Our senior officers are responsible for examining existing and potential risks and opportunities as they arise in their various operational areas. Senior officers share this information among themselves and with our Enterprise Risk Management (“ERM”) department. Our Company’s Senior Vice President – Enterprise Risk Management reports on areas of material risk to Berkley, including those related to climate change. These reports are regularly provided to our ERM management committee, our Company’s President and CEO, and the Board.

How It Works



Board Oversight of ESG

The oversight of risk, including ESG risks, is one of the Board’s key responsibilities. Our Board and its committees receive periodic updates from management on risks, including those related to climate change, cybersecurity, human capital management (“HCM”), and overall ESG matters. Our ESG Management Committee is composed of Berkley’s President and CEO and other senior executives and provides guidance to the ESG team. The Committee meets at least quarterly and shares information with the Board regarding ESG practices and matters that are of interest to various stakeholders. The Board, through the ESG Management Committee, guides our ESG disclosures, including the production of both our Sustainability Report and the ESG summary included in our annual proxy statement.



PILLAR 1

HUMAN CAPITAL & COMMUNITY

PILLAR-SPECIFIC SUSTAINABLE DEVELOPMENT GOALS (“SDGs”):³



³ The Sustainable Development Goals, or Global Goals, are a collection of 17 interlinked objectives designed to serve as a “shared blueprint for peace and prosperity for people and the planet, now and into the future” formulated by the United Nations General Assembly. The SDG icons are included in relevant report sections to show how our sustainability efforts align with the UN’s goals.

PILLAR 1: HUMAN CAPITAL & COMMUNITY



People—including our employees, customers, and community members—are a key part of our Company's success. As described in this section, we support employee development through bespoke Diversity, Inclusion, & Belonging ("DIB") initiatives, comprehensive benefits, and wide-ranging learning and career development opportunities. We also offer products and services that support businesses on the forefront of several important ESG issues, and we continue our long-standing tradition of community involvement to support people in the communities where we live and work. We trademarked the phrase "Everything Counts, Everyone Matters®" more than 15 years ago, and we exemplify this belief in our everyday practices. Our decentralized operations allow each Business to develop its own specific culture that incorporates our core values.

Human Capital Management & Governance

Berkley's corporate culture is our most important intangible driver of long-term value creation. HCM, which includes recruiting, managing, and developing our employees, is therefore a priority in our efforts to pursue long-term, risk-adjusted returns and growth in shareholder value. HCM and culture are considered in compensation for our most senior executive officers through the long-term value creation component of our incentive compensation program.

The Board provides oversight for HCM and periodically engages with our senior leadership team, including the Senior Vice President – Human Resources, on HCM issues such as succession planning and development, compensation, benefits, talent recruiting and retention, engagement, employee feedback, and DIB.

PILLAR 1: HUMAN CAPITAL & COMMUNITY

Diversity, Inclusion, & Belonging

DIB is a priority at Berkley. It is important to us that diverse voices are represented in both decision-making and implementation; that our community is welcoming to all individuals regardless of identity; and that our employees feel accepted, valued, and safe. We continue to strengthen our DIB efforts and build upon the work being done by our Businesses in this area through our corporate DIB Committee. The Committee helps drive continued participation at all levels within our Company and provides a framework that each Business can adapt to support this focus area.



Berkley DIB Framework



DIVERSITY at Berkley means that each individual is unique and valued.



INCLUSION at Berkley means we all work together to create a safe and supportive environment where all individuals are treated fairly and respectfully, are encouraged to share ideas and opinions, and feel comfortable doing so.



BELONGING at Berkley is how individuals feel when they are included, valued, and recognized.

We actively engage and solicit employee feedback to improve our DIB efforts. In 2023, Berkley focused internal DIB efforts around “belonging” as a theme, understanding from our employees what “belonging” means to them, and educating our teams on how to make employees feel they belong in the workplace. Past employee engagement surveys revealed high marks for our existing DIB policies, culture, and activities. These programs include diversity training, educational materials in our online learning system, a forum to share information, and live events to discuss DIB topics in depth. By increasing the availability of learning resources on this topic and

giving a voice to our employees, we aim to create a more aware and empowered workforce with a greater focus on improving our performance, increasing our sensitivity, and strengthening our culture. We remain focused on the importance of diversity in our Businesses and look to all employees to support our culture of inclusivity and belonging.

Because Berkley comprises 60 Businesses in addition to our corporate and other service groups, many of our DIB initiatives are based on a common framework that may be implemented at a local level.

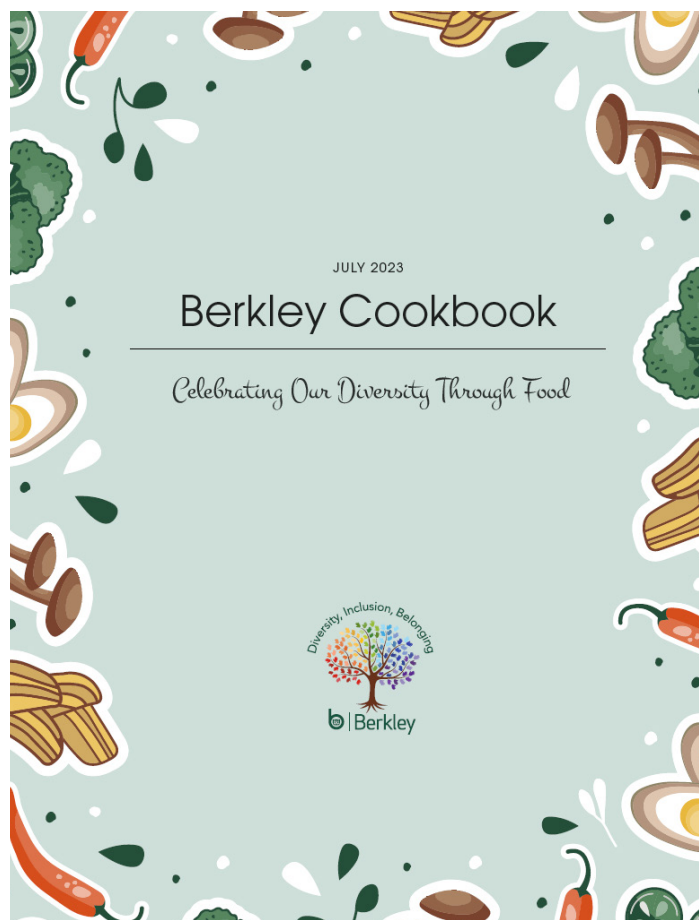
Depending on regulations applicable to the geographical locations of each of our Businesses, we collect and analyze demographic data where employees provide it voluntarily. In the U.S., our racial diversity is consistent with the Insurance Carriers and Related Activities industry statistics provided by the U.S. Bureau of Labor Statistics.⁴ Through various recruiting strategies, we continue to be mindful of our diversity. In 2023, we grew our workforce by almost 2% as revenue advanced by 8.7%. During the year, Berkley employed people in 18 countries outside of the U.S., including in Australia, Canada, Mexico, the United Kingdom, as well as countries in Asia, Continental Europe, and South America. Berkley continues to expand the collection of employee diversity data across our Businesses all over the world consistent with developing regulations.

⁴ “Labor Force Statistics from the Current Population Survey,” U.S. Bureau of Labor Statistics, updated January 26, 2024, bls.gov/cps/cpsaat18.htm.

PILLAR 1: HUMAN CAPITAL & COMMUNITY

In 2023, Berkley celebrated DIB in several ways. These efforts included the following:

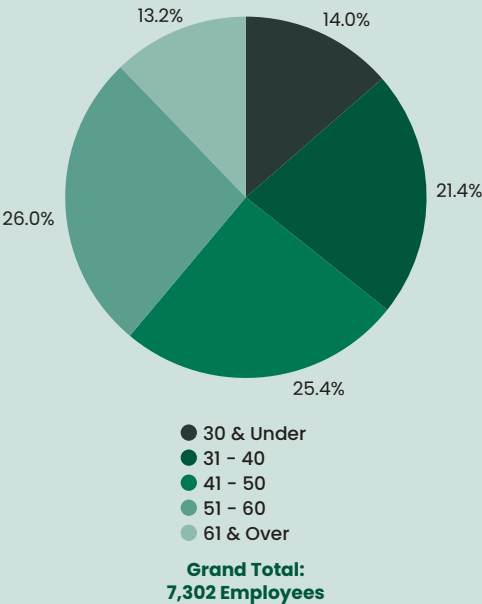
- Honored Black History Month by sharing the personal stories of Berkley employees from across various Businesses, capturing their professional passions and career opportunities in the industry
- Celebrated Hispanic Heritage Month by creating and sharing a playlist of employees' favorite songs from Hispanic artists, as well as conducting conversations with associates about their experiences at the organization and how their heritage helped shape their career trajectory
- Embraced LGBTQ+ Pride Month by sharing the stories of LGBTQ+ business pioneers, educating employees on key facts about LGBTQ+ history, and conducting Pride Month celebrations at certain of our Businesses
- Used National Culinary Arts Month to celebrate our diversity through food, including creating a company-wide, digital Berkley Cookbook and holding celebration meals at certain of our Businesses
- Recognized Asian/Pacific Heritage month by sharing videos of employees' personal stories, capturing themes around the value of family, pride in cultural heritage, and the importance of unique perspectives adding value to our teams' business results
- Sponsored an open forum on "What Does Belonging At Berkley Mean to You?" – A series of reflections from individual employees shared on our enterprise intranet, The Berkley Green, as part of Diversity Month
- Conducted a panel interview to mark Women's History Month with women at Berkley, discussing career challenges and successes, influences, and the importance of women's history



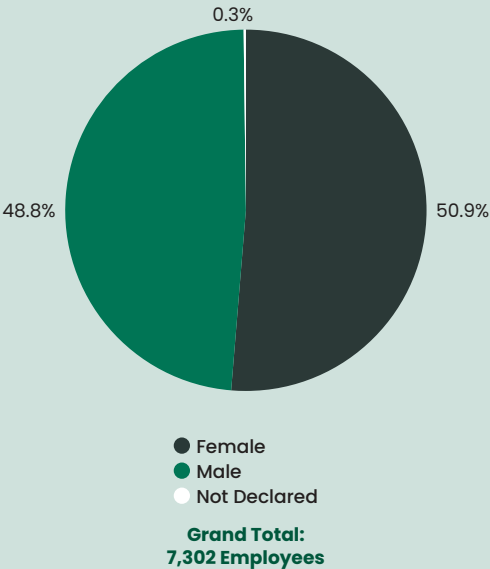
PILLAR 1: HUMAN CAPITAL & COMMUNITY



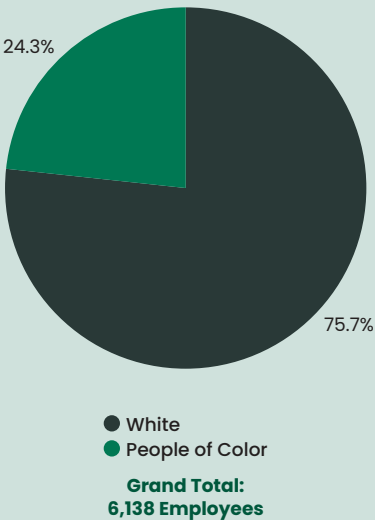
2023 Global (Re)Insurance Employee Age Group Breakout



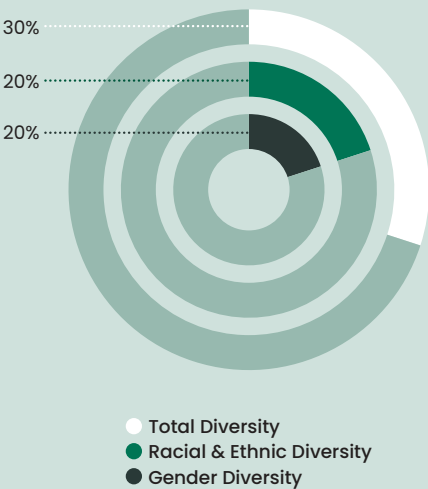
2023 Global (Re)Insurance Employee Gender Breakout



2023 Race/Ethnicity Breakout (U.S. Only)



2023 Board Gender & Ethnicity Breakout



PILLAR 1: HUMAN CAPITAL & COMMUNITY



Empowering Berkley Businesses to Promote & Support DIB

Berkley Businesses are unified in their appreciation for diversity and in the understanding that diversity makes Berkley stronger and more resilient. Our Businesses seek to regularly communicate with employees and the communities in which they operate on issues related to DIB, including race and ethnic heritage, gender, sexual identity, and varying abilities.

Berkley has held virtual events for employees to share their life experiences. For example, Berkley's DIB Committee shared multiple recordings of virtual conversations at Intrepid Direct about enhancing company culture by addressing unconscious bias. The events gave employees opportunities to discuss how they have perceived and/or experienced unconscious bias during their careers and how Intrepid Direct's culture can continue to ensure a broad sense of inclusion and belonging. Such events complement the company-wide training requirements around sexual harassment and unconscious biases.

Berkley Management Essentials

Berkley recognizes that skilled managers are crucial to inclusive and effective teams. In 2023, the Company introduced a comprehensive learning path to engage all managers with 0-2 years of management experience, as well as to support managers of all experience levels, with the critical people leadership skills identified across Berkley.

The path begins by giving managers the tools to quickly assimilate into their new teams. Over the following three months, participants complete targeted learning focusing on:

- Building expert and inclusive manager communication, incorporating the Crucial Conversations skill set, a training program for building manager capability to conduct challenging messages successfully
- Driving functional change management with a strategic mindset
- Enhancing accountability and employee development through coaching and collaboration

As a final component, participants take part in the Dynamic Manager Series, a year-long series of monthly programs preparing them for key leadership activities tied to each stage of our business cycle.

PILLAR 1: HUMAN CAPITAL & COMMUNITY

Employee Well-Being

We value the continued growth and experience of every single employee and seek to maintain strong employee retention. Many team members stay with our Company until their retirement. Berkley’s U.S. turnover rates over the past three years have consistently been below the annual total separation rates for the finance and insurance industry, as provided by the U.S. Bureau of Labor Statistics.⁵ We achieve this in part through our multifaceted approach to employee well-being. Additionally, our structure helps us attract and retain professionals of the highest caliber who are drawn to our prized “entrepreneurial” environment.

Financial Well-Being & Empowerment



Each Berkley Business seeks to compensate employees competitively for its marketplace at all levels, commensurate with performance and by utilizing independent salary surveys as appropriate. Financial incentives for employees are designed to be aligned with our risk and performance framework. This approach provides employees an opportunity to share in our overall growth and success.

Berkley has established a profit-sharing plan for the benefit of all full-time U.S. employees as well as plans in each jurisdiction outside that U.S. that are compliant with local law. Each year, Berkley makes an employer profit-sharing contribution to the U.S. plan. The current minimum employer contribution for each plan year is 5% of a participant’s eligible base compensation for the period of the calendar year that the employee was a participant, up to the maximum amount permitted by law.

Medical Care Benefits Participation *

Number of U.S. employees eligible for health plan:

6,012

Number of U.S. employees covered by our dental insurance:

5,186

Number of U.S. employees covered by our health insurance:

5,069

Number of U.S. employees covered by our vision insurance:

4,703

*The difference between eligible employees and covered employees is due to an employee being covered by another medical plan (i.e., a partner’s or a spouse’s).

Employee Benefits



Berkley currently offers employees comprehensive benefits including health and wellness options and financial, educational, and life management benefits. Benefits are geographically tailored based on customs and regulations in the countries where our employees are located. For example, in the United States:



Berkley’s Paid Parental Leave Program provides six weeks of fully paid leave for childbirth recovery and an additional six weeks of bonding care and family adjustment time for the primary caretaker parent, whether that be the mother or another parent, including adoptive parents.



Employee and dependent care flexible spending accounts (“FSAs”) are available for eligible employees.



The Employee Assistance Program offers each employee three free mental health support sessions per year, providing 24/7 access to assistance for mental health and well-being, substance abuse, daily stress, parenting, work situations, troubled relationships, and other issues. Additional mental health treatment is covered through the healthcare plan offered to U.S.-based employees.



In addition to emotional and work-life counseling, the Employee Assistance Program offers financial information and resources, legal support and resources, and health and benefit services.



Our Wellness Program offers rewards and discounts for completing wellness activities, such as getting an annual physical. Employees are not required to be enrolled in our medical plan to participate in the Wellness Program.

⁵ Sum of annual monthly separations rates for finance and insurance industry, not seasonally adjusted, from “One-Screen Data Search: Job Openings and Labor Turnover Survey,” U.S. Bureau of Labor Statistics, <https://data.bls.gov/PDQWeb/jt>.

PILLAR 1: HUMAN CAPITAL & COMMUNITY

Training & Education

Types of employee training include the following:



Technical Training



Insurance License Training



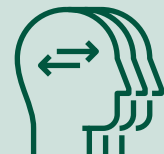
Professional Continuing Education



Management Development



Leadership Training



DIB Training



Innovation Training

Employee Development

To provide challenging career paths for our employees, we have a robust set of formal and informal programs to help employees build specialized skills and pursue leadership opportunities.



Berkley uses a company-wide learning management system to increase individual development throughout our enterprise. Employees can access these opportunities via the content library in Berkley Learning University. Our Businesses leverage this platform to view and track employee assignments and their progress toward development goals.

PILLAR 1: HUMAN CAPITAL & COMMUNITY

With more than 12,400 learning programs available, Berkley Businesses can leverage e-learning, video, e-books and articles, and virtual classroom events to create bespoke offerings suited to each employee’s specific development journey as well as structured certification paths for consistent learning of key technical and professional skills required at each career stage.

Through Berkley Learning University, managers and individual employees can navigate content to establish longer-term development plans or identify just-in-time learning for immediate impact. In addition, they have a one-stop location to access Berkley’s Innovation Learning Center (“I-Lab”), an online curriculum and resource library.

2023 Learning Metrics

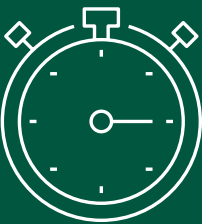
Total number of learning actions:*

87,247

Average number of completed learning actions per employee

11.9

Average completed learning time per employee:



5 57
hours minutes

* A learning action is when an employee watches or reads a piece of Berkley Learning University content.

Berkley Sales & Influence Learning

In 2023, Berkley continued to focus on the skills needed to enhance meaningful professional relationships with business partners and customers and drive growth. The Enhanced Agent & Broker Relationships path helps experienced underwriters, marketing personnel, and other operations employees to identify and build professional connections with key external agency and broker relationships, including:

- Making professional relationships matter more through a better understanding of agents’ and brokers’ current challenges and mapping a productive future together.
- Preparing to explore and address productive conflict in real-world situations. This module challenged participants to breakdown and solve problems experienced by Berkley colleagues, leveraging the experiences of various business leaders.
- Creating a concrete strategy to strengthen these relationships to drive profitable growth.

The path concludes with a Manager Coaching Forum, ensuring that participants’ managers sustain the learning investment through ongoing coaching strategies.



PILLAR 1: HUMAN CAPITAL & COMMUNITY

Employee Engagement

We believe that an engaged workforce drives better business results. For more than 55 years, we have worked hard to deliver an employee experience that engages our team and strengthens our organization. Engagement at Berkley is a multi-level proposition that occurs at both the individual business level and at the enterprise level.

One example of how we engage with our employees to identify ways we can make our Businesses even better places to work was a recent initiative that leveraged our Innovation tools discussed below. Each Business had the opportunity to participate in an internal “cultural challenge” to encourage employees to submit and vote on ideas to enhance their culture and work environment. These efforts resulted in changes that ranged from offsite team building events to employee wellness challenges and included:

- Employee town hall meetings including meet and greets with the Business President
- Events such as ice cream socials, trivia, and holiday parties
- Employee recognition programs and appreciation day activities
- Employee work anniversary and birthday celebrations

These are small changes that have a big impact on employee satisfaction and reflect Berkley’s continuing dedication to the well-being of its employees. Yet, our work is not done. We continue to look for new ways to further enhance our workplaces.

In order to measure the results of our ongoing efforts, a number of our Businesses periodically participate in Business Insurance’s Best Places to Work surveys in order to solicit employee feedback on engagement and satisfaction. Berkley’s decentralized organizational structure allows each Business to have its own unique culture. As such, Businesses participate in these surveys individually instead of at the enterprise level. Our Businesses receive valuable employee feedback from participation in the survey that provides important insights and data, enabling them to continue supporting a strong organizational culture.

In addition, Berkley recently established The Berkley Green, an enterprise-wide intranet site, to enable effective cross-Business engagement. Berkley is a diverse group of autonomous Businesses spread across the globe, making communication exponentially more difficult. Each Business has its own intranet, but these sites were not linked together in the past. The Berkley Green allows the Company to share information from across the enterprise with all Businesses and to highlight what is happening in the organization. Employees can find benefits information on the HR page; the latest updates on Innovation and Diversity, Inclusion, & Belonging efforts; news from across Businesses; available resources; and links to both internal and external Berkley websites.

Berkley Businesses Recognized as Business Insurance's Best Places to Work

The following Businesses were recently recognized as Best Places to Work by Business Insurance:

2022

- Berkley Agribusiness
- Continental Western Group
- Verus
- Berkley Mid-Atlantic

2023

- Berkley North Pacific
- Acadia Insurance
- Key Risk Management
- Carolina Casualty
- Berkley Select



PILLAR 1: HUMAN CAPITAL & COMMUNITY

Innovation

Today, companies face external challenges that can take the form of shifting customer preferences and emerging risks, as well as internal challenges such as the effects of technology on traditional employee roles. Berkley is rising to meet these challenges through its culture of innovation and by seeking to simultaneously serve the evolving needs of our customers and prepare our employees for the future. Berkley maintains an enterprise-wide Innovation Through People program to nurture our entrepreneurial cultural foundations for continual growth and evolution.

Since the program’s launch, we have worked to advance our progress along the innovation spectrum from incremental to game-changing ideas, and to increase the integration of our innovation activities with the



operations of our Businesses. As part of this endeavor, we have highlighted the personal development of our employees using learning paths and tools that hone their creative and decision-making skills to better prepare them as future contributors and leaders.

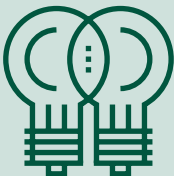
As an example, starting in 2022 and continuing in 2023, the Innovation team produced and released *The Edge*, a podcast series featuring Berkley leaders, external partners, and employees sharing their thoughts on topics such as innovation in the industries we serve; leading an innovative culture; building and running an experiment; and the effects of government, finance, and technology and how they impact what we do and how we look at risk. The series also featured how W. R. Berkley Corporation was started with our Chairman’s story and how it helped to form the basis for our value system as a thriving entrepreneurial business.

Pillars of the Innovation Through People Program



1

Promoting Innovation Behaviors:
The program introduces key foundational behaviors that we expect will serve employees at work and in their personal lives.



2

Building a Culture of Innovation & Entrepreneurism: Berkley has integrated the foundational behaviors within our enterprise culture so that employees have a foundation for creativity, experimentation, fast failure, learning, and resilience.



3

Creating Structures for Innovation:
Berkley uses custom tools such as I-Lab and **SPARK!** to ensure the program’s sustainability.



4

Capturing & Measuring Outcomes:
Berkley built **SPARK!** as a dedicated tool to allow us to follow ideas throughout their life cycle, measure their impact on our Business, and drive enterprise-wide idea engagement.

I-Lab and Podcast Metrics

Podcast listeners in 2023:

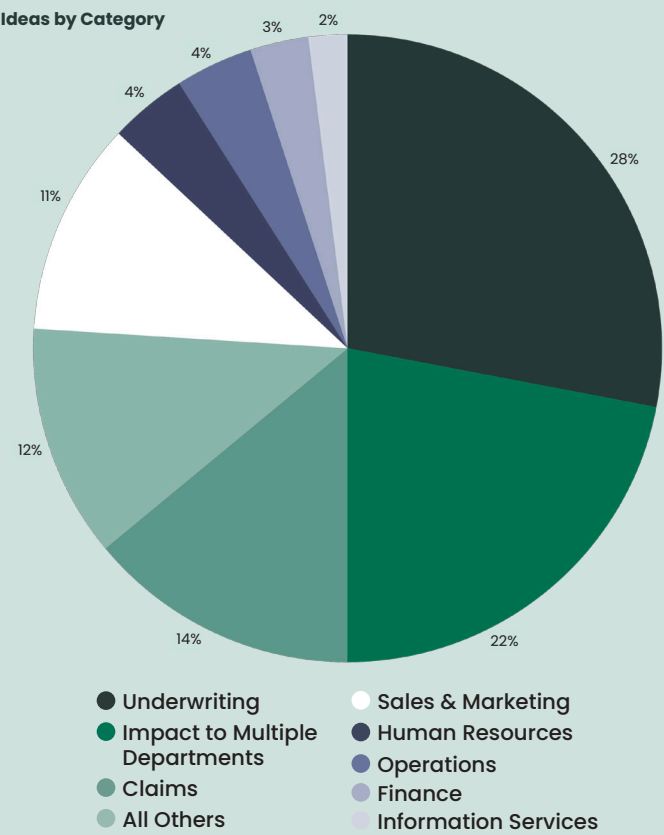
4,600+

I-Lab site visits in 2023:

22,675+

PILLAR 1: HUMAN CAPITAL & COMMUNITY

Interaction with *SPARK!* in 2023



Business Challenges Created in 2023:

55

Business Challenges Completed* in 2023:

85

*Includes challenges started in 2022 but completed in 2023.



Visits to *SPARK!*

8,900+



Comments

7,700+



Number of Creators

1,151



New Ideas

2,458



Number of Votes

23,000+

Innovation Focus on Experimentation

To advance the measurement of outcomes in Berkley’s innovation journey and to further engage employees, the Company introduced a campaign for 2023 to target 100 experiments that would generate \$100 million in cost savings or revenue. This set the tone for developing our experiment skill set, creating a higher probability of success for ideas, and offering transparency across our Businesses on successful experiments that could be leveraged beyond an individual Business.

The Businesses tested hypotheses on topics such as new products that would generate acceptable risk-adjusted returns, improved data analysis, operational efficiency gains to reduce overhead expenses, and a host of other ideas. Berkley exceeded both goals for the number of experiments and the amount for expected cost savings or revenue, which will be recognized over the next several years. By sharing these experiments, we enhanced collaboration and improved employee development.



PILLAR 1: HUMAN CAPITAL & COMMUNITY

Mentorship & Leader Development

Berkley provides a comprehensive curriculum of structured learning programs that offer current and future leaders the skills they need to drive innovative business strategies and inspire their people to exceed performance expectations. In 2023, we continued growing our focus on building and sharing these skills across our Businesses by connecting learning through a variety of learning settings and topics.

Over 400 people leaders participated in selective programs in 2023, taking part in opportunities to learn with peers across Berkley in courses such as:

- **Manager Essentials** – This year-long program provides just-in-time learning for employees who are navigating their first year managing a team (see callout on [p.19](#) for more information).
- **Leadership Development Circle** – This blended-learning program for future executives features seminars with senior leaders, strength coaching, executive mentorship, and team projects.
- **Leadership Oculus** – A six-month virtual training program, Leadership Oculus provides a deeper dive into the skills required for leading business innovation, linked to a real-world innovation experiment design. Participants take part in live seminars, conversations with Berkley leaders, e-learning modules, and group video projects.
- **Management 1** – Now in its fourth decade, Berkley's live seminars in Greenwich, Connecticut, bring potential C-Level leaders together with corporate leadership and external experts for classroom lectures, case studies, and business simulations.

In addition, thousands of Berkley employees and leaders from across the enterprise take advantage of Berkley Leadership Insights, a quarterly speaker series in which senior executives share personal stories about the moments that defined leadership for them, and Crucial Conversations, a live training program designed to help individuals convey challenging messages successfully.

Mentorship continues to be a cornerstone of Berkley's leadership-developed agenda, with the number of executives matched with mid-career employees for yearlong engagements expanding by almost 70% from 2022 to 2023. By selecting mentorship pairs based on identified mentor strengths and mentee needs, as well as providing world-class training and support resources, Berkley ensures a meaningful and powerful experience for participants on both sides that continues into the future.

By creating channels for leadership development, our programs empower employees to work together to grow their networks, build their careers, and contribute to the Company's success.



PILLAR 1: HUMAN CAPITAL & COMMUNITY

Community Impact

Berkley prides itself on its long tradition of community involvement in areas where it does business. This section highlights our products and services that support the community and incentivize responsible behavior. It also summarizes our customer retention and complaint metrics, as well as our philanthropic and volunteer efforts.

Customers

Property and casualty insurance is critical to the functioning of modern society and the overall economy. Berkley plays a pivotal role by helping our customers manage risk, which allows them to deliver products and services to their customers. At Berkley, we strive for our products and services to not only manage risk but also to promote responsible behavior and well-being.

Various Berkley Businesses support organizations in industries that aim to help others or assist in making insurance accessible to small businesses. Our Businesses also encourage healthy, safe, and environmentally responsible actions and behaviors through product features, underwriting initiatives, and practices.

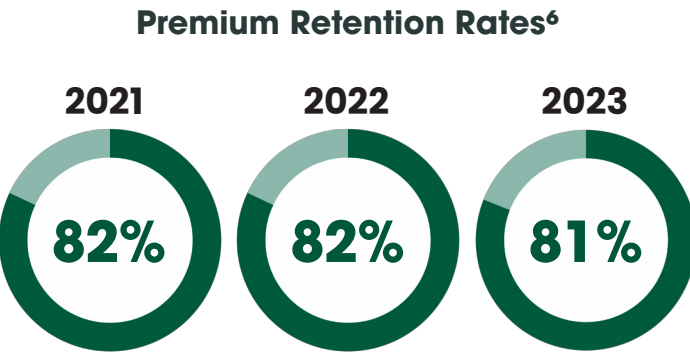
From underwriting to claim servicing, we strive to provide great experiences for our customers. To achieve this, we focus on maintaining excellent customer communication at every stage of the relationship. Our Businesses use a range of tools to communicate with our customers, such as product-specific web pages, customer and/or broker portals, resources on loss prevention and safety, webinars and conference educational sessions, videos, print or online brochures and product overviews, educational newsletters, and information about managing climate and other types of risk. Many of our Businesses also use LinkedIn, Facebook, and other social media platforms to reach their policyholders and distribution networks.

Ultimately, the results of our customer experience efforts are reflected in our strong retention rates. Retention rates can vary from year to year as property and casualty insurance market conditions change.

Berkley provides a wide range of predominantly commercial lines insurance products through our insurance subsidiaries. Our U.S. insurance subsidiaries are subject to insurance regulation in the various states and jurisdictions where they transact business. Most state insurance departments provide consumer complaint data to the National Association of Insurance Commissioners (“NAIC”).

The NAIC runs the Consumer Insurance Search (“CIS”) website, which receives complaint information from state insurance departments. The NAIC data does not provide a single metric for all of Berkley’s insurance companies combined. Neither the NAIC nor Berkley calculates a complaints-to-claims ratio.

In 2023, the total amount of monetary losses resulting from legal proceedings associated with the marketing and communication of insurance product-related information to new and returning customers, if any, were not material to us.



⁶ Note on methodology: Berkley tracks premium retention rate as the ratio of premiums renewed versus premiums set to expire in the reporting year.



PILLAR 1: HUMAN CAPITAL & COMMUNITY

Responsible Product Offerings

The following are highlights of our responsible product offerings. For a discussion of our climate-related service offerings, see [Climate Change Opportunities](#).



Resilience

- The Berkley Renewable Energy division of Berkley Oil & Gas targets clients in the alternative-energy industry such as wind farms, biomass conversion plants, battery farms, hydro facilities, and similar renewable-energy initiatives.
- Berkley Environmental underwrites environmental-liability products for customers with environmental exposures, including contractors, consultants, property owners, and facilities operators.
- Berkley Specialty Excess insures alternative energy companies, including solar contractors, carbon capture facilities, industrial maintenance and plant turnaround, and other related areas.
- Berkley Insurance Australia writes professional risk exposures for environmental consultants.
- Berkley Surety issues surety bonds related to environmental construction cleanup work.
- A growing number of our Businesses target clients in the alternative energy industry or who are supporting the transition to lower emissions.



Health & Safety Industries

- Through our regional, product- and specialty-focused Businesses, Berkley is one of the largest providers of workers' and excess workers' compensation in the U.S., with a reported \$1.5 billion of net premiums written in these lines of business ("LOB") in 2023.
- Berkley Healthcare offers a wide range of medical professional and financial lines coverages to the full spectrum of healthcare providers.
- Berkley Accident & Health offers a portfolio of accident and health products and services to a range of clients, from small employers to healthcare organizations and membership groups of Fortune 500 companies.



Public Service Industries

- Berkley Human Services provides insurance to nonprofit and for-profit social service organizations, such as day cares, group homes, and senior citizen centers.
- Berkley Public Entity offers coverage to governmental entities, municipalities, and public schools.
- Berkley Brasil Seguros offers a surety product related to one of the Brazilian government's social programs, which delivers affordable housing to reduce the country's historical housing deficit.



Small Businesses

- Berkley has six regional Businesses in the U.S. that offer broad portfolios of products to small and medium-sized businesses in their defined territories.
- Berkley Aspire and Nautilus Insurance Group provide commercial excess and surplus lines coverage to small and medium-sized businesses throughout the country.
- Berkley Surety offers environmental and secured credit surety bonds for small contractors.
- Intrepid Direct provides specialized business coverage solutions through a direct distribution model with a focus on franchise businesses.
- Berkley Small Business Solutions offers commercial insurance products to small businesses through a modern technology platform that leverages data and analytics to deliver a superior customer experience.

PILLAR 1: HUMAN CAPITAL & COMMUNITY

Community Involvement

Berkley has a long-standing tradition of community involvement and intends to continue to support the people where we live and work.

We provide community support at a local level and through our funding of the W. R. Berkley Corporation Charitable Foundation (“Foundation”). The purpose of the Foundation is to enhance employee generosity that originates at Berkley and our Businesses. Berkley Businesses submit requests to the Foundation, which then evaluates potential donations.

Through these efforts, Berkley, directly through our Businesses and indirectly through the Foundation, provided more than \$1,100,000 of financial support to our communities in 2023. Berkley and our employees have focused time and resources on making an impact in the following three areas: supporting the next generation, food insecurity, and the environment.

A Berkley Tradition: The Gingerbread House Auction

The Gingerbread House Auction is an annual holiday event for employees at our corporate headquarters that generates substantial donations to local charitable organizations. Each year, employees design and build elaborate structures made entirely of edible materials and auction them off to their colleagues. Last year, displays included Snoopy’s doghouse, a Barbie dream house, a Monopoly board with our Businesses as the properties, and the Leaning Tower of Pisa. The funds raised are matched by the Company and donated to a charity of the creator’s choice. Charities chosen in 2023 included Near & Far Aid Association; Hall Neighborhood House, Inc.; Dana-Farber Cancer Institute; Green Chimneys; JDRF International; Help Our Military Heroes; American Cancer Society; STAR, Inc.; Hopes & Heroes; and Hassenfeld Children’s Hospital at NYU Langone. The gingerbread houses are then brought to local hospitals and community organizations to spread holiday cheer.



PILLAR 1: HUMAN CAPITAL & COMMUNITY

Supporting the Next Generation

We understand the importance of contributing to the development of the next generation of innovative insurance professionals. We currently support our employees’ participation in educational and professional development programs that provide designations in the insurance industry, including Chartered Property Casualty Underwriter (“CPCU”), Associate in Reinsurance (“ARe”), Associate in Risk Management (“ARM”), Registered Professional Liability Underwriter (“RPLU”), and Fellow of the Casualty Actuarial Society (“FCAS”) credentials. Berkley has supported professional development and networking opportunities through industry trade groups such as the American Property Casualty Insurance Association (“APCIA”), the Independent Insurance Agents & Brokers of America, Inc. (“Big ‘I’”), and the Wholesale and Specialty Insurance Association (“WSIA”). Through annual donations and Board participation, Berkley has also supported the St. John’s University Maurice R. Greenberg School of Risk Management, Insurance and Actuarial Science.

In addition, Berkley endeavors to help children gain access to education more broadly. For example, in 2023, we donated \$150,000 to Step Up for Students, an organization that provides Florida students with personalized pre-K-12 scholarships. Additionally, the Company and several of our Businesses have contributed to Kids’ Chance of America, Inc., and its local chapters for many years. Kids’ Chance of America, Inc., supports children affected by a parent’s work-related injury or death by helping to remove financial obstacles to pursuing their educational goals. In 2023, we donated \$77,670 to Kids’ Chance of America, Inc., and our Businesses raised additional money for the organization through fundraising activities such as 5K runs and participation in Kids’ Chance Awareness Week. Berkley employees also serve on the boards of directors at local chapters and the national Kids’ Chance organization.

Food Insecurity



Berkley employees are dedicated to combating food insecurity and increasing nutritional access in their local communities. Many of our Businesses exemplified this dedication in 2023.

For example, employees of Admiral Insurance Group, Berkley Accident and Health, Berkley Entertainment, Berkley Financial Specialists, Berkley Luxury Group, Berkley Mid-Atlantic Group, Berkley Offshore Underwriting Managers, Berkley Product Protection, Berkley Professional Liability, Berkley Public Entity, Berkley Southeast, Berkley Surety Group, Carolina Casualty, Berkley Prime Transportation, Key Risk, Midwest Employers Casualty, Vela, Verus, Berkley Southwest, Acadia Insurance, Berkley Industrial Comp, Berkley Life Sciences, Nautilus, Continental Western Group, and Berkley Agribusiness supported efforts to reduce food insecurity by volunteering at food banks and Meals on Wheels, preparing meals, holding food drives, and partnering with local organizations.

Environment

Berkley also engages with our communities on issues related to environmental protection. For example, Acadia, through the W. R. Berkley Corporation Charitable Foundation, donated to The Climate Initiative (“TCI”) based out of Kennebunkport, ME.

TCI provides young climate champions education and engagement tools to steward our planet and catalyze the transition to climate-resilient communities. Through community-based education and empowerment initiatives, youth learn about local climate problems and possible solutions, giving them hope and the inspiration to become change agents in their communities and beyond.

Their goal is to develop a cohesive youth voice that influences decision-makers to embrace climate solutions. TCI aims to educate, empower, and activate 1 million youth to reach this goal by 2025.

We engage with the communities where we live and work. In certain circumstances, we also:



Provide charitable donations and sponsorships



Participate in disaster relief efforts



Match employee donations



Compensate employees for their time when they volunteer at local nonprofit organizations during work hours

PILLAR 1: HUMAN CAPITAL & COMMUNITY

Berkley Businesses Get Involved

Berkley is proud to empower our Businesses to choose how they want to make a difference in their communities. At a local level, we encourage our Businesses to be involved in charitable organizations that make an impact in their communities. Many of our Businesses have created internal support structures, such as philanthropy committees, to organize community involvement and collect employee donations. To encourage additional support, many Businesses use their social media and marketing teams to promote local organizations and educate their networks about priority issues in their communities.

The highlights below provide a snapshot of how our Businesses got involved with local organizations and made contributions to meet the needs of their communities in 2023.



Berkley Brasil Seguros supports GRAACC Race and Walk

Since 2013, Berkley Brasil Seguros has actively supported the Grupo de Apoio ao Adolescente e a Criança com Câncer ("GRAACC"), or the Support Group for Adolescents and Children with Cancer. In October 2023, the employees of Berkley Brasil Seguros supported and participated in the 3rd edition of the GRAACC Race and Walk in Barueri. GRAACC believes that no child or adolescent should die from cancer regardless of their socioeconomic class and provides care and services to all states in Brazil as well as other parts of Latin America. The group also does cancer research and utilizes cutting-edge technology to help them achieve their goal of having the best cancer cure rate in the world.

Berkley Equine & Cattle Sponsors Central Kentucky Riding for Hope

Berkley Equine & Cattle, a division of Berkley Program Specialists, sponsored the Central Kentucky Riding for Hope's ("CKRH") 2023 Night of the Stars gala. The event is a "live auction" of multiple horses and a pair of miniature horses. The highest bidder gets to sponsor the horse's care for the year. Sponsorship money goes towards shoeing, vet care, and any special items the horse may need. Proceeds from the event support CKRH's annual operating costs in providing assisted activities to individuals with special physical, cognitive, or behavioral needs through therapeutic activities with horses.

Nautilus Insurance Group Supports the Pappas Kids Schoolhouse Foundation

Nautilus Insurance Group employees collected supplies to support the Pappas Kids Schoolhouse Foundation to help eliminate the barriers to opportunities that all kids deserve. The Foundation's mission is to help low-income, homeless, and at-risk youth in Arizona schools succeed and grow in a positive educational environment. They partner with schools that serve disadvantaged youth and assist with the educational, social, and family needs of their students.

Carolina Casualty and Berkley Prime Transportation Volunteer at FNEFL

Carolina Casualty and Berkley Prime Transportation employees volunteered at Feeding Northeast Florida ("FNEFL") in 2023 and packed over 8,000 pounds of produce, which translated into almost 7,000 meals. FNEFL is a food bank serving over 85,000 people in several counties in northeast Florida. They work with retail partners, manufacturers, and farms to rescue high-quality food for those in need.

Berkley Environmental Celebrates Earth Day

Berkley Environmental took actions throughout 2023 with their teams across the country, from hosting a pickleball tournament that raised \$1,000 for the Trinity River Audubon Center to participating in cleaning parks such as the Dunwoody Nature Center and tree plantings with local nonprofits. The Trinity River Audubon Center is located ten miles south of Dallas, TX, and supports a diverse community of plants and animals and contains a unique mixture of bottomland hardwoods, wetlands, and grasslands across 120 acres. The Dunwoody Nature Center in Dunwoody, GA, aims to promote environmental literacy and serves as a nature-based cultural enclave for community activity.

Berkley Surety Supports The Urban Farm

Berkley Surety got down and dirty volunteering at The Urban Farm spreading mulch, picking and sorting fresh produce, and digging up a bean garden to make room to plant other fruits and vegetables. The Urban Farm is a one-acre community farm used to expand access to sustainably grown produce and is a center to educate all ages about the joys of growing your own food. The majority of the produce grown at the Urban Farm is donated to local community partners and directly to families in need. It is managed by Grow It Green Morristown whose mission is to promote community health and educate communities on environmental stewardship. In 2023, they produced 8,000 pounds of fresh produce for New Jersey families.



PILLAR 2

CLIMATE RISK MANAGEMENT

PILLAR-SPECIFIC SDGs:



PILLAR 2: CLIMATE RISK MANAGEMENT



Climate risk presents a number of challenges to all companies through physical and transition risks. Physical risks include event-driven (acute) risks, such as wildfires, storms, and floods, or risks due to longer-term shifts in climate patterns (chronic). Transition risks relate to the regulatory, legal, technological, and market changes to address mitigation and adaptation requirements related to transitioning to a lower-carbon economy. Key potential risks of climate change to Berkley, as a property and casualty insurance provider, include changes in the frequency and/or severity of natural perils such as hurricanes, coastal floods, and wildfires, and regional variability in peril change. Any of these may affect our operations, our exposures, our investments, and our policyholders.

Managing risks, including those posed by climate and environmental change, is central to our ability to thrive now and for generations into the future. The uncertainties posed by climate change also afford numerous opportunities for our Businesses to support policyholders in navigating a world of climate change-influenced weather events and the transition to a low-carbon economy.

Throughout this chapter, we discuss three areas of Berkley's exposure to climate risk:

1. **Insurance Risk:** We seek to carefully manage and control insurance risk. Our decentralized structure gives us a high degree of flexibility and nimbleness in navigating risk among our Businesses. Our insurance risk is diversified, and our policies generally have one-year terms, so we can quickly modify pricing, terms, and conditions to seek to achieve targeted risk-adjusted returns or enter and exit lines of business, if necessary, as the risk landscape changes. Exposure to catastrophe loss is modeled and managed. Loss control and education have always been important, and we are focused on supporting our policyholders' efforts to avoid damages related to the changes in frequency and severity of catastrophe events due to climate change.
2. **Investment Risk:** Berkley also monitors investment risk related to climate change. The majority of our investments are in fixed-maturity securities with an average duration of 2.4 years and an average AA-credit quality, which reduces the potential financial impact of long-term economic changes, including those arising from climate change. In addition, Berkley seeks to limit our investments in municipal bonds in areas that we expect to be most subject to catastrophic loss.

3. **Operational Risks:** These risks lie primarily with our buildings and other physical asset investments that could be affected by hurricanes, flooding, wildfires, and other environmental events. Berkley performs a climate risk analysis when purchasing or leasing real estate and maintains what we deem to be comprehensive business continuity plans to manage those risks. Berkley also considers sustainable-building standards whenever possible to mitigate the impact of our operations on the environment.

We recognize the increasing importance of managing exposure to climate risk for all members of society. We model and analyze catastrophe risks and share the results with our ERM Committee. We also track certain trends in perils such as wildfires and severe convective storms, analyzing the difference between actual losses arising from natural catastrophes and those that are anticipated. Berkley also tracks changes in our exposures to the most significant greenhouse gas ("GHG") producers. Climate-related risks, including catastrophe exposures, are incorporated in our investment analysis.

Berkley responds annually to the NAIC Climate Risk Disclosure Survey and publishes these responses on our website. We have written this report in consideration of the TCFD disclosure recommendations and have included a [TCFD index](#) in the appendices to this report.

PILLAR 2: CLIMATE RISK MANAGEMENT

Risk Assessment & Modeling

To better manage our Businesses' exposures to the physical and transition risks of climate change, we performed a qualitative climate change risk assessment in 2022 and began a proof of concept for a quantitative climate change scenario analysis to assess the risks that are most likely to have a significant impact on our Businesses. We have reviewed and updated the qualitative analysis in 2023 and updated the quantitative analysis on a limited basis similar to the prior year. Details of these processes and the results of the exercises are summarized below.

Qualitative Risk Assessment

The qualitative risk assessment focuses on three ERM risk categories: insurance, investments, and operational risk from developing regulation.

Our insurance risk assessment considers the potential impacts of physical and transition climate risk on pricing and risk selection, reserving, and strategy for individual LOBs.

Each of these aspects of insurance risk is considered through the lens of the most relevant time horizon for that aspect of risk based on the following definitions:

- Short: 0–5 years
- Medium: 5–20 years
- Long: 20+ years

These LOB assessments are modified to reflect the characteristics of the portfolios written by individual Businesses to provide an overall risk perspective for the Businesses' insurance risk from climate change. The result is a ranking of our Businesses by exposure to climate risk.

Our insurance companies in various jurisdictions are also assessed for their ability to satisfy climate change regulatory reporting requirements. Factors such as date of compliance, amount of resources to comply, and complexity of reporting requirements are considered. A preliminary risk rating is assigned for each insurance company. These regulated entities are then mapped to all associated Businesses and a weighted assessment is determined.

We similarly assess our investments, which are managed by Berkley's internal investment manager. First, we conduct a broad assessment of the risk associated with specific industries.

We then conduct a second assessment to incorporate specific aspects of our individual holdings, such as industry subgroup, asset class, investment duration, investment grade, and more. The result is an overall risk rating for the various components of our investment portfolio.

Finally, we consider operational risk at the enterprise level.

Risk Assessment: Insurance



Risk Assessment: Investments



PILLAR 2: CLIMATE RISK MANAGEMENT

Quantitative Scenario Analysis Proof of Concept

Climate risks and opportunities are generally expected to manifest over long time horizons with high uncertainty regarding how climate trends, government policy, and socioeconomic factors will emerge in the future. To gain a better understanding of how some of the insurance risks identified in the qualitative risk assessment may manifest and affect the business under potential climate futures, we developed a proof of concept for a quantitative insurance climate scenario analysis and tested it on select Businesses. Our pilot methodology attempted to quantify the impact of a changing climate on individual economic sectors (such as the fossil fuel, renewable energy, and transportation subsectors). The methodology is intended to be used as a stress test of premium volume in the sectors and geographic locations where each Business may have a reliance on policyholders in those markets under short-, medium-, and long-term future time horizons and climate scenarios. We continue to evaluate the results of this pilot methodology, its applicability to stress tests on other metrics, and whether this methodology is fit for purpose.

In developing our proof of concept, we used the climate scenarios developed by the Network for Greening the Financial System (“NGFS”), which are largely considered the industry standard for climate scenario analysis within the financial sector. Using the underlying NGFS data and assumptions across those scenarios, we tested the pilot exercise across select Businesses. While not implemented enterprise-wide, the modeling methodology and detailed framework were designed to be customized to allow for potential future implementation across any Business. As such, the results of this exercise were only used to help refine the methodology for future use and have not yet explicitly influenced any major business or underwriting decisions.

We similarly performed a proof-of-concept climate scenario analysis on our investments. The same NGFS

scenarios used in the insurance proof-of-concept were used for the quantitative investment analysis. The goal of the exercise was to better understand the possible impacts of the NGFS scenarios on our investment portfolio. Similar to the insurance proof of concept, this analysis is only a first step in creating a methodology for future use and has not yet explicitly influenced any investment decisions.

Catastrophe Risk Management & Modeling

Catastrophe risk is a key consideration in the strategic management of our Company, and we consider this type of risk in an analytical manner. Berkley establishes a risk appetite as a percentage of total capital exposed to events at various probabilities of occurrence for our key catastrophe risks: earthquake, hurricane, and on a multi-peril basis. The risk appetite indicates the size of loss we believe our Company could sustain without materially affecting the ongoing business. Percentages are used in place of dollar thresholds to scale up or down with our Company’s capital resources. Risk utilization is regularly monitored and reported to the ERM Committee. Risks approaching risk appetite must be specifically addressed, and any overutilization must be approved by Berkley’s President and CEO. Our philosophy is that we should avoid risks that might prevent us from doing business tomorrow in substantially the same way that we do today.

As part of this process, our ERM team seeks to monitor key catastrophe exposures for Berkley overall and for each of our Businesses, and to identify locations and policies that are most likely to give rise to a substantial loss from catastrophic events such as hurricanes.

To understand the effects of climate change on catastrophe risks in our business, our ERM team studies scientific reports on the potential impacts of climate change, specifically focusing on current climatic conditions, and conducts analysis that helps us evaluate the possible effects of climate change on potential insured losses.

PILLAR 2: CLIMATE RISK MANAGEMENT

Climate Risk in Catastrophe Modeling

Berkley uses computer models developed specifically to assess the risk from weather-related catastrophe events—including, but not limited to, tornadoes, hurricanes, and hailstorms—and outsources additional modeling to vendors to provide a second perspective on the frequency and severity of weather-related catastrophe events.

To make our modeling more robust, our ERM team attempts to assess the possibility of “model miss” within vendor catastrophe models; this includes a comparison of modeled industry losses against revalued historical losses, an assessment of individual subcomponents within the model, and stress-testing model frequency and severity assumptions. Models may not be available for all types of risks. In addition to this probabilistic view of natural catastrophe risk, our Company also monitors estimated losses to multiple natural catastrophe realistic disaster scenarios.

Overall, in the U.S., Berkley identifies and models our hurricane risks in 23 states that we believe are most likely to be affected by these perils. On an annual basis, we also have exposures modeled in an alternative vendor model with a broader set of states. Our ERM Committee discusses these computer modeling results regularly.

Berkley also provides each insurance Business with data on its exposures and with mapping software licensed by Berkley, which facilitates the monitoring and modeling of catastrophes. This mapping software can help each Business to identify its exposed limits by LOB, type of exposure (buildings, contents, business interruption, etc.), the number of locations, and the actual policies that are exposed in a particular location.

Each Business includes the catastrophe-exposed limits it anticipates for the next year by region and county tier in its business plan, and the Berkley ERM team monitors each Business against its planned aggregate over the course of each year.

Our actual catastrophe losses, excluding pandemic-related losses, averaged 1.9 loss ratio points over the five-year period of 2019 to 2023.

Finally, our ERM team continues to evaluate emerging risks and develop risk assessment tools. For example, our Lloyd’s syndicate has further refined their estimation of tropical-cyclone induced precipitation losses that might accompany a tropical cyclone in the U.S., and they have adopted a model for the estimation of losses from riverine and surface-water floods.

Building a Better Model for Wildfire Risk

Although personal property has traditionally accounted for the greatest proportion of industry-wide insured losses from wildfire, the share of commercial property losses from wildfires in the U.S. has been increasing. For the past several years, our risk analysis has pointed to a possible increase in the frequency of wildfires in the U.S., as well as a larger average area burned in a single wildfire. We have developed an accumulation model for wildfire risk in California for use by our Lloyd’s syndicate. Data is updated to reflect recent wildfire activity and the number of acres burned.



PILLAR 2: CLIMATE RISK MANAGEMENT

Climate Change Risks & Opportunities

Insurance Risks

Our Company is exposed to risks from climate change due to our insurance activities. These risks differ by LOB and product and could manifest through changes in premium volume, changes in future loss experience, or changes in the runoff of loss reserves. Berkley has identified several risks to the performance of the LOBs, including:



The agriculture industry has a significant exposure to physical risks for various coverages because large warehouses and crop fields are vulnerable to damages from physical events. More broadly, policyholders may not be able to relocate away from physical risks because certain crops must be grown in certain geographical locations where climate and land conditions are favorable.



High-carbon-emitting sectors such as oil and gas are expected to see widespread regulation and litigation designed to reduce the use of fossil fuels and encourage increased use of renewable energy. Coverages written by Berkley may experience a significant impact from social inflation, which could expose policyholders to new and more extreme forms of litigation.



Environmental products, such as pollution liability coverage, are expected to see heightened transition and physical risks due to the hazardous nature of the businesses covered and because of changes in the frequency and severity of weather events.



The transportation industry is a high-emitting sector that is expected to see more-stringent climate-related regulations for personal and commercial vehicles. Insuring commercial vehicles also poses a physical risk because entire fleets are exposed to weather events such as hurricanes and tornadoes.

The level of risk will differ by Business based on the premium volume and the uncertain impact of climate change on the loss costs in the LOBs they write, as well as the specifics of the business written. Factors that affect the risk to individual Businesses include the industries insured, the geographic concentration of the business, the specific terms and conditions in the insurance policies, and the ability to charge appropriate rates that reflect the current risk profile. As detailed in this section, our analysis allows us to consider modifying underwriting activities to better manage these risks to a reasonable level on an ongoing basis.



PILLAR 2: CLIMATE RISK MANAGEMENT

Investment Risks

Berkley is also exposed to climate change risk through our investments. Risks manifest through both the underlying industries that Berkley invests in and the characteristics of specific asset types. Berkley's qualitative analysis identified several risks to the investment portfolio, including:

- Oil, gas, and pipeline investments face the highest risk overall from climate change. These investments are exposed to high physical risk due to significant offshore and coastal operations, as well as to high transition risk due to regulatory changes and evolving societal perceptions.
- Investments in municipal bonds could be at risk from climate change because of the risk to underlying municipal assets from the impacts of climate change, thus potentially increasing the probability of default.

- Investments in electric utilities are exposed to significant physical risk due to the large and complex infrastructure and equipment used in the industry. Transition risks also exist due to the potential for the imposition of carbon pricing in various jurisdictions.

Berkley considers the level of climate risk across the investment portfolio as part of our risk management process. Climate-related investment risks, such as transition risks, are mitigated by the nature of our investments, as the majority of our investments are in fixed-maturity securities with an average duration of 2.4 years and an average rating of AA-. High-quality short-term investments incur lower risk in the face of potential long-term economic impacts caused by climate change.



PILLAR 2: CLIMATE RISK MANAGEMENT

Operational Risks

Berkley Office Locations

We seek to avoid the risk of functional obsolescence of our office locations, and we consider climate risks in that analysis. We assess each individual property location for catastrophe risk, with particular focus on those nearest to a coast, river, or estuary.

When considering real estate purchases and leases, Berkley’s investment and lease administration teams consider the exposure to catastrophes at that location. When there is a risk of natural catastrophe, our investment and lease-administration teams assess the current risk and review flood risk maps and elevation to consider the possibility of increased risk over future years, if sea levels rise. These factors are taken into consideration when determining whether to proceed with the purchase or lease.

Because buildings account for over 35% of global energy-related carbon emissions,⁷ we embrace sustainable-building standards wherever possible. As part of our efforts to mitigate the impact of our operations on the environment, including leased assets, Berkley works to procure office space at buildings that are certified by BREEAM,⁸ LEED®, or ENERGY STAR® where practical. ENERGY STAR certified buildings – a certification which the U.S. Environmental Protection Agency (“EPA”) awards to buildings that meet strict energy performance standards – utilize 35% less energy, generate 35% fewer greenhouse gas emissions, cost \$0.54 less per square foot to operate, and have higher rental and occupancy rates⁹. The Two22 building in Minneapolis, Minnesota, is one of the ENERGY STAR-certified buildings in which Berkley leases space. Two22 has been ENERGY STAR certified for 18 years and has recently completed a project to help increase its energy efficiency (see the Sustainability at Two22 callout box on [page 40](#)).



Berkley-Occupied Buildings with Environmental Certifications		
Building	City	Certification
Urban Towers	Irving, Texas	LEED Gold
725 South Figueroa Street	Los Angeles, California	LEED Platinum
Metro Center	Stamford, Connecticut	ENERGY STAR Well Health Safety Rating
757 Third Ave	New York City, New York	LEED Silver ENERGY STAR
Two22	Minneapolis, Minnesota	ENERGY STAR
The Scalpel	London, England	BREEAM

⁷ “Why the Built Environment?,” Architecture 2030, accessed January 5, 2024, <https://www.architecture2030.org/why-the-built-environment/why-buildings>

⁸ BREEAM is a registered trademark of BRE (the Building Research Establishment Ltd. Community Trade Mark E5778551). The BREEAM marks, logos and symbols are the Copyright of BRE and are reproduced by permission.

⁹ For more information regarding ENERGY STAR building certifications, see https://www.energystar.gov/buildings/building_recognition/building_certification

PILLAR 2: CLIMATE RISK MANAGEMENT

Sustainability at Two22

Starting in 2022, the owner of the Two22 building in Minneapolis, Minnesota, where a few Businesses including Berkley Risk and Berkley Human Services are tenants, initiated a project to improve the building’s sustainability. The building owner replaced the obsolete energy management system that was over 35 years old with a state-of-the-art building controls system that regulates every component of the building’s HVAC system. In 2023, the building owner completed the final stages of work. This new system is expected to save over 1.3 million kWh of electricity per year and over \$185,000 in annual energy costs. According to the local utility, the improvements will avoid producing almost 500 tons of CO₂ annually, which is equivalent to taking 106 cars off the road.



Two22 Building, Minneapolis, Minnesota

GHG Emissions

As part of our ESG operating model, Berkley has been building on efforts to increase the portfolio coverage of our Scope 1 and Scope 2 emissions disclosure, and in 2023 we further increased the number of locations included in the estimate. This is Berkley’s third year calculating a global footprint, and we are using an estimation methodology consistent with the GHG Protocol. To obtain the data needed for this exercise, we collaborated with our lease-administration and facilities teams. We continue to refine our GHG reporting process.



2023 Emissions

Total Scope 1:
9,371
MT of CO₂e

Total Scope 2:
16,772
MT of CO₂e

Total Scope 1 and Scope 2 GHG emissions:
26,143 MT of CO₂e

Note: We use an estimation methodology consistent with *The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)* to calculate our Scope 1 and 2 GHG emissions.

PILLAR 2: CLIMATE RISK MANAGEMENT

Reducing our Operating Impact

In contrast to industrial or manufacturing firms, insurance businesses such as Berkley have a relatively limited environmental impact due to their physical operations. This environmental impact originates from work processes and employee habits in our office locations and the environmental footprints of the buildings we own or occupy. In addition to procuring space with environmental certifications, Berkley offices encourage recycling, conversion to paperless operations, and reuse of materials. Some Businesses have formed Environmental Committees to increase employee awareness of the need to reduce the use of carbon or fossil fuel-based energy sources as well as other items such as paper and plastic.

Some of the ways Berkley Businesses are minimizing their environmental impact include:

- **Avoiding Styrofoam and single-use plastic:** Several offices have eliminated the use of Styrofoam cups and single-use plastic water bottles by encouraging employees to utilize reusable mugs and water bottles.
- **Reducing paper:** Berkley Businesses started the transition to paperless offices prior to 2020, but the COVID pandemic accelerated the move to “digital first” processes. New technology such as e-signature platforms and digital workflow solutions have reduced the use of printed paper.
- **Conserving water:** Many Berkley offices utilize bathroom sinks and toilets that are enabled with sensors to reduce excess water use.
- **Conserving electricity:** Most Berkley owned and leased offices are equipped with motion sensors so that lights are only on when someone is in the area. Many offices have installed LED light fixtures to use less electricity. New York City offices participated in the city’s demand response programs to reduce energy consumption on days the electrical grid is stressed due to hot summer days. Other offices have added light filtering blinds and film to office windows to reduce the amount of heat entering the building.
- **Green procurement:** Equipment for our Businesses, such as copiers, multifunction devices, and desktop/laptop computers is purchased centrally in an effort to reduce costs and procure energy efficient devices. Copiers and multifunction devices are intelligent devices that meet or exceed ENERGY STAR standards. The vast majority of our desktop and laptop computers are ENERGY STAR certified.
- **Reducing carbon emissions:** Some Berkley offices have installed electric car charging stations to encourage electric vehicle utilization to cut emissions from employee commuting. In addition, we continued the transition of our U.S. fleet of cars to hybrid sedans and SUVs in 2023.
- **Office Consolidation:** Berkley Businesses endeavor to reduce the number of leased offices whenever possible by consolidating office space and co-locating team members in primary locations. This reduces the amount of office space and thereby reduces emissions from electricity and natural gas usage.
- **HVAC efficiency:** Some Berkley offices replaced their older HVAC systems with new, more efficient models.



PILLAR 2: CLIMATE RISK MANAGEMENT

Business Continuity Planning

We have developed what we believe to be a comprehensive business continuity plan for operational risks—our ability to provide uninterrupted and uncompromised services. Floods, wildfires, and other natural disasters could affect one or more of Berkley’s office locations. To help prevent business interruptions, we have developed business continuity plans at each of our Businesses to maintain functionality during significant disruptions. Each Business is responsible for remote-access testing to ensure employees can work from home or other office locations, if required. Additionally, we follow policies for business continuity set by insurance industry regulators and review and consider those recommended by insurance industry trade associations.

Recent hurricanes have provided live “use cases” for our business continuity planning, as has the COVID-19 pandemic. During recent hurricanes, several of our U.S. office locations were closed but successfully continued with business as usual. Our business continuity plans also worked extremely well in 2020, when almost 100% of employees worked from home for an extended period of time in response to the COVID-19 pandemic, without disruption to our operations.

Business Continuity

The processes initiated to resume business operations to a level consistent with business requirements can include:



Business impact analysis



Call trees



Alternate sites



Outsourcing



Manual workarounds



Scenario testing exercises



Remote-access training

Other Climate-Related Risks

Legal Risk: As industry practices and economic, legal, judicial, social, and other environmental conditions change, unexpected and unintended issues related to claims and coverage may emerge. These issues may adversely affect our Businesses by either extending coverage beyond our underwriting intent or by increasing the number or size of claims. Emerging claims and coverage issues include, but are not limited to, potentially changing climate conditions. We continue to monitor industry practices and developments related to standard climate change exclusions on policies.

Transition Risk: In addition to monitoring physical risk and liability risk, we also continue to monitor potential changes in areas such as legislation, regulation, or reporting requirements relating to the transition to a lower-carbon economy for possible impacts on the Company and our customers. Among other actions, we may refine our underwriting or risk appetite, make changes to our investment portfolio, establish new or additional procedures and processes, or adjust staffing levels or use of contracted services to help us address such changes.

Crisis Management & Emergency Response

A series of actions can be taken to gain control of a crisis event quickly to minimize the effects of a disruption, prepare for and oversee recovery, and manage communications throughout, such as:



Evacuation plans



Hotlines



Emergency communications



Crisis teams



Response templates



IT command centers



Escalation criteria



Exercises

PILLAR 2: CLIMATE RISK MANAGEMENT

Climate Change Opportunities

Berkley continues to identify new opportunities to benefit our Businesses amid the uncertainties around climate change. In 2023, we underwrote approximately \$106 million of net premiums related to certain energy efficiency and low-carbon technology risks, more than doubling the 2022 amount. These opportunities include the following:



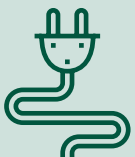
Insuring Alternative Energy Companies

Several of our Businesses insure companies in the renewable-energy sector, which supports the growth of renewable energy. By insuring these operations, our Company makes a positive contribution to the growth of operations that produce energy from non-fossil fuel sources, which may help to reduce GHG emissions.



Supporting Businesses with ESG Disclosure Requirements

One Berkley Business provides management liability coverages to U.S. publicly traded and large privately held companies, which are by nature complex, sophisticated operations heavily focused on risk management, including climate change initiatives. The disclosure requirements of U.S. public companies on ESG topics, including climate change, generally arise out of U.S. Securities and Exchange Commission ("SEC") regulations, accounting standards, the Sarbanes-Oxley Act of 2002, and state regulations. Additionally, those policyholders often adhere to protocols that have emerged for the voluntary reporting of ESG matters established by nongovernmental entities, including the disclosure of information regarding the environment, sustainability, corporate social responsibility, and, more recently, climate change and GHG emissions.



Supporting the Transition to Electric Vehicles

Certain Berkley Businesses support the transition to electric vehicles ("EV") by insuring the design liability for contractors engaged in building EV battery plants for major automakers in the U.S., EV fleets, collision shops engaged in development and maintenance work for EVs, and EV alternatives for multi-passenger public transportation.



Environmental Thought Leadership

Berkley Canada gathers brokers, agents, and clients to an annual environmental conference to discuss and present on developing issues.

Past speakers have included environmental lawyers, consultants, industry professionals, as well as employees from Berkley Canada. Topics covered have included excess soil regulations, environmental liability regarding real estate portfolios, ESG, and claims.



Preserving Wetlands

One of our Businesses has an insurance product for companies engaged in the restoration, construction, enhancement, and preservation of wetlands and streams (i.e., aquatic resources) with the goal of offsetting the loss of resources from other projects authorized by the U.S. Army Corps of Engineers. This product provides the customer with confidence that the construction of these aquatic resources can be completed.



PILLAR 2: CLIMATE RISK MANAGEMENT



Assisting Clients with
Emergency Evacuation
Procedures

Another Berkley Business assists clients with the development of emergency evacuation procedures for tornadoes, hurricanes, ice or snowstorms, and other weather-related events. It also provides training materials to teach employees how to manage heat stress and hurricane cleanup safely.



Supporting Sustainable
Design & Construction

One Berkley Business provides liability insurance to architects, engineers, and contractors, insuring a number of firms that are involved in LEED building design and construction. In doing so, the Business supports the work of these firms in building environmentally friendly structures that have explicit standards for carbon outputs.



Certified Green Dwellings

As a provider of insurance to high-net-worth individuals, Berkley One has the opportunity to underwrite certified green homes. Berkley One accepts certifications from the U.S. Green Building Council (LEED rating system for homes) and the National Association of Home Builders, both of which can certify homes that meet the applicable standards. For example, the National Association of Home Builders certifies for high performance in six areas—lot design and development, resource efficiency, water efficiency, energy efficiency, indoor environmental quality, and building operation and maintenance. It bestows four levels of certification: Bronze, Silver, Gold, and Emerald.



PILLAR 2: CLIMATE RISK MANAGEMENT

Climate Change Risk Management & Mitigation

Berkley seeks to support the transition to a low-carbon economy through our policies and practices. We believe that withdrawing all underwriting for specific sectors is not an appropriate or responsible approach to these efforts and will continue to consider underwriting insurance for companies engaged in legal businesses. We recognize the issues and challenges that come with certain exposures, such as those in fossil fuel industries,

and take into consideration the messages provided by environmental and climate special interest groups. However, these issues have many dimensions that we seek to weigh and assess, and we remain conscious of the views of various stakeholders. We endeavor to strike a balance between long-term objectives and short-term impacts by considering the risks inherent in each client's business during the underwriting process, including environmental and social risks, and their potential impact on the financial condition of the business.

Underwriting

We incorporate catastrophe exposure in the underwriting and pricing processes implemented at each of our Businesses, where applicable. ESG factors are considered in underwriting where prescribed by local regulation. This gives each Business the flexibility to address localized jurisdictional factors and information related to each client. Berkley reviews its overall risk on a portfolio basis, rather than assessing the impact of specific industries or activities on an individual basis.



PILLAR 2: CLIMATE RISK MANAGEMENT



Addressing Identified Climate Risk

In response to the ERM team's catastrophe and climate change analyses and reports, we have taken several actions to manage our exposure, including the following: the use of peril-specific deductibles or sublimits, the nonrenewal of specific policies, the re-underwriting of particular segments of the portfolio, and the purchase of additional reinsurance protection.

We consider catastrophe modeling and management, along with other risks and stress testing, in the evaluation of our risk capital needs. This evaluation also takes into account regulatory requirements and financial strength and credit rating considerations, among other factors.

Aggregate catastrophe losses for the period are reported in quarterly earnings releases and SEC filings for each reporting segment and in the aggregate for our Company. The impact of catastrophe losses on our earnings has been below the industry average for many years because of our careful risk management and commitment to building long-term shareholder value through superior risk-adjusted returns.

As industry practices and economic, legal, judicial, social, and other environmental conditions change, unexpected and unintended issues related to claims and coverage may emerge.

We continue to monitor industry practices and developments related to standard climate change exclusions on policies.

Additional Environmental Factors Affecting Risk Appetite for Our Businesses

Climate change is just one of the environmental factors affecting our Businesses' risk appetite and selection. Other factors include:

Our approach to risk is designed to allow us to better mitigate excessive costs. We exercise particular caution in three areas:



Where flood coverage is provided in Federal Emergency Management Agency ("FEMA") flood zones, generally a modest limit is provided.



We do not currently write personal lines homeowners insurance in California, where the vast majority of insured wildfire losses take place. To the extent permitted by insurance regulation applicable to each state, we are using a wildfire risk score as part of our risk selection and underwriting process for homeowners insurance. To help mitigate the risk of wildfire damage, we employ a range of services for individual homeowners.



We do not offer crop insurance (i.e., crop multi-peril business), which could be significantly affected by drought or flood.

- Environmental risk and impact management
- Resource efficiency
- Pollution prevention and management
- Ecosystems and biodiversity
- Low-carbon technology (including renewable energy insurance, energy savings warranties, and carbon capture and storage insurance)

PILLAR 2: CLIMATE RISK MANAGEMENT

Loss Control

As part of our climate change risk management and mitigation strategy, our Businesses may use risk surveys and inspections to determine roof integrity, erosion and landslide risk, wildfire precautions, excess snow loading on roofs, and exposure to hailstorms, and to provide customers with ways to proactively mitigate their risk of loss. Some of these inspections are conducted virtually, using point-to-point technology for virtual risk assessment and hazard identifications, which also reduces our carbon footprint. Many of our Businesses also offer regularly updated loss control services, advising policyholders on ways to reduce the risk of losses, including those caused by various climate-influenced risks.

Loss Control Education & Services

We work to help our policyholders reduce their losses from climate change through education and prevention measures. One of our Businesses offers webinars and consulting services through the Nonprofit Risk Management Center to help policyholders reduce losses caused by events related to climate change. Some Businesses also alert policyholders to upcoming weather conditions through weather alert postings on their websites or state department of insurance bulletins communicated directly to policyholders or through producers. Many Businesses inform policyholders of environmental changes through a variety of loss control options, including “tips” brochures, webinars, training opportunities, newsletters, and disaster planning material.

Various Businesses engage with insurance industry trade organizations on overall industry and loss control issues, such as changes to FEMA, to encourage actuarially sound rates, building codes, and safety and storm preparedness. Specifically, one Business is an active participant in the Inland Marine Underwriters Association (“IMUA”) and sits on panels at industry events promoting loss control as it pertains to weather-related events.



The following loss control services and related education efforts are currently available and have been offered to certain policyholders:

- Data on potential loss
- Measures needed to protect property
- Evaluation of losses within a regional area that is prone to certain types of losses
- Advice on resilience around natural perils
- Training webinars to assist in education and loss mitigation
- Green coverage endorsements for property, inland marine, and equipment breakdown to encourage policyholders to “think sustainably”
- Websites containing tips on a broad range of risk mitigation measures such as disaster planning, construction, and “green construction,” as well as influences of weather and safety, that provide policyholders with practical tools and online training
- Mitigation advice on backup power generation systems and suppliers available to policyholders
- Tips on green construction, energy efficiency, influences of weather and other related topics on social media pages to provide practical tools for policyholders to handle potential climate hazards and mitigate the size and severity of the potential loss
- Guidance on managing upcoming hurricane seasons that typically points readers toward a checklist from the National Hurricane Survival Initiative and FEMA’s business toolkits
- Training materials through a third-party risk management vendor about reducing emissions; the vendor provides operational improvement or technological solutions including operational efficiency, fuel efficiency, loss prevention, and spill mitigation
- Training on how to present safe-driving meetings to employees relating to high winds and changing road conditions, such as winter driving



PILLAR 2: CLIMATE RISK MANAGEMENT

Business Highlight: Personal Lines

Berkley One provides a customizable suite of personal lines insurance solutions including home, condo/co-op, flood, excess flood, auto, liability, collectibles, collector vehicle, and recreational marine to high-net-worth individuals and families with sophisticated risk management needs. Berkley One has established a number of risk management and mitigation tools based on the philosophy that a home saved from a complete loss not only saves our clients heartache but saves valuable natural resources, too. In areas of the country exposed to wildfire, Berkley One engages the services of a private wildland fire monitoring and response provider that may conduct pre-suppression activities to lessen the threat to properties in certain instances.

Berkley One's risk management service uses aerial imagery to view residential roofs to help determine their integrity for withstanding hail and other weather-related risks.

This Business continues to offer discounts to policyholders for loss mitigation and has seen increased use of additional coverage that reimburses post-loss purchases of loss-mitigation devices. Several homeowners have taken advantage of that coverage by installing loss-mitigation devices such as water shut-off devices, generators, backup power for sump pumps, and alarm systems. Berkley One continues to provide resources for customers seeking to take proactive steps to mitigate loss, such as the purchase of storm shutters, through its network of service providers. This Business also continues to provide a variety of other services, including blog posts and fact sheets that provide timely advice on loss control; green-coverage endorsements that cover loss to alternative-power-generating equipment and water systems, and that provide coverage to upgrade to more sustainable materials in the event of a covered loss; and premium credits for greenhouses and storm-protective building materials.



PILLAR 2: CLIMATE RISK MANAGEMENT

Investments

We consider climate change in our investment strategy in an effort to reduce the likelihood of climate risks negatively affecting the investment portfolio. Examples of actions taken within the investment strategy to manage the risks from climate change include:

- Carrying out qualitative risk assessments and quantitative analysis exercises on a periodic basis to support an understanding of the risks from climate change in the current investment portfolio
- Seeking to limit our investments in municipal bonds in areas that are most subject to catastrophic loss; our ERM and investment teams coordinate to monitor Berkley’s exposure to municipal bonds in locations we expect are most likely to experience significant catastrophes
- Favoring utility investments in natural gas-fired facilities over investments in facilities that use coal

For further details about our approach to managing climate risk in our investment portfolio, please refer to the [Responsible Investing](#) section in Pillar 3 of this report.



Liquidity Management

Liquidity is also an important consideration, especially with respect to our ability to pay claims after a significant catastrophe event. Our investment policy states that portfolio holdings should be sufficiently liquid for the timely payments of all obligations without material impact on market values.

Liquidity stress tests are performed with the assistance of our asset risk management system, which splits our fixed-maturity portfolio into various tiers based on its proprietary algorithm that tracks historical liquidity trends. Each security is assigned to one of the five liquidity tiers, which Berkley can then actively manage to seek an optimal balance. These reports are run quarterly or more frequently if necessary.

We believe the combination of operating cash flows and cash, cash equivalents, and short-term securities, as well as the laddered maturities of our high-quality fixed-maturity securities, should adequately address our liquidity needs. We also have the option to raise additional capital from public and private markets, if needed. Our outstanding long-term indebtedness does not have any liquidity or rating agency covenants that could cause it to be called early by investors. Furthermore, our assumed reinsurance business, in general, does not have rating agency downgrade triggers that could materially affect our liquidity position. The Company also has a \$40 million credit facility, allowing for the issuance of standby letters of credit on behalf of our Company and its subsidiaries, as well as a senior unsecured revolving credit facility that provides for borrowing up to an aggregate of \$300 million with a sublimit of \$50 million for letters of credit.

In order to accomplish our liquidity goals, Berkley:



Targets a minimum of 5% of our assets in cash, cash equivalents, and short-term securities



Generates cash flow through investment income from the asset portfolio, as well as from operations



Maintains a portfolio of high-quality, fixed-maturity securities (with a current overall portfolio average rating of AA-) so that a significant portion matures each year



Maintains significant liquidity at the Company that can be contributed to the insurance subsidiaries, if necessary



PILLAR 3

RESPONSIBILITY & TRANSPARENCY



PILLAR 3: RESPONSIBILITY & TRANSPARENCY



Berkley's success over more than five decades has been underpinned by its culture of responsibility and transparency. Strong policies underlie this culture, which has been instilled by its most senior executive officers since the Company's founding and is manifested daily through leadership with integrity. This section details our corporate governance, ethics and compliance policies and practices, cybersecurity infrastructure, data privacy program, and responsible investing practices.

Governance, Ethics & Compliance

Governance & Business Ethics Policies

Throughout our history, Berkley has maintained strong corporate governance and a culture of ethics and compliance. The W. R. Berkley Corporation Corporate Governance Guidelines set out procedures and standards regarding functions of the Board, including the qualifications of directors and their responsibilities, compensation, continuing education, election procedures, performance evaluation, access to management, and management succession. Pursuant to our Corporate Governance Guidelines, the Board seeks to undertake appropriate succession planning for our CEO, including policies and principles for selection and performance review as well as emergency succession. Succession and contingency plans are also in place for W. R. Berkley Corporation's Executive Chairman. Leadership reinforcement, mandated Company-wide training, clear policies, available resources, ethics, and compliance continue to serve as key components of how Berkley operates.



Berkley is committed to conducting business with the highest ethical standards and in full compliance with all applicable anti-corruption, anti-bribery, anti-money laundering, and anti-slavery laws and regulations. All employees are required to complete our annual certification process confirming that they have read and understand our Code of Ethics and Business Conduct ("Code"), which includes specific provisions on bribery and money laundering. Bribery and anti-money laundering risk is included as part of the Business annual risk assessment process, particularly in the UK and Europe, as well as other high-risk countries. Our Internal Audit unit includes bribery/money laundering as part of its Business audit process. While our U.S. property casualty business is not subject to anti-money laundering regulations, those Businesses in Europe, as well as other countries with specific anti-money laundering regulations, have adopted the requisite anti-money laundering policies and procedures.



PILLAR 3: RESPONSIBILITY & TRANSPARENCY

Berkley Ethics Infrastructure

The Business Ethics Committee of the Board oversees our Code, our Code of Ethics for Senior Financial Officers, and our Company's Statement of Business Ethics for the Board of Directors, and is responsible for reviewing related disclosures made by our employees and directors. In addition, we have established Complaint Procedures, which are available on our website.

Berkley's Internal Audit function reviews the Code and ethics processes annually, performing the following procedures:

- Confirming all publicly available documents related to ethics and compliance procedures are current, complete, and accurate
- Ensuring employees have completed ethics training and annual Code certification
- Reviewing any accounting or legal allegations reported confidentially through a third-party hotline or Berkley's website

Refer to our Code for information regarding Berkley's business practices around antitrust, fair competition, and insurance quoting practices.

Employee Ethics Resources

While W. R. Berkley Corporation's Chief Compliance Officer oversees our overall ethics and compliance program, adherence to the Code is the shared responsibility of employees at all levels and across all geographies. Each Business has established a Business Ethics Committee to advise on ethical questions. Our ethics and compliance program includes business ethics, compliance with applicable laws and regulations, and training with respect to anti-corruption and avoiding anti-competitive behavior. We encourage our employees to speak up about any ethical concerns they may have and to raise such concerns using our 24-hour ethics hotline. Ethics resources for our employees include a Business Ethics Committee at each of our Businesses, a "no retaliation" policy for those reporting unethical behavior, and an anonymous, independently operated, multilingual telephone and internet hotline ("EthicsLine"). Instructions about how to access these resources via the internet or telephone are included in the Code and communicated to employees through a mandatory annual review of the Code. The EthicsLine is available 24 hours a day, seven days a week, on an anonymous basis for all Berkley employees, contractors, customers, and suppliers worldwide to report legal or ethical concerns.

Reports to the Ethics Line are typically responded to within 24 hours of receipt. They are reviewed by W. R. Berkley Corporation's Chief Compliance Officer and are presented to the Board, as required, on a quarterly basis. The number of reports received by the EthicsLine is reported to our external auditor on a quarterly basis, and our external auditor has generally tested the EthicsLine quarterly to ensure comprehensiveness, credibility, and compliance. Over the past three years, all reports made through the EthicsLine have been reviewed, investigated, and closed, including nine reports submitted in 2023.

If a report leads to a discovery of violations of law or Company policy, disciplinary and other appropriate actions will be taken.

Corporate Governance Complaint Procedure

We have established a procedure for complaints regarding accounting and corporate governance matters. The procedure outlines the process of submitting a complaint regarding allegations of legal or accounting improprieties or any retaliatory acts and details how any complaint will be treated upon receipt by W. R. Berkley Corporation's General Counsel. Berkley's Audit Committee is regularly provided a summary of such complaints. The Complaint Procedures for Accounting and Other Corporate Governance Matters ("Complaint Procedures") can be viewed [here](#).

PILLAR 3: RESPONSIBILITY & TRANSPARENCY

Compliance Training & Resources

The success of our ethics and compliance programming is demonstrated through our employees’ engagement with annual training offerings. This training serves as a reminder of our expectation that employees will conduct business in an ethical manner and that we will provide resources to employees who witness a concerning ethical matter.

- We mandate ethics training for all new employees. Covering the Code and related Berkley policies, this training sets expectations for new employees with respect to ethical conduct and outlines the procedures to raise concerns of possible violations of law or Company policy. All employees who were onboarded in 2023 successfully completed all required ethics training.
- Employees are required to complete an annual web-based certification process regarding conflicts of interest that is administered by a third-party training vendor. The certification includes a series of questions about the individual employee’s exposure to various

types of conflicts of interest (i.e., family members’ interests and outside business interests). All active and new employees successfully completed the annual conflict-of-interest process in 2023.

- Part-time employees are also required to complete required training and the annual certification.
- Employees in the UK and Europe complete required annual training on bribery, money laundering, and economic sanctions regulations.
- Contractors, consultants, contingent workers, and other non-Berkley employees who have access to the Berkley network and/or a Berkley office are required to review and acknowledge the Acceptable Use Policy, which affirms that they are aware of specific standards of behavior that will apply to them when performing work for the Company. Areas covered by this policy include, but are not limited to, use and protection of Company information, workplace safety and sexual harassment, trade sanctions compliance, and privacy.



Percentage of new employees who have completed ethics training within prescribed timeframe:

100%



Percentage of active employees who have completed conflict-of-interest certification:

100%

Tax Transparency

We actively promote tax transparency and adherence with applicable law to ensure our compliance with the tax obligations that arise in all the jurisdictions in which we conduct business. We embrace the view that value is created through commercial activity, which results in the need to pay the appropriate amount of tax. As a result, we do not engage in tax-motivated transactions that are devoid of business purpose or economic substance to achieve a lower statutory rate. Moreover, to the extent that Berkley affiliates enter into intercompany transactions, we require that the related pricing be consistent with comparable arm’s-length transactions.

Berkley complies with the SEC rules and regulations regarding external audit partner rotation requirements.



PILLAR 3: RESPONSIBILITY & TRANSPARENCY

Public Policy



Federal and State Government Relations

Our Vice President, Legal Counsel, who is based in Washington D.C., is responsible for federal and state government affairs, including monitoring and reporting on legal and legislative developments that affect the property and casualty insurance sector, and liaising with and providing support to key industry trade associations or coalitions.

Additionally, our Businesses communicate through their trade organizations to the NAIC, legislators, and regulators on relevant legislative and regulatory issues.



Political Action Committee ("PAC")

In the U.S., insurance is primarily regulated at the state level, although certain federal regulations also apply. The W. R. Berkley Corporation PAC is a U.S. federal PAC overseen by W. R. Berkley Corporation's Senior Vice President and Chief Compliance Officer, and its Vice President and Treasurer. The Chief Compliance Officer provides the Business Ethics Committee of the Board with periodic reports on our political spending activity. Our PAC aggregates voluntary contributions from Berkley employees and their families to donate to candidates for federal office. Information regarding donations to our PAC and its contributions and expenditures is filed quarterly with the Federal Elections Commission and is publicly available on its website.



Political Expenditures

The Business Ethics Committee of the W. R. Berkley Corporation Board of Directors oversees our Political Spending Policy and receives regular reports on the Company's political spending activity from our Senior Vice President and Chief Compliance Officer. Federal law prohibits us from making campaign contributions to federal candidates. Over the past five years, other political contributions, if any, have been negligible.

On a quarterly basis, expenditures for federal, nonpartisan political activities are reported to W. R. Berkley Corporation's Vice President, Legal Counsel, who is based in Washington, D.C, who prepares and submits the required disclosure filings. These filings can be found on the U.S. Senate Lobbying Disclosure website.

Berkley's political expenditures over the past year totaled approximately \$1.4 million or about 0.02% of our total operating costs and expenses.

PILLAR 3: RESPONSIBILITY & TRANSPARENCY

Cybersecurity

Berkley prioritizes the protection of our information technology, computer systems, corporate and customer data, e-commerce data, email communications, applications software, and other elements of our information and technology assets. Trust in our systems is essential to our business and our clients. Our cybersecurity program is designed to protect the confidentiality, integrity, availability, and privacy of our information systems and data. Our processes focus on the six steps of cybersecurity set by the U.S. National Institute of Standards and Technology Cybersecurity Framework (“NIST CSF”): identify, protect, detect, respond, recover, and govern.

Berkley’s cybersecurity program is focused on four essential components: people, processes, technology, and governance. By combining the expertise of our people, robust processes, advanced technology, and holistic governance, our Company seeks to respond quickly to identified risks. Additionally, the cybersecurity team is tasked with reducing risks as discussed below.

Strategic Goals

In 2023, we added an eighth strategic-level goal to our cybersecurity program to drive home our commitment to governance and oversight:



Governance and Oversight (new)

Implementing metrics and monitoring capabilities to increase transparency to management and ensure compliance with regulatory requirements





Cultural Uplift

Promoting our belief that security is the responsibility of all employees





Key Leader Engagement

The act of reaching out to key leaders to establish trusted, two-way communications and understanding of operations





Secure by Design

The action of establishing security best practices into the foundation of all aspects of business and technology efforts



Security & Privacy Consulting Services

Supporting our Businesses with activities related to security and data privacy

Program Reporting

The capability to provide accurate situational- and program-level insights into the cybersecurity program

Network Security & Resiliency

The architecting and engineering of a secure and resilient Berkley enterprise network

Continual Improvement

Implementing repeatable, automated, measurable, and practiced processes to mature the program and risk reduction throughout Berkley

Berkley 2024 Sustainability Report

55

PILLAR 3: RESPONSIBILITY & TRANSPARENCY

Cybersecurity Management & Governance

Our cybersecurity program is overseen by the Board and managed by senior-level management. The Company’s Board receives periodic updates on cybersecurity risks from W. R. Berkley Corporation’s President and CEO and Senior Vice President – Chief Information Security Officer (“CISO”), as well as other members of senior management. As part of the oversight of our cybersecurity program, the Board of Directors of Berkley Insurance Company, the Company’s lead insurer that directly or indirectly owns all of the Company’s other insurance companies, receives an annual report from the CISO, who provides attestation evidence for the New York State Department of Financial Services Part 500 (“23 NYCRR 500”).

Berkley’s international footprint requires global risk management under our cybersecurity program. Therefore, we have placed Regional Information Security Officers (“RISOs”) in strategic locations around the world. These RISOs are supported by core personnel in the global cybersecurity program. Collectively, these leaders and their teams, in close collaboration with Businesses, implement and manage risk reduction projects and tasks with a commitment to being a business enabler. Our

cybersecurity program endeavors to manage security risk that could affect Berkley or its clients, protect privacy, ensure availability of core business functions, and reduce the potential for reputational harm.

Cybersecurity Management System

Our cybersecurity management system is modeled on the global standard for risk assessment, International Organization for Standardization (“ISO”) 27001, and incorporates relevant standards, laws, and guidance from ISO 27002, the NIST CSF, and the 23 NYCRR 500 cybersecurity regulation, along with global and domestic privacy regulations such as the European Union’s General Data Protection Regulation (“GDPR”), Brazil’s Lei Geral de Proteção de Dados Pessoais (“LGPD”), and the California Consumer Protection Act (“CCPA”). Additionally, we track and comply with regional regulations in accordance with local regulatory and legal requirements.

Following Updated Rules & Regulations

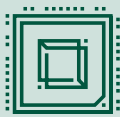
Berkley’s cybersecurity team follows updated rules and regulations published at all state, federal, and global levels. The newly released update to the 23 NYCRR 500 and the new SEC Cybersecurity Disclosures rule require enhanced reporting and Board oversight. Our cybersecurity program is also actively adopting the newly introduced governance domain of the updated NIST CSF as the foundation framework of our program.

Our cybersecurity team includes both regional and domain-focused leadership under Berkley’s CISO.

Functional areas include:



Security Strategy & Program Management



Security Architecture & Engineering



Security Operations and Incident Response



Insider Threat and Data Protection



Vulnerability Management



Identity & Access Management



IT Governance, Risk & Compliance, & Third-Party Risk Management



Regional Information Security Management (United States, Asia-Pacific, Latin America, European Union, and the United Kingdom)

PILLAR 3: RESPONSIBILITY & TRANSPARENCY

Cybersecurity Policies

Our cybersecurity policies seek alignment with domestic and global standards. The policy suite covers the management structure for our program and physical safeguards for data centers, data protection, breach notification, commitment to collect and process user data for limited stated purposes and other privacy standards, security management, communications, third-party data compliance, and others as required by regulation. We regularly review and upgrade our cybersecurity policies and standards, which are generally revised in accordance with updated compliance and regulatory requirements and are informed by industry best practices. The policies apply to all employees and contractors, and we have created cybersecurity awareness training with the goal of protecting Berkley including its assets and reputation.

Cybersecurity Defense and Risk Reduction

In protecting our information and customer data, we draw on several lines of defense: our employees, our cybersecurity program, and our internal audit

program. Holistically, these lines of defense work to reduce cybersecurity risk around our core risk reduction directives: data loss, availability, money movement, regulatory, and reputation.

Our program is constantly evolving to reduce our cybersecurity exposure. Processes such as security architecture reviews, exceptions management processes, cloud security patterns, application penetration testing, and dynamic application testing are continually reviewed and enhanced as needed, further improving cybersecurity awareness and reporting metrics that provide improved management transparency and program orchestration.

Our cybersecurity management system undergoes continuous control testing in-line with our assessment of industry best practices as well as local and regional regulatory and legal requirements, including GDPR, LGPD, NIST, ISO, 23 NYCRR 500, and CCPA. This is accomplished largely using control testing to validate Businesses' ability to comply with policies, procedures, standards, and regulatory requirements. Additionally, in accordance with regulations, we use external vendors to conduct periodic penetration testing where appropriate.

2023 Required Enterprise-Wide Training



Business Email Compromise



Email Protection Tools



Security Essentials



New Employee Protecting Our Information*

*Completed at the start of employment only

100% employee completion rate for annual training

100% employee completion rate for Protecting Our Information during the calendar year 2023



PILLAR 3: RESPONSIBILITY & TRANSPARENCY

Monitoring & Responding to Data Breaches

We deploy tools and technologies to help identify, protect, detect, respond, and recover against threats and cyberattacks. We continually improve these tools, technologies, and processes in an effort to reduce risk, decrease response time, and improve the efficacy of actions and fidelity of threat data.

We participate in information sharing networks, such as the Financial Services Information Sharing and Analysis Center (“FS-ISAC”), and subscribe to threat intelligence services to monitor dark web activity and internet threats that could affect our data or sensitive information.

We also track industry and government intelligence sources for impact in the marketplace and deploy updates as necessary. Additionally, we monitor new laws and regulations for potential impact to Berkley operations, and we will continue to revise our controls as needed.

Third-Party Risk Assessment

Our Third-Party Risk Management program focuses on cybersecurity risk management associated with the use of third parties, including third-party risk assessment and due diligence activities. The program addresses cybersecurity and data privacy risks, as well as compliance with the GDPR, 23 NYCRR 500, CCPA, LGPD, and other regulatory requirements. The team works closely with all Berkley Businesses and in conjunction with procurement, legal, and compliance teams.

PILLAR 3: RESPONSIBILITY & TRANSPARENCY

Data Privacy Program

Berkley has developed an enterprise privacy framework for our Businesses to comply with applicable privacy laws and regulations. The foundation of this privacy framework is based on various privacy laws and/or regulations, including the Gramm-Leach-Bliley Act ("GLBA"), GDPR, the NAIC's Insurance Information and Privacy Protection Model Act and its Insurance Data Security Model Law, as well as a variety of other state privacy laws (such as California and New York) and those of other countries in which we operate. Per the [Compliance Training & Resources](#) section of this report, new Berkley full- and part-time employees are required to take ethics training, which includes Protecting Our Information and covers the enterprise privacy framework. In addition, contractors, consultants, contingent workers, and other non-Berkley employees who have access to the Berkley network and/or a Berkley office are required to acknowledge the Acceptable Use Policy, which covers the use and protection of Berkley information.

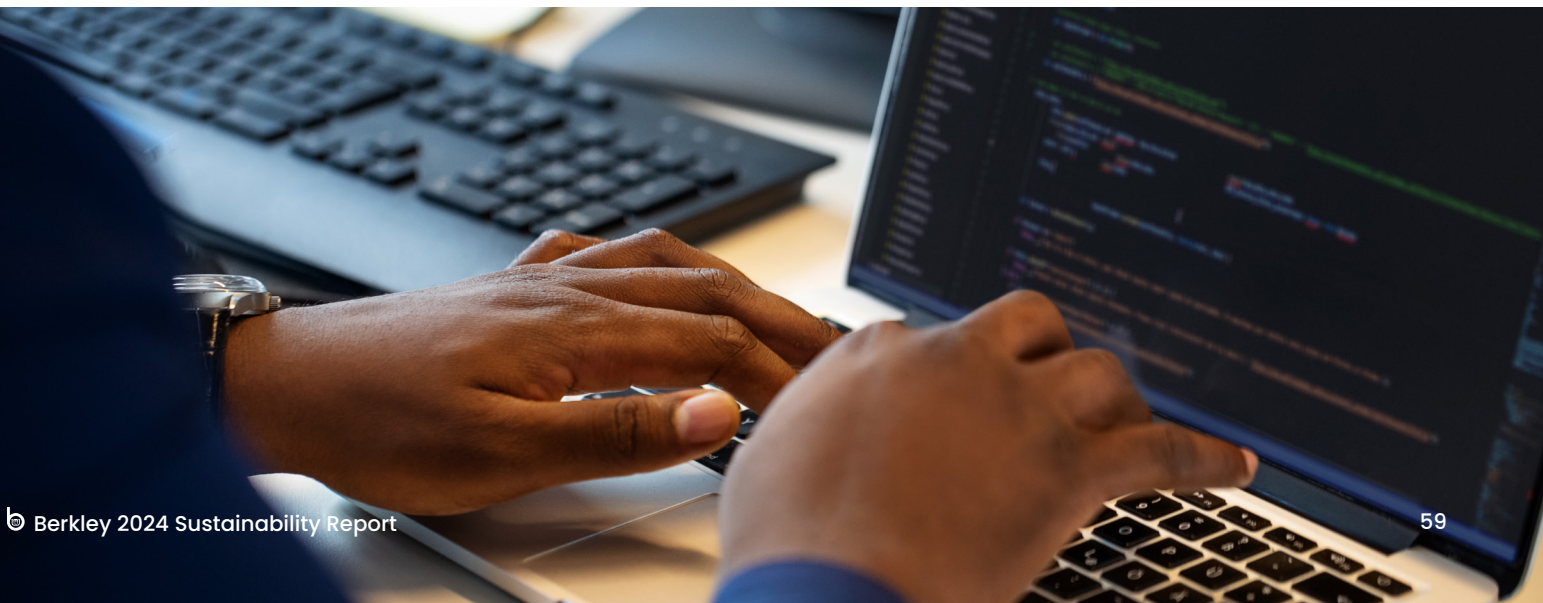
Our global and local privacy policies provide clear guidance on the types of information we collect, why we collect it, and how we use that information in our business. Data collection is limited only to the purposes that are mentioned in the privacy policy. Generally, we collect and use information for business purposes with respect to our insurance products and services and other business relations involving our customers. Our privacy policies also describe the types of information we may disclose and to whom we may disclose such information along with the actions we take to protect any personal and/or confidential information we may collect in the course of our operations.

Many of the applicable state- and country-specific privacy laws now require us to have a process through which individuals can request access to their personal data which we collect. In accordance with those laws (namely GDPR and other similar laws), individuals can request that their personal data be removed from our systems within a defined timeframe and subject to certain exceptions. The objective of our global privacy framework is to create consistency by leveraging the most effective practices across Berkley. Consequently, a process has been established to address any individual information request that may be received to ensure the request is addressed within the applicable timeframe.

As required by GDPR and LGPD, Berkley Businesses located in the United Kingdom, the European Union, and Brazil complete data privacy risk assessments and annually certify through control assessments that they have met the required standards.

Our enterprise data privacy program is overseen by the Board and managed by the Company's Senior Vice President and Chief Compliance Officer, who also serves as the Company's Chief Privacy Officer. In addition, certain individuals have been appointed as data protection officers in those foreign jurisdictions where such a designation is required. The Chief Compliance Officer periodically reports to the Board, or a committee of the Board, regarding general compliance program updates, including the enterprise privacy program.

Berkley's Privacy Policy can be located [here](#).



PILLAR 3: RESPONSIBILITY & TRANSPARENCY

Responsible Investing

W. R. Berkley Corporation’s Board of Directors and senior management believe investing responsibly can strengthen our Company while protecting shareholders and policyholders from elevated risk levels that are not aligned with our values.

We believe that integrating ESG considerations into our investment process can improve our long-term, risk-adjusted returns by helping us actively understand and manage risks and identify investment opportunities. Our investment group includes a team that focuses on responsible investing. This team is dedicated to continual education on ESG and climate initiatives. These skills are used to analyze our investments through a sustainability lens.

This section discusses our investment policies, allocation of assets, and ESG sector investments, as well as risk management processes

Responsible Investing Highlights

>99% \$326M

Investments in our portfolio that satisfy our ESG criteria

Market value of sustainable bond investments as of December 31, 2023

During 2023, we grew our sustainable bond portfolio by more than 4% to \$326 million. We expect to continue to look for opportunities to increase our sustainable investment portfolio.

Management & Governance of Responsible Investing

The Board engages with our senior leadership team, including W. R. Berkley Corporation’s Executive Vice President – Investments, on a periodic basis regarding risks pertaining to investments. In addition, the Board for each statutory insurance company reviews all investment transactions on a quarterly basis.

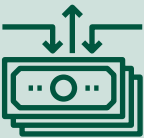
Our internal investment policy has three primary objectives:



Maximizing long-term, risk-adjusted, after-tax total returns for the investment portfolio, while prioritizing preserving capital and keeping volatility low



Avoiding investment exposures that might impair our ability to expand our Business



Providing sufficient liquidity for the timely payment of insurance claims

To fulfill these goals, we maintain two strategies:



A core fixed-maturity portfolio consisting of high-quality, liquid securities designed to satisfy the funding of insurance reserves



An opportunistic, non-fixed-maturity investment portfolio designed to provide non-correlated and favorable long-term, risk-adjusted total returns

PILLAR 3: RESPONSIBILITY & TRANSPARENCY

Our investment policy provides parameters for credit quality, requiring that 90% of our fixed-maturity investments be rated as “investment grade” or higher by major credit rating agencies. Since the major third-party rating agencies—such as Fitch, Moody’s, S&P, DBRS, and Kroll—screen for ESG issues, their ratings may help us avoid investing in companies that have been negatively affected by ESG risk. We view ESG factors as additional attributes to better understand the risk profile of our investments.

Investment Decision Making with ESG

Incorporating ESG attributes and performance criteria into our investment analysis and decision-making process makes economic sense by potentially reducing downside risks and improving overall risk-return profiles. In 2023, 100% of our assets under internal management were evaluated against our ESG exclusionary criteria, and more than 99% of our portfolio comprised investments that satisfy our ESG criteria.

Our strategies and practices for responsible investing are constantly evolving as we consider, among other things, ESG-related changes in the investment markets. Our internal investment manager is guided by Berkley’s investment policy and subsidiaries’ individual investment policies, and considers ESG, along with many other issues, in investment decisions. Such considerations may improve our performance over the long term, with some important short-term benefits for our investors, policyholders, and other stakeholders. In addition, our investment personnel are responsible for analyzing and reporting on ESG issues in our investment portfolio.

Detecting & Excluding ESG Risks

We assess investment risk using both internal analysis and external research. We use third-party risk management systems and platforms that contain ESG analysis and tools to manage ESG risks. These various platforms and tools also provide white papers on ESG issues, such as climate risk, which contribute to the ongoing education of our analysts and portfolio managers. These ratings, tools, and reports, in conjunction with our independent research and analysis, are used to factor ESG issues into Berkley’s investment decisions. In addition, in one jurisdiction we are continuing to pilot new tools to help detect ESG risks after not being satisfied with data provided by the first tool we tested. These tools provide estimates of environmental, social, governance, carbon emissions footprint, transition risk, and physical risk management scores for a large number of companies, including small and medium-sized enterprises. The tools deliver globally comparable and standardized scores based on company size, industry, and location, enabling a full portfolio risk assessment. These ESG-focused ratings, data, and analytics can then be integrated with traditional investment analytics.



PILLAR 3: RESPONSIBILITY & TRANSPARENCY

Screening

Screening is a well-established investigative measure to evaluate responsible investments. It can help us avoid or minimize investments in industries we view as having higher risk profiles, including the risk of becoming stranded assets due to changes in societal views in sectors such as weapons, tobacco, oil, gas, and coal.

If a screen detects ESG risk, the opportunity is assessed further and may be declined on ESG grounds or pursued subject to ESG risks being measured, managed, and mitigated in a timely manner.

Our investment policies are designed to comply with all applicable laws and regulations including, but not limited to, anti-corruption, anti-bribery, anti-money laundering, and anti-slavery.

Focus on Low-Carbon Investing

The transition to a lower-carbon economy is a good example of a situation in which we consider ESG risks.

Preparing for this global shift is part of our strategy to avoid holding investments that may become stranded assets. As we seek to position our Company to thrive in a low-carbon economy, we have set three objectives to advance our shift to low-carbon investing:

- Target certain investments in renewable energy infrastructure and sustainable bonds
- Screen for investments in utility companies that generate 30% or more of their revenues from the use of thermal coal



We maintain an “exclusion list” that currently addresses the following ESG criteria:



Environmental: Companies that generate more than 30% of their revenue from the use of thermal coal



Social: Companies associated with or producing banned weapons



Governance: Countries identified by the Office of Foreign Assets Control (“OFAC”) of the U.S. Treasury Department

- Seek opportunities to expand on our property portfolio’s environmental- and sustainability-related certifications (e.g., LEED-certified buildings)

Our sustainable bond portfolio grew by more than 4% in 2023 after growing 20% in 2022, more than 67% in 2021, and 70% in 2020. At year-end 2023, investments in utilities with greater than 30% exposure to thermal coal represented approximately 0.4% of our cash and investments.



In 2023, we continued declining to invest in certain utilities with a dependence on coal, even though they met our other credit and yield criteria, because of concerns about concentration in this energy source and the potential for poor liquidity and mark-to-market issues.

PILLAR 3: RESPONSIBILITY & TRANSPARENCY

Impact Investing

In addition to achieving appropriate long-term, risk-adjusted returns, our investments make important contributions to the safety and security of our society, the stability of our financial systems, and the development of infrastructure. In this sense, our investments help to stimulate the economy's savings and investments, allowing businesses and consumers to have a higher level of consumption and plan more confidently.

In particular, our fixed-maturity investments help finance many environmental and social improvements for society. For example, we invest in bonds that support water and sewer, waste, pollution, industrial development ("IDB"), pollution control revenue ("PCR"), and resource recovery projects, which help mitigate pollution, provide safe drinking water, promote conservation, and in many cases respond to changing climate conditions. Power and utility bonds support the development of efficient and economical essential services, which make life safer and easier for customers. Housing bonds provide funding for multifamily or single-family housing projects, often for the low-income sector, while residential mortgage-backed securities ("RMBS") allow consumers to buy homes. Development, infrastructure, and transportation bonds support our country's foundation by improving the facilities and systems that serve our country and communities, toll roads, bridges, and tunnels. More broadly, government and other municipal bonds fund public works. Additionally, our investments in secondary and higher education and hospitals support enterprises directly involved in improving community health and the lives of students. Investing in small business lending supports local economic development by keeping dollars and jobs in the local economy, while building neighborhood connections and diverse community identities. Berkley holds other sustainable bonds in sectors such as financial and technology.



We also invest in tax credits, including low-income housing tax credits, which support the construction of affordable housing. Berkley has expanded its ESG investing through its investment in state tax credits. Over the years, Berkley's investments in this area have created or retained nearly 1,000 jobs through the financing of green and women- and minority-owned enterprises in multiple states throughout the US. For example, these investments helped fund a minority-owned Indian food manufacturer in New Jersey which created 133 new jobs and retained 275 existing jobs. Another example is a cybersecurity and risk management company in Connecticut that helped create or retain 88 jobs in a low-income community.

Impact Investments in Select Sectors	At 12/31/2023 (\$ in millions)
Housing and RMBS	\$3,222
Other Foreign Governments	\$1,342
School or University	\$806
Other Municipal	\$741
Corporate Utilities	\$725
U.S. Government	\$707
Development/Infrastructure	\$674
Transportation	\$416
Power	\$309
Small Business Lending	\$180
Hospital	\$118
Other Sustainable Bonds	\$89
Water & Sewer	\$65
Waste, Pollution, IDB & PCR, or Resource Recovery	\$39






PILLAR 3: RESPONSIBILITY & TRANSPARENCY

Examples of our impact investing within certain asset classes include:

Environmentally Certified Real Estate

We invest in properties with environmentally responsible features and credentials. Investing in such buildings makes good business sense because LEED-certified buildings have lower vacancy rates and increased value to investors than non-certified properties.¹⁰ In addition, LEED-certified buildings have a 31% higher average rent.¹¹

Investing in Properties with Environmental Certifications		
 Building	 City	 Certification
Office Complex	New York City	ENERGY STAR rating: 87
Mixed-Use Project	Washington, D.C.	LEED Platinum

Clean Utilities

As part of aligning Berkley’s fixed-maturity investments and overall investment portfolio with a low-carbon economy, we favor low-carbon utility investments over those that use coal. Our investment funds with exposure to the oil and gas industry have declined by 17% since 2018, from \$184 million to \$152 million at year-end 2023.



We made an investment in an energy company that uses steam-assisted gravity drainage (powered by natural gas), rather than in a similar company that uses mining for extraction because of the additional energy (and therefore cost) required for the mining venture. In the securities markets, we have made an investment in securitized wind turbines in accordance with our belief that they will generate sufficient revenue to service their debt with ample margins and to provide a level of diversification from other asset-backed investments.

Housing for Low-Income Families

We participate actively in a federal program that encourages private-equity investment in affordable rental housing for low-income households in inner-city and rural locations in the United States. We have invested \$93 million in low-income housing securities and other state-level job retention and tax credit securities. Through these investments, we are helping reduce poverty and inequality, providing affordable housing, and supporting economic development in underserved areas through job creation.



Details of our investment portfolio by asset class are included in our quarterly financial statements. Other than with respect to the use of trading account securities, we do not make use of derivatives. As of December 31, 2023, the fair value of options contracts outstanding was negligible, and we had no securities lending collateral assets.

¹⁰ “Green is Good: The Impact of Sustainability on Real Estate Investment,” Cushman & Wakefield, accessed January 19, 2024, <https://www.cushmanwakefield.com/en/united-states/insights/green-is-good-series>

¹¹ “Green Is Good: The Enduring Rent Premium of LEED-Certified U.S. Office Buildings,” CBRE, October 26, 2022, <https://www.cbre.com/insights/viewpoints/green-is-good-the-endurance-of-the-rent-premium-in-leed-certified-us-office-buildings#:~:text=A%20CBRE%20analysis%20of%2020%2C000,non%2DLEED%2Dcertified%20buildings>



APPENDICES

Task Force on Climate-related Financial Disclosures (“TCFD”) Index

Topic	Description	Item	Corresponding Section
Governance	Discloses the organization’s governance around climate-related risks and opportunities	a) Describes the Board’s oversight of climate-related risks and opportunities	Governance & How We Operate, Page 13
		b) Describes management’s role in assessing and managing climate-related risks and opportunities	Governance & How We Operate, Page 13
Strategy	Discloses the actual and potential impacts of climate-related risks and opportunities on the organization’s Businesses, strategy, and financial planning	a) Describes the climate-related risks and opportunities the organization has identified over the short, medium, and long term	Climate Change Risks & Opportunities, Pages 37–44 ; Focus on Low-Carbon Investing, Page 62 ; Impact Investing, Pages 63–64
		b) Describes the impact of climate-related risks and opportunities on the organization’s Businesses, strategy, and financial planning	Page 33 ; Climate Change Risks & Opportunities, Page 37
		c) Describes the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	Does not currently appear within the report
Risk Management	Discloses how the organization identifies, assesses, and manages climate-related risks	a) Describes the organization’s processes for identifying and assessing climate-related risks	Risk Assessment & Modeling, Pages 34–36
		b) Describes the organization’s processes for managing climate-related risks	Addressing Identified Climate Risk, Page 46
		c) Describes how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management	Governance & How We Operate, Page 13 ; Page 33 ; Risk Assessment & Modeling, Pages 34 ; Catastrophe Risk Management & Modeling, Pages 35–36
Metrics & Targets	Discloses the metrics and targets used to assess and manage relevant climate-related risks and opportunities	a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	Risk Assessment & Modeling, Pages 34–36
		b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (“GHG”) emissions and related risks	GHG Emissions, Page 40
		c) Describes the targets used by the organization to manage climate-related risks and opportunities and performance against targets	No targets set by Berkley at this time

APPENDICES

Sustainability Accounting Standards Board (“SASB”) Metrics

Topic	SASB Code(s)	SASB Requested Metric(s)	W. R. Berkley Response
Transparent Information & Fair Advice for Customers	FN-IN-270a.1	Total amount of monetary losses as a result of legal proceedings associated with the marketing and communication of insurance product-related information to new and returning customers	Customers, Page 27
	FN-IN-270a.2	Complaints-to-claims ratio	Customers, Page 27
	FN-IN-270a.3	Customer retention rate	Customers, Page 27
	FN-IN-270a.4	Description of approach to informing customers about products	Customers, Page 27
Incorporation of ESG Factors in Investment Management	FN-IN-410a.2	Description of approach to incorporation of ESG factors in investment management processes and strategies	Investment Decision-Making with ESG, Pages 61-62
Policies Designed to Incentivize Responsible Behavior	FN-IN-410b.1	Net premiums written related to energy efficiency and low-carbon technology	Climate Change Opportunities, Pages 43-44
	FN-IN-410b.2	Discussion of products or product features that incentivize health, safety, or environmentally responsible actions or behaviors	Responsible Product Offerings, Page 28 ; Climate Change Opportunities, Pages 43-44 ; Loss Control and Loss Control & Education, Pages 47-48
Financed Emissions	FN-IN-410c.1	Absolute gross financed emissions, disaggregated by (1) Scope 1, (2) Scope 2, and (3) Scope 3	Not disclosed at this time
	FN-IN-410c.2	Gross exposure for each industry by asset class	Not disclosed at this time
	FN-IN-410c.3	Percentage of gross exposure included in the financed emissions calculation	Not disclosed at this time
	FN-IN-410c.4	Description of the methodology used to calculate financed emissions	Not disclosed at this time

APPENDICES









Sustainability Accounting Standards Board (“SASB”) Metrics

Topic	SASB Code(s)	SASB Requested Metric(s)	W. R. Berkley Response
Physical Risk Exposures	FN-IN-450a.1	Probable Maximum Loss (“PML”) of insured products from weather-related natural catastrophes	Not disclosed at this time
	FN-IN-450a.2	Total amount of monetary losses attributable to insurance payouts from (1) modeled natural catastrophes and (2) non-modeled natural catastrophes, by type of event and geographic segment (net and gross of reinsurance)	Climate Risk in Catastrophe Modeling, Page 36
	FN-IN-450a.3	Description of approach to incorporation of environmental risks into (1) the underwriting process for individual contracts and (2) the management of firm-level risks and capital adequacy	1) Insurance Risk, Page 33 ; Climate Change Risk Management & Mitigation, Pages 45-46 2) Catastrophe Risk Management & Modeling, Page 35-36
Systemic Risk Management	FN-IN-550a.1	Exposure to derivative instruments by category	Page 64
	FN-IN-550a.2	Total fair value of securities lending collateral assets	Page 64
	FN-IN-550a.3	Description of approach to managing capital and liquidity-related risks associated with systemic non-insurance activities	Liquidity Management, Page 49

Activity Metric	Code	Metric
Number of policies in force, by segment: (1) Property & Casualty, (2) Life, and (3) Assumed Reinsurance	FN-IN-000.A	Approximately 1.3 million property and casualty policies in force as of December 31, 2023

APPENDICES

United Nations Sustainable Development Goals (“UN SDG”) Priority Mapping

Our Strategic Priorities	Key Focus Areas	Sustainable Development Goals Alignment			
Pillar 1: Human Capital & Community	Human Capital Management & Governance				
	Diversity, Inclusion, & Belonging Employee Well-Being Community Impact				
Pillar 2: Climate Risk Management	Risk Assessment Modeling				
	Climate Change Risks & Opportunities Climate Change Risk Management & Mitigation				
Pillar 3: Responsibility & Transparency	Governance, Ethics, & Compliance				
	Cybersecurity Responsible Investing				



THANK YOU

Berkley is pleased to voluntarily share this Sustainability Report describing its Environmental, Social, and Governance ("ESG") practices. This Sustainability Report is provided for informational purposes only, and Berkley disclaims any duty or obligation to update such information. Given the nature of the material and the methods used in gathering such material for this Sustainability Report, no warranty or representation is made as to its accuracy or completeness.

© Copyright 2024 W. R. Berkley Corporation. All rights reserved.