Berkley

SUSTAINABILITY REPORT 2023

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CEO Letter

W. Robert Berkley, Jr.

President &
Chief Executive Officer

W. R. Berkley Corporation has created value for its shareholders by focusing on long-term risk-adjusted return for over 55 years. Since its founding, our enterprise has embraced the principle of doing the right thing. We recognize the inherent link between serving the needs of our shareholders, employees, customers, distribution partners, and communities and creating shareholder value. Adhering to this principle engenders trust and confidence, enabling us to grow our business while delivering the best insurance solutions possible.

In recent years, we have formalized our environmental, social, and governance ("ESG") framework with identifiable pillars and governance structures that highlight the underpinnings of our operations that have been important components of our success since the beginning. In 2022, we focused on implementing our ESG framework while maintaining the alignment of our ESG reporting with guidelines promulgated by the Task Force for Climate-Related Financial Disclosures ("TCFD") and the Sustainability Accounting Standards Board ("SASB").

Our focus on the Climate Risk Management pillar of our ESG framework included performing a qualitative climate change risk assessment focused on underwriting, investments, operational risk, and developing regulation. We also introduced a pilot methodology for a quantitative underwriting climate change scenario analysis to gain a better understanding of how certain underwriting risks identified in the qualitative risk assessment may manifest and affect the business under various climate change scenarios. We continue to evaluate the applicability of this pilot methodology, and to consider whether it is fit for our purposes.

As we assist our clients in confronting the physical impacts of climate change through our products and services, we continue to leverage the expertise of our specialty Businesses and our decentralized structure to manage the risks and opportunities climate change presents to our Company. The global imperative to address climate change has taken center stage in the public discourse and regulatory initiatives as natural catastrophes have continued to become both more frequent and more severe. We believe that cooperation between the public and private sectors is critical to facilitating an orderly and well-managed transition to cleaner, more sustainable energy, and that the property and casualty insurance industry has a vital role to play by supporting policyholders.

Beyond climate risk, we focus on the Human Capital and Community pillar of our ESG framework as we further invest in talent management and development, enhance our culture of inclusivity, and continue to give back to the communities we serve. In 2022, we launched a comprehensive curriculum of structured learning programs that provide current and future leaders with the skills they will likely need to drive innovative business strategy and inspire their teams to exceed expectations. Our Diversity, Inclusion, and Belonging ("DIB") efforts focused on "inclusion" as a theme, through understanding from our employees what "inclusion" means to them and educating our teams on how to create a more inclusive workplace. We continued our long-standing tradition of community involvement, focusing time and resources on supporting the next generation, combating food insecurity, and protecting the environment.

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. We continued to invest in our sustainable bond portfolio in 2022, while exploring ways to further consider ESG matters in analyzing our existing portfolio as well as new investments. As reporting requirements in various regulatory jurisdictions evolve, we are focusing on preparedness and remain optimistic that regulators will be mindful of balancing resources between compliance and more impactful activities.

We work hard every year to make our business stronger, more agile, and more resilient as we manage our day-to-day business and plan for the future. Creating value for our shareholders and delivering strong long-term risk-adjusted returns remain our top priorities. We hope you enjoy learning more about what makes W. R. Berkley Corporation a trusted partner.

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 more than 55 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 8,100 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.

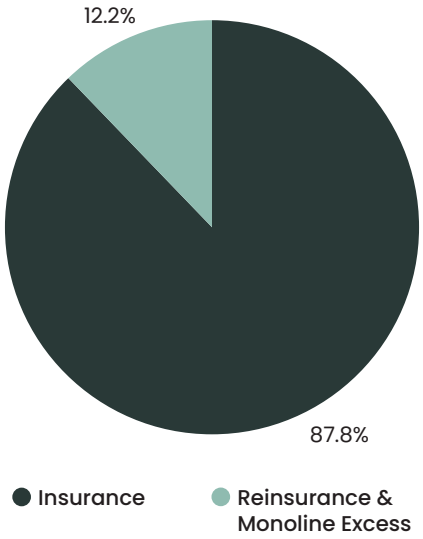
Insurance

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, South America, 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, and South Africa. Monoline Excess businesses retain risk solely on an excess basis.

Percentage (%) of 2022 net premiums written by each business segment:



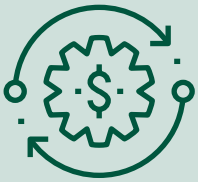
Helping Clients with Risk Management

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:

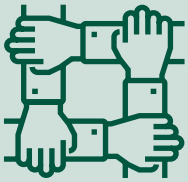
- Informing our underwriting, investment, and operational decisions
- Using established internal policies and practices to support our employees
- Helping policyholders address risk through our products and services
- Helping policyholders reduce their losses from events related to climate change through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

Elements of Corporate Culture

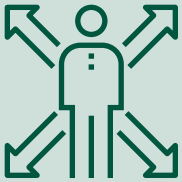
Our corporate culture drives our success. W. R. Berkley Corporation's Board of Directors ("Board") has recognized five elements of our corporate culture that are essential to our long-term success:



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

Berkley Businesses

Berkley has more than 55 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 | a Berkley Company	Berkley Agribusiness Risk Specialists	Berkley lifesciences | a Berkley Company	Berkley Life Sciences
Berkley Alliance Managers | a Berkley Company	Berkley Alliance Managers	BLG Berkley Luxury Group | a Berkley Company	Berkley Luxury Group
Berkley Asset Protection | a Berkley Company	Berkley Asset Protection	Berkley Offshore | a Berkley Company	Berkley Offshore Underwriting Managers
Berkley Construction Solutions | a Berkley Company	Berkley Construction Solutions	Berkley Oil & Gas | a Berkley Company	Berkley Oil & Gas
Berkley Entertainment | a Berkley Company	Berkley Entertainment	Berkley One | a Berkley Company	Berkley One
Berkley Environmental | a Berkley Company	Berkley Environmental	Berkley Program Specialists | a Berkley Company	Berkley Program Specialists
Berkley Financial Specialists | a Berkley Company	Berkley Financial Specialists	Berkley Public Entity | a Berkley Company	Berkley Public Entity
Berkley Healthcare | a Berkley Company	Berkley Healthcare	Berkley Risk | a Berkley Company	Berkley Risk
Berkley Human Services | a Berkley Company	Berkley Human Services	Berkley SMALL BUSINESS SOLUTIONS | a Berkley Company	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	Preferred Employers Insurance
Gemini Transportation Underwriters	Gemini Transportation	Acadia Insurance	Acadia Insurance
intrepid DIRECTINSURANCE	Intrepid Direct	Berkley Mid-Atlantic Insurance Group	Berkley Mid-Atlantic Insurance Group
Berkley Accident and Health	Berkley Accident & Health	Berkley NorthPacific	Berkley North Pacific
Berkley Cyber Risk Solutions	Berkley Cyber Risk Solutions	Berkley Southeast Insurance Group	Berkley Southeast
Berkley Enterprise Risk Solutions	Berkley Enterprise Risk Solutions	Continental Western Group	Continental Western Group
Berkley Fire & Marine	Berkley Fire & Marine Underwriters	Union Standard Insurance Group	Union Standard
Berkley INDUSTRIALCOMP	Berkley Industrial Comp	Admiral Insurance Group	Admiral Insurance
Berkley Management Protection	Berkley Management Protection	Berkley Aspire	Berkley Aspire
BerkleyNet	Berkley Net Underwriters	Berkley Custom	Berkley Custom Insurance
Berkley Product Protection	Berkley Product Protection	Berkley E&S Solutions	Berkley E&S Solutions
Berkley PROFESSIONAL LIABILITY	Berkley Professional Liability	Berkley Specialty Excess	Berkley Specialty Excess
Berkley Select	Berkley Select	NAUTILUS Insurance Group	Nautilus Insurance Group
Berkley Surety	Berkley Surety	VELA Insurance Services	Vela Insurance Services
Key Risk	Key Risk	VERUS Specialty Insurance	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 a Berkley Company	Berkley Re America	Berkley Europe a Berkley Company	Berkley Europe
Berkley Re a Berkley Company	Berkley Re Asia Pacific	Berkley Insurance Asia a Berkley Company	Berkley Insurance Asia
Berkley Re Solutions a Berkley Company	Berkley Re Solutions	Berkley Insurance Australia a Berkley Company	Berkley Insurance Australia
Berkley Re a Berkley Company	Berkley Re EMEA	Berkley Latinoamérica a Berkley Company	Berkley Latinoamérica
Berkley Canada a Berkley Company	Berkley Canada	W/R/B Underwriting a Berkley Company	W/R/B Underwriting

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 stakeholders. 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 values in the way they conduct their work, engage with team members, and give back to their communities. They add sustainability and resilience to our Company 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 have been embedded in our culture from the founding of our Company.

Berkley Company 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

Recognition

MSCI **MSCI ESG Ratings 1.4 C Aligned**	SUSTAINALYTICS **Sustainalytics ESG Rating: Medium**	FORTUNE **Fortune 500**	WARD'S 50 **Ward's 50**
WB WOMEN ON BOARDS **20% by 2020 Women on Boards**	Forbes **Forbes Global 2000: World's Largest Public Companies**	FTSE Russell **FTSE4Good Index Series**	S&P **S&P 500 ESG Index**

OUR SUSTAINABILITY STRATEGY

OUR SUSTAINABILITY STRATEGY

Environmental, Social, & Governance ("ESG") Framework & Three-Pillar Approach

Our ESG framework delivers trust to our stakeholders[1] by investing in human capital and communities, incorporating climate risk into our business decisions, and holding ourselves accountable through responsible management and transparent practices.

Human Capital & Community	Climate Risk Management	Responsibility & Transparency
Invest in our employees, customers, and communities to drive the long-term sustainability of our business	Integrate the risks of climate change into business decisions	Maintain trust with stakeholders through strong ethics and accountability
Human Capital Development Community Impact	Investments & Underwriting Operations	Ethics & Compliance Cybersecurity Responsible Investing

Operating Model

Governance

Berkley has engaged in practices that support ESG 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 transparency and responsible business practices. This analysis helped us to identify the three pillars of our ESG program, 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 the interests of our stakeholders—an ongoing focus throughout our history—and our intention to maintain trust with our stakeholders through our ethics and accountability.

[1] The 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.

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 this framework to ensure voices were heard and important issues were considered. Our ESG framework was formalized in 2022 and continues to be refined with evolving industry practices and emerging issues.

Governance & How We Operate

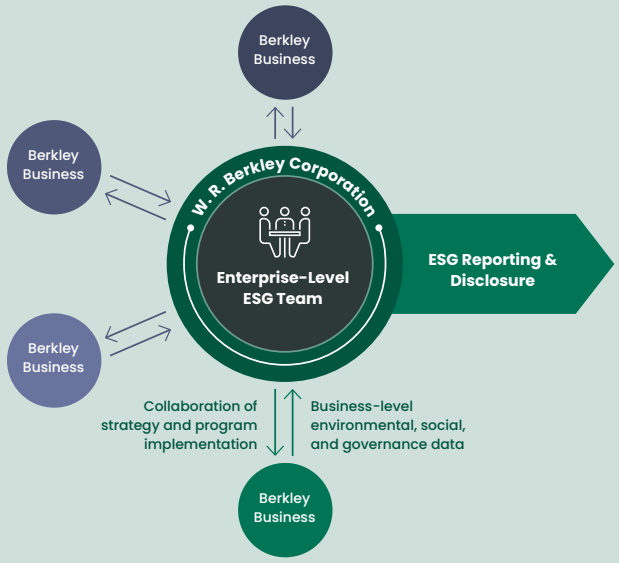
ESG Operating Model

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. In 2022, we began developing the framework into 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.

This team specifically leads strategy, program implementation, and ESG reporting and disclosure. 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 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 Board believes that oversight of risk, including ESG risks, is one of its 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. The Committee meets at least quarterly and shares information with the Board regarding ESG practices and stakeholder interests. 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"):[1]

[1] 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.

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 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.

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 Berkley 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 2022, Berkley focused internal DIB efforts around "inclusion" as a theme, understanding from our employees what "inclusion" means to them and educating our teams on how to create a more inclusive 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.

In 2022, Berkley celebrated several identity and heritage months. These efforts included the following:

- Creating and releasing a flipbook during Pride Month to amplify the voices of Berkley people who identify as part of the LGBTQ+ community
- Hosting a webinar focused on Black artists as part of an art community webinar series for Black History Month
- During Hispanic History Month, broadcasting an interview on LinkedIn with a Berkley Business leader in the community
- Creating and releasing a Women's History Month flipbook with interviews describing the career paths of many women leaders across Berkley

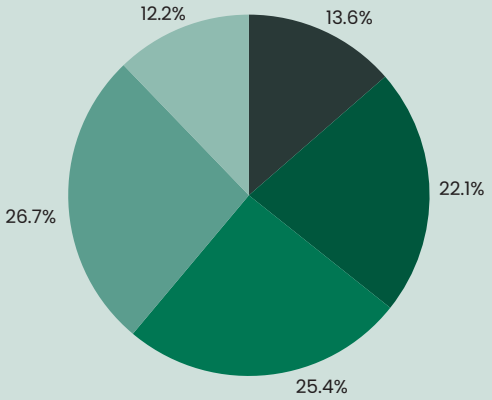
Because Berkley comprises more than 55 Businesses in addition to our corporate and other service groups, many of our initiatives are based on a common framework that may also be implemented at a local level.

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.[2] Through various recruiting strategies, we continue to be mindful of our diversity. In 2022, we grew our workforce by 6.6% as revenue advanced by 16.9%. During the year, Berkley employed people in 18 countries outside of the U.S., including Asia, Australia, Canada, Continental Europe, Mexico, South America, and the United Kingdom. Berkley also continues to explore opportunities to expand the collection of employee diversity data across our Businesses all over the world.

[2] "Labor Force Statistics from the Current Population Survey," U.S. Bureau of Labor Statistics, updated January 25, 2023, https://www.bls.gov/cps/cpsaat18.htm.

PILLAR 1: HUMAN CAPITAL & COMMUNITY

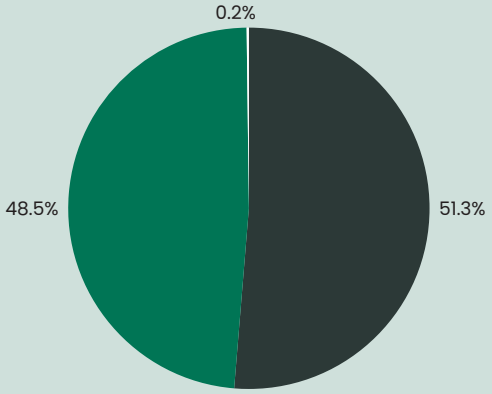
2022 Global (Re)Insurance Employee Age Group Breakout



- 30 & Under
- 31 - 40
- 41 - 50
- 51 - 60
- 61 & Over

Grand Total: 7,055 Employees

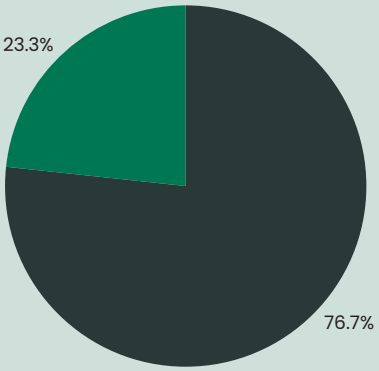
2022 Global (Re)Insurance Employee Gender Breakout



- Female
- Male
- Not Declared

Grand Total: 7,055 Employees

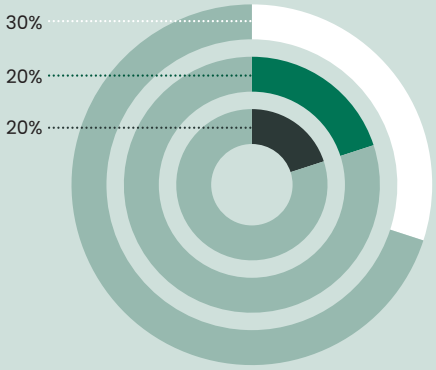
2022 Race/Ethnicity Breakout (U.S. Only)



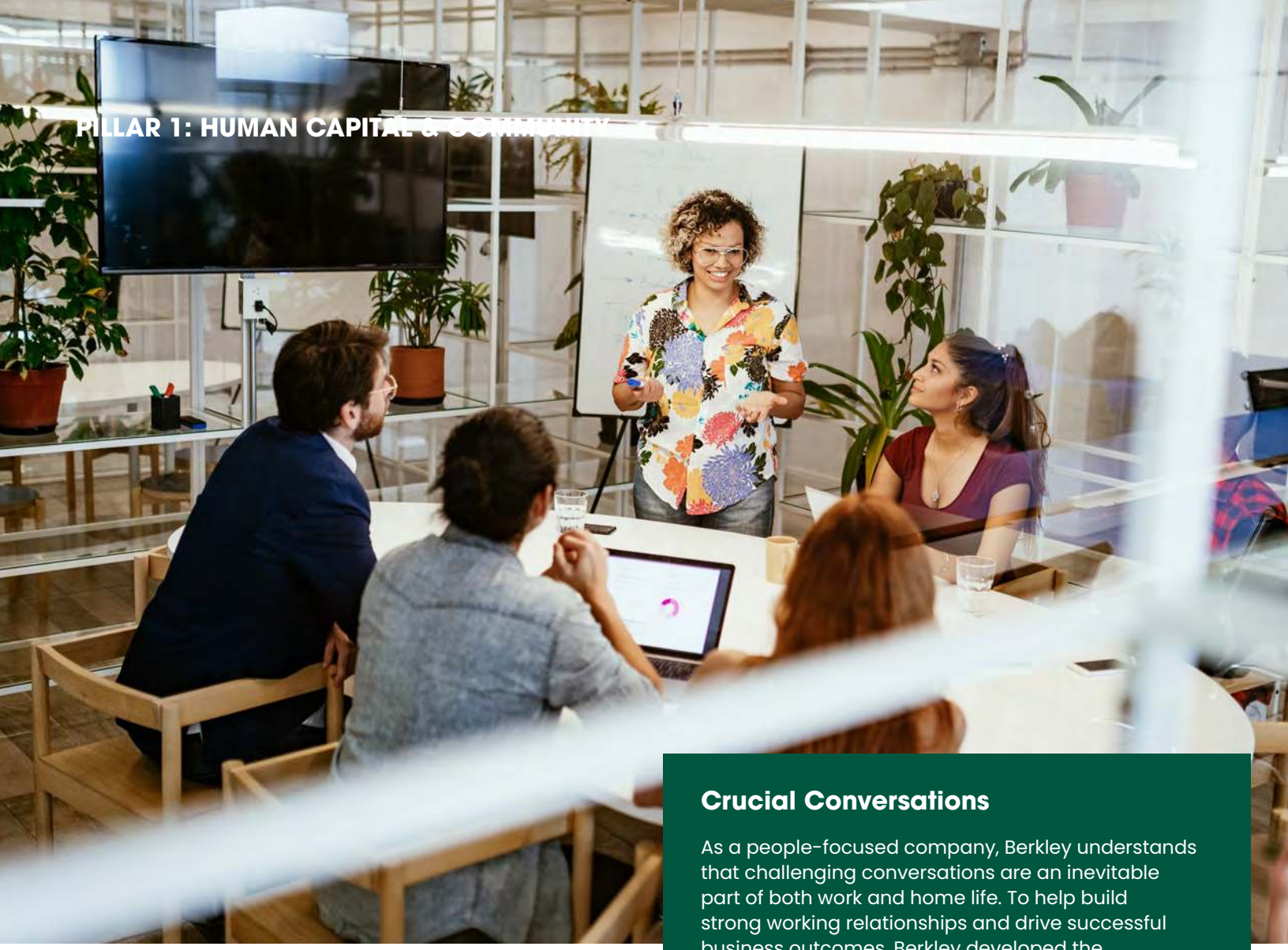
- White
- People of Color

Grand Total: 5,919 Employees

2022 Board Gender & Ethnicity Breakout



- Total Diversity
- Racial & Ethnic Diversity
- Gender Diversity



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 race and ethnic heritage empowerment, as well as the empowerment of and appreciation for all genders, sexual identities, and persons with varying abilities.

Berkley has held virtual events for employees to discuss various DIB issues and to share their own life experiences. For example, Berkley's DIB Committee shared a virtual conversation on enhancing company culture through DIB with leaders of Admiral Insurance Group. The event focused on key topics such as progress made toward improving DIB and how diversity can have a positive impact on both individuals and the organization.

Crucial Conversations

As a people-focused company, Berkley understands that challenging conversations are an inevitable part of both work and home life. To help build strong working relationships and drive successful business outcomes, Berkley developed the Crucial Conversations training program as part of a consistent, sustainable model for building manager capability to conduct these challenging conversations. This program is carried out with the intention of encouraging empathy, listening, and understanding in difficult situations, taking care to treat each other with respect and work together intentionally to a positive outcome.

Crucial Conversations is built from award-winning learning content based on more than 10,000 hours of research and used by the majority of Fortune 500 companies. Employees form cohorts of 24 and learn together both in person and virtually from a certified instructor through multimodal interactive learning, which includes video, skills practice, feedback, and coaching.

To expand this program in 2022, Berkley conducted a "train the trainer" session through which many HR professionals across the Company became Certified Trainers of Crucial Conversations.

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.[3] 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 consistent with independent salary surveys. 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. Each year, Berkley makes an employer profit-sharing contribution to the 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[1]

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

5,826

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

5,016

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

4,934

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

4,519

[1] 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 a comprehensive benefits package, 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.

[3] 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.

Training & Education

Types of employee training include the following:

- **Technical Training**
- **Insurance Licensing 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.

With more than 11,700 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 that launched in 2020.

2022 Learning Metrics

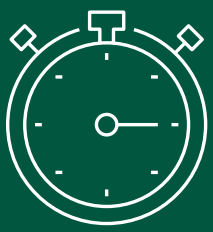
Total number of learning actions:[1]

147,570

Average number of learning actions per employee:

22.8

Average learning time per employee:



11 hours 20 minutes

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

Berkley Leadership Insights

In 2022, Berkley introduced a speaker series featuring some of our most successful leaders. Every employee has the opportunity to attend virtual speaking events to hear the selected speaker of the quarter share experiences and lessons to help each of us become better leaders in our daily work.

Our first speaker in the series was John Goldwater, Executive Vice President of W. R. Berkley Corporation. The former President of Berkley Net Underwriters, John created one of the first commercial insurance internet applications. He has been at the forefront of our Businesses' use of new insurance internet technologies. In his presentation, John shared challenging situations he faced early in his journey that shaped the trajectory of his career.

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.

In 2022, the Innovation team created The Edge, a podcast series featuring Berkley leaders sharing their thoughts on topics such as innovation in the life sciences industry, digital innovation's effects on society, and how to build a business from the ground up. The series also featured the story of how W. R. Berkley Corporation was started.

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: In 2020, 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.

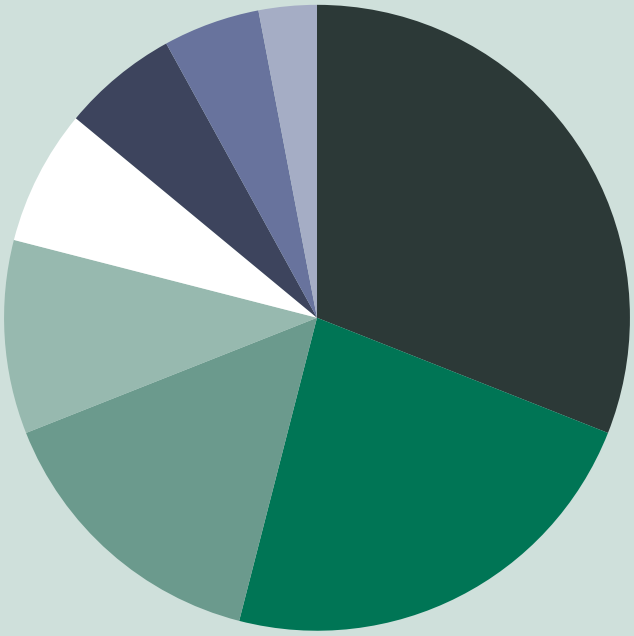
I-Lab and Podcast Metrics

Podcast listeners in 2022:	I-Lab unique views:	I-Lab site visits:
13,000+	**5,500+**	**106,000+**

PILLAR 1: HUMAN CAPITAL & COMMUNITY

Interaction with *SPARK!* in 2022

Ideas by Category



Business Challenges Created:

129

Business Challenges Completed:

81

Visits to *SPARK!*

8,000+

Comments

10,000+

Number of Active Creators

1,354

New Ideas

2,973

Number of Votes

32,000+

Engagement

In 2022, Berkley unveiled The Berkley Green, an enterprise-wide intranet site based on an idea from the 2022 IdeaFest Innovation competition. An intranet might not seem particularly innovative, but Berkley is a diverse group of independent Businesses spread across the globe, making communication exponentially more difficult. Each Berkley 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.

Mentorship

In 2022-23, Berkley launched a comprehensive curriculum of structured learning programs that provide current and future leaders with the skills they need to drive innovative business strategy and inspire their people to exceed performance expectations. Berkley offers both in-person and remote learning and development opportunities to ensure access to training across our Businesses.

More than 400 top-performing managers will participate in selective programs in 2023, taking part in opportunities such as:

- New Manager Program – This yearlong program provides just-in-time learning for employees who are navigating their first year managing a team.
- 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. In 2022, employees from 50 Berkley Businesses graduated from the program after participating in live seminars, conversations with Berkley leaders, e-learning modules, and group video projects.
- Management One – Now in its fourth decade, Berkley's live seminar in Greenwich, Connecticut, brings potential C-Level leaders together with corporate leadership and external experts for classroom lectures, case studies, and business simulations.

"We want Berkley managers at every level to be able to elevate employee performance to drive our business strategy. A direct investment in each leader reflects our commitment to the development of all our employees."

Carol L., W. R. Berkley Corporation's Senior Vice President - Human Resources

"The opportunity to work one-on-one with an executive mentor on my specific career goals really accelerated the learning I gained from the classroom and our innovation project. My confidence in taking on new challenges has grown tremendously. The experience has been a pivot point in my career."

Chris S., Director of Software Development with Berkley Regional Shared Services and 2022 graduate of the Leadership Development Circle. Chris, a mentee in 2022, is acting as a mentor in 2023.

- Innovation Teaching Series – In this virtual series, professors from top U.S. business schools provide educational videos that tackle various subjects.

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.

A cornerstone of Berkley's leadership-development agenda continues to be mentorship, 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.

By creating channels for leadership development, Berkley empowers employees to grow their networks, build their careers, and contribute to the Company's success.

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.

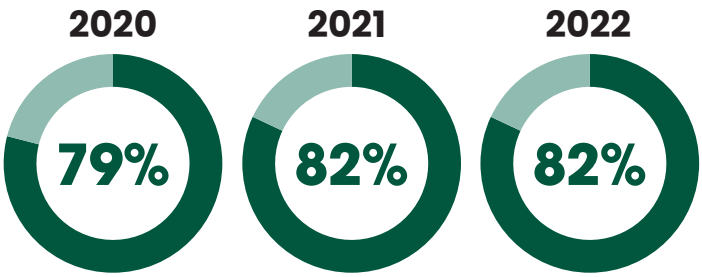
Customers

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.

Premium Retention Rates[1]



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

Ultimately, the results of our customer experience efforts are reflected in our strong retention rates.

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 2022, 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.

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 Insurance Australia writes professional risk exposures for environmental consultants.
- Berkley Surety issues surety bonds related to environmental construction cleanup work.

Health & Safety Industries

- Through our 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 $1.4 billion of net premiums written in these lines of business ("LOB") in 2022.
- 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.

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.

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.

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 $1,280,000 of financial support to our communities in 2022. 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 replicas of our headquarters in Greenwich, Connecticut, and London's Tower Bridge; depictions of fairy-tale worlds from the Wizard of Oz and Candyland; and a replica of a home damaged by severe weather. The funds raised are matched by Berkley* and donated to a charity of the creator's choice. Charities chosen in 2022 included Near & Far Aid Association; Hall Neighborhood House, Inc.; Neighbor to Neighbor; Cancer Research Institute (CRI); Dana-Farber Cancer Institute; Green Chimneys; and JDRF International. The gingerbread houses are then brought to local hospitals and community organizations to spread holiday cheer.

*Donations are contributed through the W. R. Berkley Corporation Charitable Foundation.

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.

Berkley endeavors to help children gain access to education. For example, in 2022, we donated $150,000 to Step Up for Students, an organization that provides Florida students with personalized preK-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 2022, we donated $62,900 to Kids' Chance of America, Inc., and our Businesses raised additional money for the organization through fundraising activities such as 5K runs and 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 2022.

For example, employees of Union Standard, 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, preparing meals, holding food drives, and partnering with local organizations.

Environment

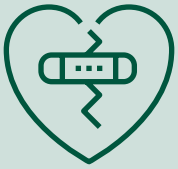
Berkley also engages with our communities on issues related to environmental protection. For example, in December 2022, Berkley Management Protection and its agency partners donated to One Tree Planted, which funded the planting of 3,000 trees in support of the local environment. Once fully grown, these trees will:

- Produce enough oxygen annually to supply nearly 500 people with a year's worth of oxygen
- Absorb the same amount of carbon dioxide in just one year as a car would produce driving almost 60,000 miles
- Depending on the species, filter up to 1.5 million gallons of water, which can reduce pollution such as pesticides, solvents, and oils

Tree planting helps restore and maintain the diverse natural ecosystem, strengthening resilience in the face of climate change by providing a stronger habitat in which people, plants, animals, and other organisms can adapt to warmer temperatures and extreme weather.

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

Provide charitable donations and sponsorships



Conduct disaster relief efforts

Match employee donations

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

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 Berkley Businesses got involved with local organizations and made contributions to meet the needs of their communities in 2022.

Berkley Technology Underwriters, Berkley Risk, and Berkley Human Services – Acts of Kindness

Volunteers from Berkley Technology Underwriters, Berkley Risk, and Berkley Human Services joined together in Minneapolis to participate in 3,000 Acts of Kindness, an annual charity event that aims to bring hope and dignity to 3,000 homeless individuals in the Twin Cities by providing access to necessities and services. Our teams helped collect coats, hats, gloves, scarves, sleeping bags, boots, warm meals, and other necessities for unhoused individuals and families in need.

Berkley Offshore – HandsOn London

Underwriting managers from Berkley Offshore spearheaded an effort to support HandsOn London, an organization that promotes volunteering and community service in London. Berkley Offshore and other London-based Berkley Businesses collected and donated warm coats for those in need as part of the organization's WrapUp London campaign, which has collected and distributed more than 197,000 coats since 2011.

Berkley Entertainment – The Family Place

The mission of The Family Place is to empower survivors of family violence by providing safe housing, offering counseling, and building skills that create independence while advocating for social change. Berkley Entertainment employees held a company fundraiser for The Family Place, and Berkley matched donations through the Foundation.

W/R/B Underwriting – Anthony Nolan and JustGiving

To honor the memory of a dear colleague, team members from W/R/B Underwriting ran the Royal Parks Half Marathon for the colleague's chosen charity, Anthony Nolan, which aims to save the lives of people with blood cancer. The team raised nearly £3,000 in October for the charity through the JustGiving online fundraising platform, putting it among the top 5% of fundraisers for that month.

Berkley Technology Services – Sock Drive

The Urbandale team of Berkley Technology Services hosted a sock drive for Central Iowa Shelter & Services, which provides about 300 pairs of socks to community members in need every day throughout the winter. Our team members volunteered their time and effort to collect socks and give back to our community before the winter season.

Berkley Insurance Australia – Dementia Australia

In 2022, Berkley Insurance Australia pledged to donate $1 for every policy bound to Dementia Australia, an organization that shines a light on dementia awareness. A trusted source of information, education, research, and services related to dementia, Dementia Australia advocates for the estimated half a million Australians living with dementia and the more than 1.5 million individuals involved in their care.

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. 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. **Underwriting Risk:** We seek to carefully manage and control underwriting 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 has 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 less than 2.5 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.

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.

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. Details of these processes and the results of the exercises are summarized below.

Qualitative Risk Assessment

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

Our underwriting risk assessment considered 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 underwriting risk was considered through the lens of the most relevant time horizon for that aspect of risk based on the following definitions:

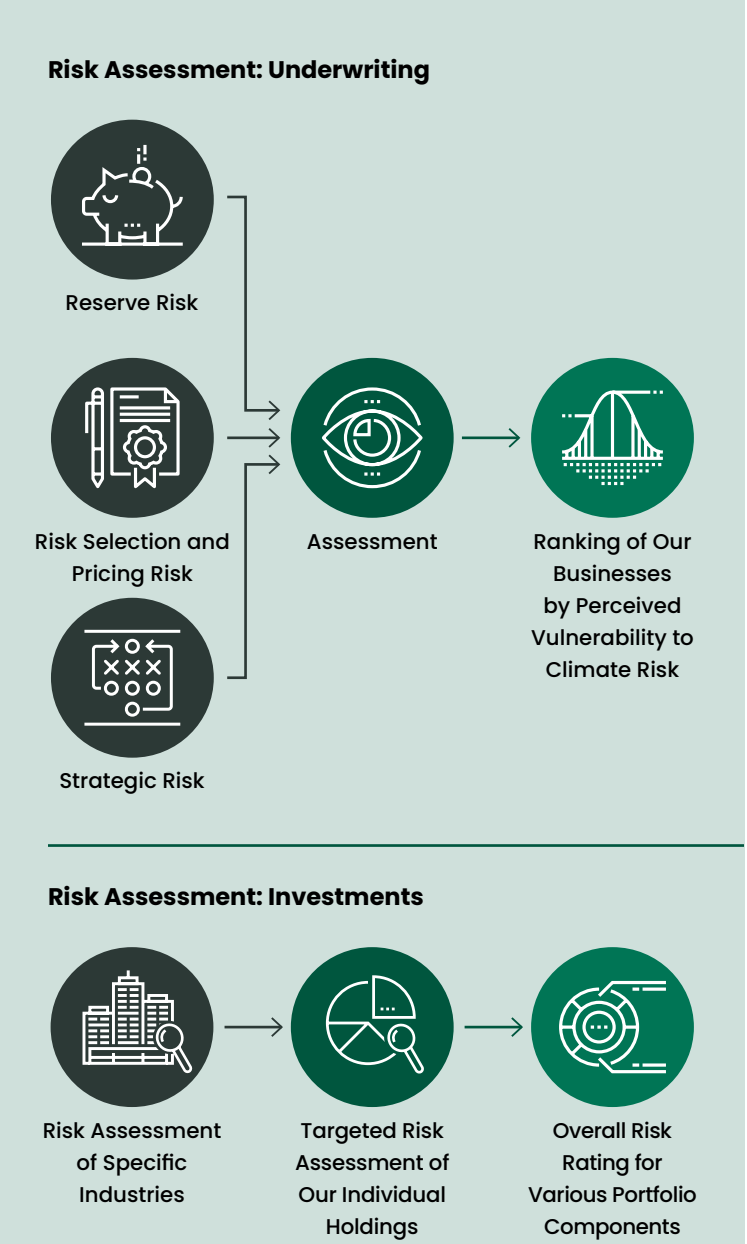
- Short: 0-5 years
- Medium: 5-20 years
- Long: 20+ years

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

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

We similarly assessed our investments, which are managed by Berkley's internal investment manager. First, we conducted a broad assessment of the risk associated with specific industries. We then conducted 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 was an overall risk rating for the various components of our investment portfolio.

Finally, we considered operational risk at the enterprise level.



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 underwriting 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 underwriting 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.

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 individual 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.

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, 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.

Actual catastrophe losses, excluding pandemic-related losses, averaged 2.0 loss ratio points over the five-year period of 2018 to 2022.

Finally, our ERM team continues to evaluate emerging risks and developing risk assessment tools. For example, our ERM team has investigated the potential impact of sea-level changes on the storm surge that could occur in conjunction with a hurricane. In several locations where we operate, the effect is compounded by land subsidence—for example, the subsidence due to postglacial rebound in New York and groundwater extraction in New Orleans. We also continue to investigate available computer models for 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. The model is used in monitoring risk accumulations for both primary and reinsurance Businesses.

Climate Change Risks & Opportunities

Underwriting Risks

Our Company is exposed to risks from climate change due to our underwriting 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:

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 Berkley writes 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 policies 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.

Evolving Sustainability in the Lloyd's Marketplace

In October 2021, Corporation of Lloyd's issued market-wide guidance for establishing an ESG framework. In 2022, as part of the Lloyd's business planning process for 2023, W/R/B Underwriting, like all other market participants, was asked to submit its ESG strategy. Lloyd's has asserted that this process, and these new requirements, provide the market with a holistic view of the plans and the progress being made by all market participants to support a more sustainable, resilient, and inclusive marketplace.

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:

- 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 likelihood of default.

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 less than 2.5 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.

- 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.

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 the built environment accounts for almost 40% of global energy-related carbon emissions,[4] 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, LEED, or ENERGY STAR where practical. LEED-certified buildings consume 25% less energy,[5] according to a study conducted by the U.S. Department of Energy and the General Services Administration that reviewed 22 LEED-certified buildings, which leads to estimated emissions savings of 34%. The U.S. Green Building Council indicates that employees working at LEED-certified buildings feel more content, healthier, and more productive.[6] Our Metro Center office in Stamford, Connecticut, is part of a carbon-neutral community of buildings. Located within the Metro Center complex, this building has been ENERGY STAR certified—a certification which the U.S. Environmental Protection Agency ("EPA") awards to buildings that meet strict energy performance standards—for four years.[7] The property manager also implemented multiple sustainability initiatives at the Metro Center office in partnership with Berkley.[8]

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®
The Scalpel	London, England	BREEAM

4 "Why the Built Environment?," Architecture 2030, accessed May 22, 2023, https://architecture2030.org/why-the-building-sector/.

5 Kim Fowler et al., *Re-Assessing Green Building Performance: A Post Occupancy Evaluation of 22 GSA Buildings*, Pacific Northwest National Laboratory, September 2011, https://www.pnnl.gov/main/publications/external/technical_reports/PNNL-19369.pdf.

6 "Health in LEED," U.S. Green Building Council, June 2022, https://www.usgbc.org/sites/default/files/2022-07/Health-in-LEED_June2022.pdf.

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

8 "Metro Center," Empire State Realty Trust, May 2019, https://www.esrtreit.com/wp-content/uploads/pdf/ESRTFactsFigures_Metro_Center_Suburban-May-19.pdf.

Sustainability at Metro Center

In May 2022, Empire State Realty Trust ("ESRT"), the owner of Metro Center in Stamford, Connecticut, where several of our Businesses are tenants, was named a 2022 Platinum Green Lease Leader. The U.S. Department of Energy's Better Buildings Alliance and the Institute for Market Transformation award this designation to landlords and tenants who show improvements on energy efficiency, cost savings, air quality, and sustainability in buildings. ESRT reduced greenhouse gas ("GHG") emissions intensity by 7.5% across its entire commercial portfolio between 2021 and 2022. The company also reduced commercial GHG total emissions by 8% despite a 4% increase in commercial energy consumption compared with 2021. The improvements made at Metro Center contributed to these reductions.[1]

[1] *2022 Sustainability Report*, Empire State Realty Trust, https://online.flippingbook.com/link/859359/.

Metro Center, Stamford, Connecticut

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. This is Berkley's second 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.

2022 Emissions

Total Scope 1:

7,435

MT of CO_2e

Total Scope 2:

16,190

MT of CO_2e

Total Scope 1 and Scope 2 GHG emissions:

23,625 MT of CO_2e

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.

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, 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.

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.

Business Continuity

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

- Business impact analysis
- Manual workarounds
- Call trees
- Scenario testing exercises
- Alternate sites
- Remote-access training
- Outsourcing

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

Climate Change Opportunities

Berkley has identified opportunities to benefit our Businesses amid the uncertainties around climate change. In 2022, we underwrote approximately $47 million of net premiums related to certain energy efficiency and low-carbon technology risks. 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 in the U.S. 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 the Transition to Electric Vehicles

One Berkley Business insures companies engaged in development and maintenance work for electric vehicle manufacturing.

Another insures multi-passenger public transportation in support of lowering emissions and is exploring electric vehicle alternatives with policyholders.

In addition, we continued to transition our U.S. fleet of cars to hybrid sedans and SUVs in 2022.

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.

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.

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.

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.

Certified Green Dwellings

As a provider of insurance to high-net-worth individuals, Berkley One has the opportunity to underwrite certified green homes. The Business 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 deal with 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.

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, 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 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)

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

Business Highlight: Personal Lines

Berkley One provides a customizable suite of personal lines insurance solutions including home, condo/co-op, auto, liability, and collectibles 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 take 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.

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. Berkley also has a $20 million credit facility, allowing for the issuance of standby letters of credit on behalf of our Company and its subsidiaries. Effective April 1, 2022, we entered into 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
- 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
- Generates cash flow through investment income from the asset portfolio, as well as from operations
- Maintains significant liquidity at W. R. Berkley Corporation that can be contributed to the insurance subsidiaries, if necessary

PILLAR 3

RESPONSIBILITY & TRANSPARENCY

PILLAR-SPECIFIC SDGS:

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, and responsible investing practices.

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, 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.

Berkley Ethics Infrastructure

The Business Ethics Committee of the Board oversees our Code of Ethics and Business Conduct ("Code"), as well as 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 for Accounting and Other Corporate Governance Matters, which are available on our website.

Berkley's Internal Audit function reviews the Code and ethics process 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 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 EthicsLine 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 2022. 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 procedure can be viewed here.

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 2022 successfully completed 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 2022.
- Part-time employees are also required to complete required training and annual certification.
- 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.

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.

Percentage of new employees who have completed ethics training:

100%

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

100%

Public Policy

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.

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

On a quarterly basis, expenditures for federal, nonpartisan political activities are reported to W. R. Berkley Corporation's Vice President – Federal Government Relations, who prepares and submits the required disclosure filings. These filings can be found on the U.S. Senate Lobbying Disclosure website.

Federal Government Relations

Our Vice President - Federal Government Relations is responsible for federal 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 Vice President and Treasurer, and the Senior Vice President and Chief Compliance Officer, both of whom provide the Business Ethics Committee of the Board with periodic reports on our political spending activity. Our PAC aggregates voluntary contributions from certain 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.

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 five steps of cybersecurity set by the U.S. National Institute of Standards and Technology ("NIST"): identify, protect, detect, respond, and recover.

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

Our cybersecurity program has seven strategic-level goals:

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

Cybersecurity Management & Governance

Our cybersecurity functions are managed through a top-down approach and overseen by senior-level management. The Board and its committees receive periodic updates on cybersecurity risks from members of senior management, including W. R. Berkley Corporation's Executive Vice President – Enterprise Technology and the Senior Vice President – Enterprise Risk Management. As part of the oversight of the cybersecurity program, the Berkley Insurance Company Board of Directors receives an annual report from the Chief Information Security Officer ("CISO"), who provides attestation evidence for 23 NYCRR 500.

Berkley's international footprint requires global risk management under the 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 cybersecurity program. Collectively, these leaders and their teams implement and manage risk reduction projects and tasks with a commitment to being a business enabler. The cybersecurity program endeavors to manage security risk that could affect the Company or its clients, protect privacy, ensure availability of core business functions, and reduce the potential for reputational harm.

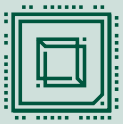
Cybersecurity Management System

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 framework, and the New York State Department of Financial Services Part 500 ("23 NYCRR 500") cybersecurity regulation, along with privacy regulations such as the General Data Protection Regulation ("GDPR") and the California Consumer Protection Act ("CCPA"). Additionally, we track and comply with regional regulations in accordance with local regulatory and legal requirements.

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, Incident Response, & Data Protection

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)

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 training to help them comply with these policies and practices.

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.

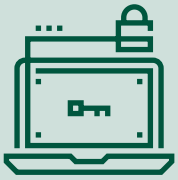
Our program is constantly evolving to reduce our cybersecurity exposure. Processes such as security architecture reviews, exceptions management processes, cloud security patterns, application penetration testing, and dynamic application testing are continually reviewed and enhanced as needed, further 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, and CCPA. This is done largely using self-attestation and self-analysis 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.

Annual Required Enterprise-Wide Training

Introduction to Phishing

Spear Phishing Threats



Global Privacy and Data Protection

New Employee Protecting Our Information*

***Completed at the start of employment only**

100% **completion rate for annual training**

100% **completion rate for Protecting Our Information during the calendar year 2022**

Monitoring & Responding to Data Breaches

We deploy tools and technologies to help detect, prevent, and mitigate 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, Brazil's Lei Geral de Proteção de Dados Pessoais ("LGPD"), and other regulatory requirements. The team works closely with all Berkley businesses and in conjunction with procurement, legal, and compliance teams.

Data Privacy Program

Berkley's data privacy program has created a process that our Businesses apply to several regulations that require continuous control testing. The foundations of our privacy programs are based on the GDPR, CCPA, the Gramm-Leach-Bliley Act ("GLBA"), and LGPD. Our common framework is designed to create consistency by leveraging the most effective practices. The GDPR, CCPA, and LGPD require companies to have a process through which individuals can request access to their personal data to understand what has been collected, how it is being used, and with whom it has been shared. Individuals can request that their personal data be removed from our Company's systems within a defined time frame and subject to certain exceptions.

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. 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 sustainable lens.

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

Responsible Investing Highlights

>99%

Investments in our portfolio that satisfy our ESG criteria

$312M

Market value of sustainable bond investments as of December 31, 2022

During 2022, we grew our sustainable bond portfolio by more than 20% to $312 million. We expect to continue to look for opportunities to increase our sustainable investment portfolio.

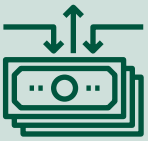
Management & Governance of Responsible Investing

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

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 2022, more than 99% of our portfolio comprised investments that satisfy our ESG exclusionary 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. Specifically, 99% of our assets under management are evaluated against our ESG criteria. 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. Our investment management team provides a quarterly risk report to the ERM Committee, which includes the results of scenario analyses that consider ESG issues.

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 a tool that provides 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. This tool delivers 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.

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

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:

In 2022, we declined 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.

- 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
- 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 20% in 2022 after growing 67% in 2021, more than 70% in 2020, and 100% in 2019. At year-end 2022, investments in utilities with greater than 30% exposure to thermal coal represented approximately 0.5% of our cash and investments.

Impact Investing

In addition to achieving appropriate long-term, risk-adjusted returns, our investments support many environmental and social improvements for society. For example, we invest in municipal 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. Housing bonds provide funding for multifamily or single-family housing projects, often for the low-income sector, while transportation bonds support our country's infrastructure by improving toll roads, bridges, and tunnels. Additionally, our investments in secondary and higher education support enterprises directly involved in improving communities and the lives of their students. We also maintain investments in low-income housing tax credits, which support construction of affordable housing, as well as in other sustainable bonds.

Fixed-Maturity Investments in Select Sustainable Sectors	At 12/31/2022 ($ in millions)
Hospital	$120
Housing	$203
Power	$187
School or University	$333
Transportation	$322
Water & Sewer	$87
Waste, Pollution, IDB & PCR, or Resource Recovery	$58

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 than non-green properties and lease-up rates of up to 20% above average.

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 19% since

2018, from $184 million to $149 million at year-end 2022. 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, 2022, the fair value of options contracts outstanding was negligible, and we had no securities lending collateral assets.

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 36-42; Focus on Low-Carbon Investing, Page 59; Impact Investing, Pages 60-61
		b) Describes the impact of climate-related risks and opportunities on the organization's Businesses, strategy, and financial planning	Page 32; Climate Change Risks & Opportunities, Page 36
		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 33-35
		b) Describes the organization's processes for managing climate-related risks	Addressing Identified Climate Related Risk, Page 44
		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 32; Qualitative Risk Assessment, Pages 32-33; Catastrophe Risk Management & Modeling, Pages 34-35
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 33-35
		b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas ("GHG") emissions and related risks	GHG Emissions, Page 39
		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

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 25
	FN-IN-270a.2	Complaints-to-claims ratio	Customers, Page 25
	FN-IN-270a.3	Customer retention rate	Customers, Page 25
	FN-IN-270a.4	Description of approach to informing customers about products	Customers, Page 25
Incorporation of ESG Factors in Investment Management	FN-IN-410a.1	Total invested assets by industry and asset class	Page 61
	FN-IN-410a.2	Description of approach to incorporation of ESG factors in investment management processes and strategies	Investment Decision-Making with ESG, Pages 58-59
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 41-42
	FN-IN-410b.2	Discussion of products and/or product features that incentivize health, safety, and/or environmentally responsible actions and/or behaviors	Responsible Product Offerings, Page 26; Climate Change Opportunities, Pages 41-42; Loss Control and Loss Control & Education, Pages 45-46
Environmental Risk Exposure	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 35
	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) Underwriting Risk, Page 32; Climate Change Risk Management & Mitigation, Pages 43-44 2) Catastrophe Risk Management & Modeling, Page 34

Sustainability Accounting Standards Board ("SASB") Metrics (cont.)

Topic	SASB Code(s)	SASB Requested Metric(s)	W. R. Berkley Response
Systemic Risk Management	FN-IN-550a.1	Exposure to derivative instruments by category	Page 61
	FN-IN-550a.2	Total fair value of securities lending collateral assets	Page 61
	FN-IN-550a.3	Description of approach to managing capital and liquidity-related risks associated with systemic non-insurance activities	Liquidity Management, Page 47

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 1.4 million property and casualty policies in force as of December 31, 2022

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	

United Nations Sustainable Development Goals ("UN SDG") Priority Mapping (cont.)

Our Strategic Priorities	Key Focus Areas	Sustainable Development Goals Alignment
Pillar 2: Climate Risk Management	Risk Assessment Modeling Climate Change Risks & Opportunities Climate Change Risk Management & Mitigation	4 QUALITY EDUCATION 7 AFFORDABLE AND CLEAN ENERGY 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 13 CLIMATE ACTION 15 LIFE ON LAND
Pillar 3: Responsibility & Transparency	Ethics & Compliance Cybersecurity Responsible Investing	1 NO POVERTY 7 AFFORDABLE AND CLEAN ENERGY 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 11 SUSTAINABLE CITIES AND COMMUNITIES 13 CLIMATE ACTION 16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Berkley

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.

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