



# Sustainability Report

# 2023

Clarity from Complexity™



# Contents

---

## 01 Introduction

03	Here for the Long Term
04	Aspen's Sustainability Philosophy Statement
05	Scorecard
07	Our Values

---

## 02 Our People

09	Our Global Presence
10	Diversity, Equity & Inclusion

---

## 03 Our Business

17	Our Environmental Impact
----	--------------------------

---

## 04 Our Communities

26	Working with Our Local Communities
29	Working with the Insurance Industry

---

## 05 Our Planet

32	Sustainable Underwriting
36	Responsible Investment Management

---

## 06 Our Governance

39	Sustainability Governance
----	---------------------------

---

## 07 Appendices

46	Appendix A – Governance
48	Appendix B – Carbon Emissions
51	Appendix C – UN SDGs & CSR



# Here for the Long Term

2023 was an extraordinary year. We continued to see natural catastrophes, heartbreaking conflict and economic instability across the globe. These events not only had an impact on the insurance industry, but we kept seeing real effects on people – our colleagues, clients and communities, from increased cost of living pressures for many, to safety and security concerns for some.

These are a stark reminder for businesses to do what we can to make positive impact, no matter how small, and makes the broader concept of Sustainability more relevant than ever.

There are many definitions of Sustainability. For Aspen, it goes beyond climate action or Corporate Social Responsibility. It covers every aspect of what we do, whether it's paying claims promptly, working with our clients on preventing risks before they happen, or creating a nurturing, diverse and inclusive workplace.

We set our Sustainability vision in 2021 and took some ambitious steps in 2022. In 2023, we focused on strengthening the building blocks for a long-term Sustainability strategy. We created dedicated Environmental Social and Governance (ESG) roles in Governance and Investments and formed a Sustainability Committee, which reports to our Group Executive Committee. We believe that these strong foundations will guide us and keep us true to our values for many years to come.

Most businesses and individuals of all generations agree that we need to work for a better planet. The path to this goal is ever-evolving, but we believe in taking thoughtful steps today towards a more sustainable future for all.

I am proud of the achievements highlighted in this report, which are the result of the dedicated efforts of a team of over a thousand individuals, our Aspen community.

“ We recognize we don't have all the answers. We focus on what we can change, one step at a time, hoping to make a positive, long-lasting impact.



**Mark Cloutier**

*Executive Chairman & Group Chief Executive Officer*



# Aspen's Sustainability Philosophy Statement

For Aspen, Sustainability is about helping our clients when they need us, delivering for our shareholders, supporting our communities and creating a nurturing, diverse and inclusive working environment for our colleagues.

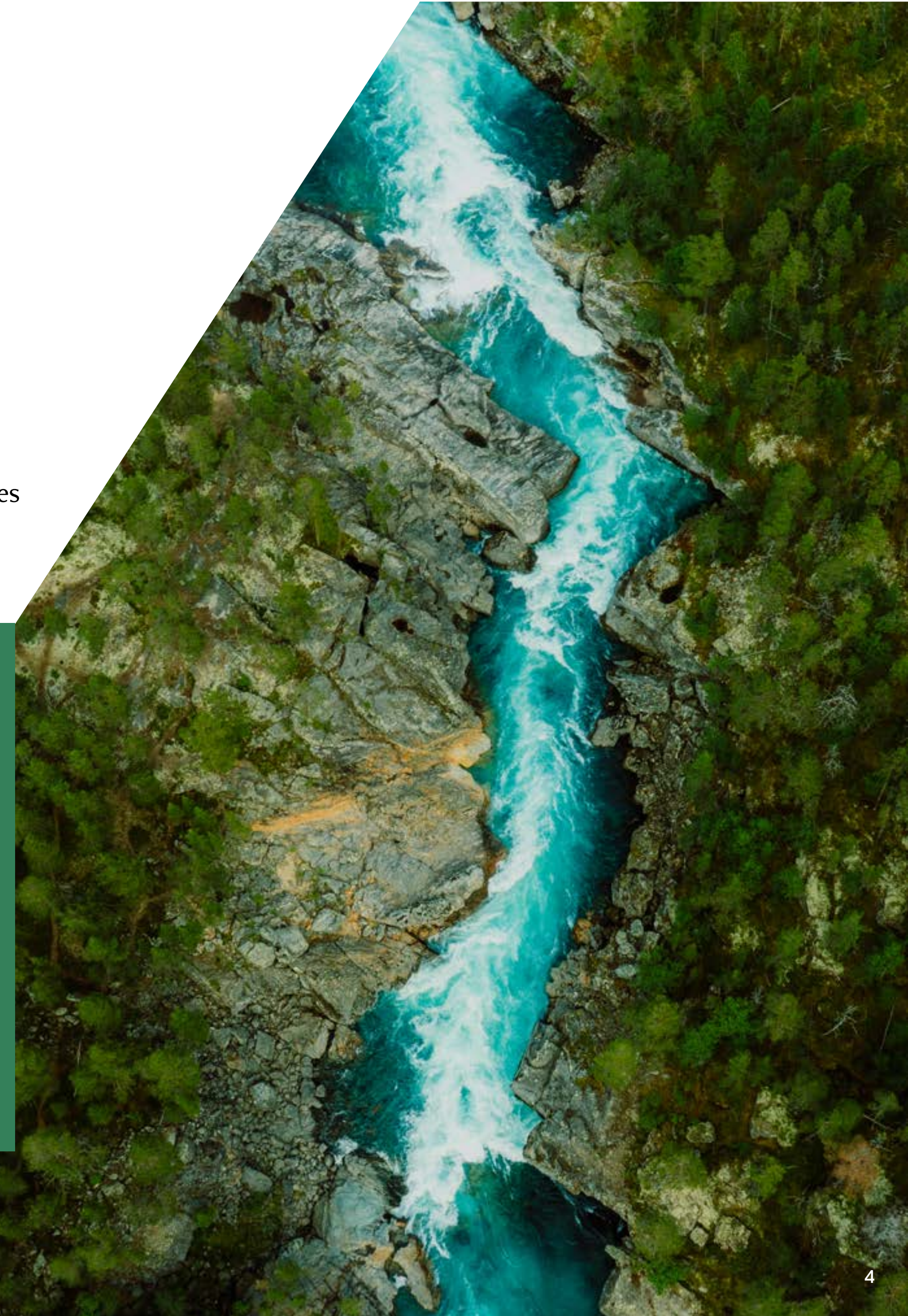
We're here for the long term.

Our ESG approach is committed, open minded, pragmatic and comes from the heart of our business. We believe we can make greater impact by taking thoughtful and responsible actions today, ultimately playing our part in a more sustainable future.

As you will see through this report, we have moved forward on our Sustainability journey in different areas of our business. Our focus is putting the structure in place in order to adapt to new requirements and make a positive impact to our local communities and the planet.

“Sustainability and ESG are becoming a less obvious and more complex target, however, getting it right is vitally important to our success as a business. I really believe that our thoughtful approach in driving for Clarity from Complexity™ and real action is the right one for our business.

**Henry MacHale**  
*Group Chief Strategy Officer*





# Scorecard

## Our People



### 92% Response Rate

92% employees participated in Aspen's Engagement Survey 2023 – up 3% from 2022



### Industry first partnerships making a difference

Unique product launched to address mental health challenges of workers in U.K. construction industry – a result of the innovation investment competition

## Our Business



### Expansion of Emission Measurement

Looking at Green House Gas (GHG) emissions to include Scope 3 Purchase Goods & Services (PG&S)



### Increased Interest in Innovation

Record number of colleague submissions to our Innovation Investment Competition – up 18% from 2022

## Our Communities



### UN Global Standards Signatories

We are proud signatories to UN Global Compact, the UN Principles for Responsible Investment and the UN Principles for Sustainable Insurance



### Supporting Multiple Local Community Initiatives

US\$1.3 million donated to charitable projects that support the delivery of UN sustainability development goals



### Bridging the Protection Gap

Via Blue Marble, Aspen helped to expand protection to the underserved, bridging the protection gap for over 300,000 beneficiaries in 8 developing countries – up 200% from 2022

## Our Planet



### 44%

44% of Credit and Political Risk Gross Written Premium is now ESG favorable



### Renewable Energy Partnership

Partnered with kWh Analytics for an innovative insurance product promoting resilient solar asset design (namely awarded "Climate and Sustainability Collaboration of the Year" by InsuranceERM)



### \$55 million Green Bond Investment

\$55 million new commitment to energy transition funding



### £7 million

Aspen became a seed funder in Big Issue Invest, with a £7 million contribution to its Social Enterprise Debt

## Our Governance



### Sustainability Committee

Established Sustainability Committee reporting directly to the Group Executive Committee



### Senior ESG Lead

Appointed first Vice President of Environmental, Social and Corporate Governance



### Risk Management Framework

Enhanced climate and ESG Risk controls in Aspen's Risk Universe and Taxonomy

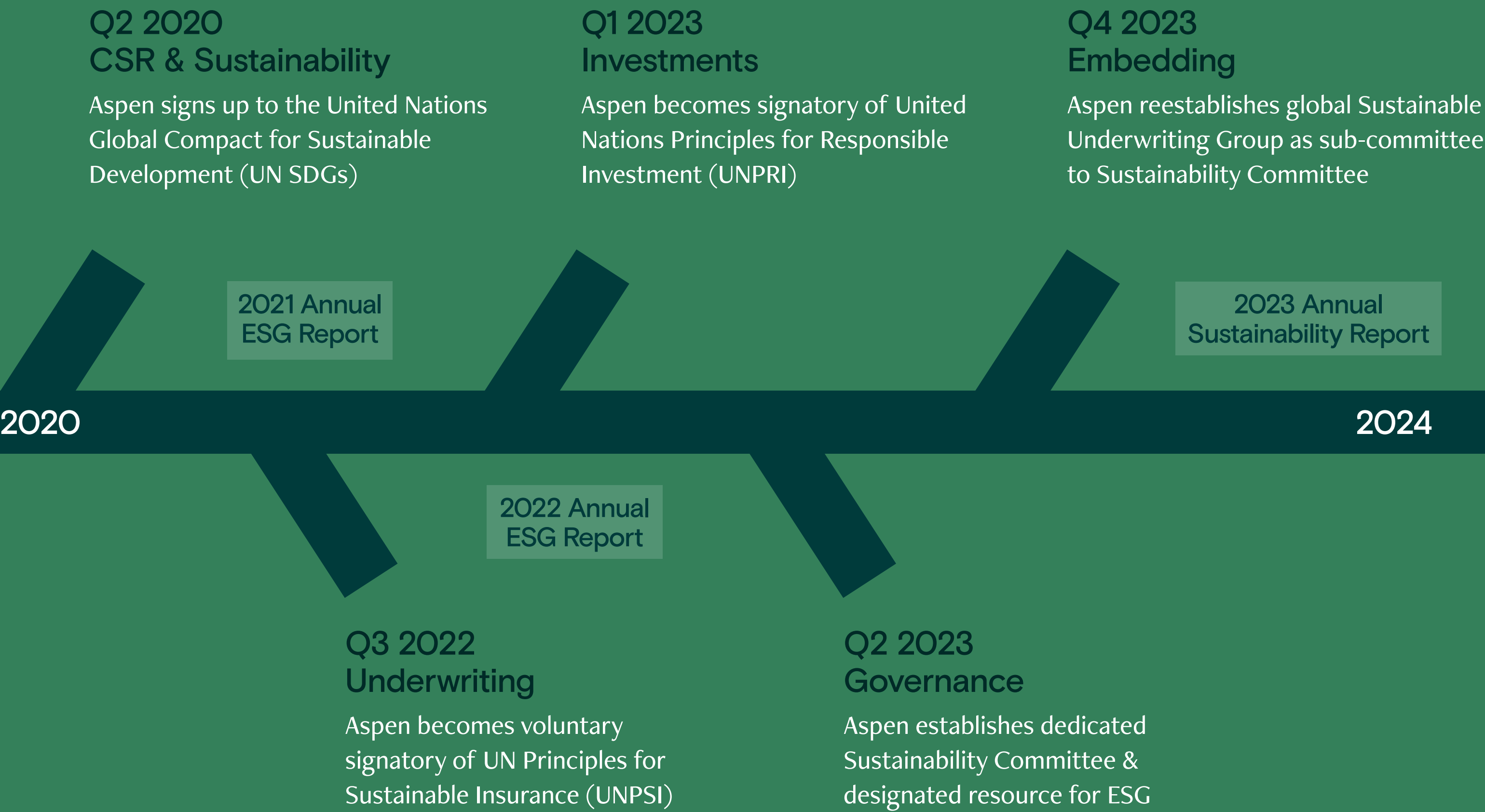


### ESG Regulation Horizon Scanning

Comprehensive assessment of ESG-related regulations and disclosure requirements completed



# ESG Milestones





# Our Values

**Our strategic goal is to be a top quartile specialty (re)insurer focused on total value creation.**

Our values sit right behind our strategy, defining the way we operate as a business and empowering our people to be a part of our story.

We introduced our new values in 2021 as part of our broader transformation, to create a strong positive culture and make Aspen a great place to work.



**Open-minded**

We keep an open mind  
and maximize potential



**Own it**

We all have a part to play  
in the success of Aspen



**Do the right  
thing**

We do good by  
doing well



**Innovate**

We have the courage to try  
new things and never stand still



**In it together**

Together there is no challenge  
we can't overcome

 **Aspen**



# Our People

02

At Aspen, our people are an integral part of our success. We have consciously articulated and incrementally embedded a strong culture driven by our values and our ongoing journey to cultivate diversity, equity and inclusivity within our team.

We firmly believe that when our people can bring their authentic selves to work, we can fuel innovation and create a dynamic environment where every individual takes pride in their contributions.



In this chapter–

Our Global Presence

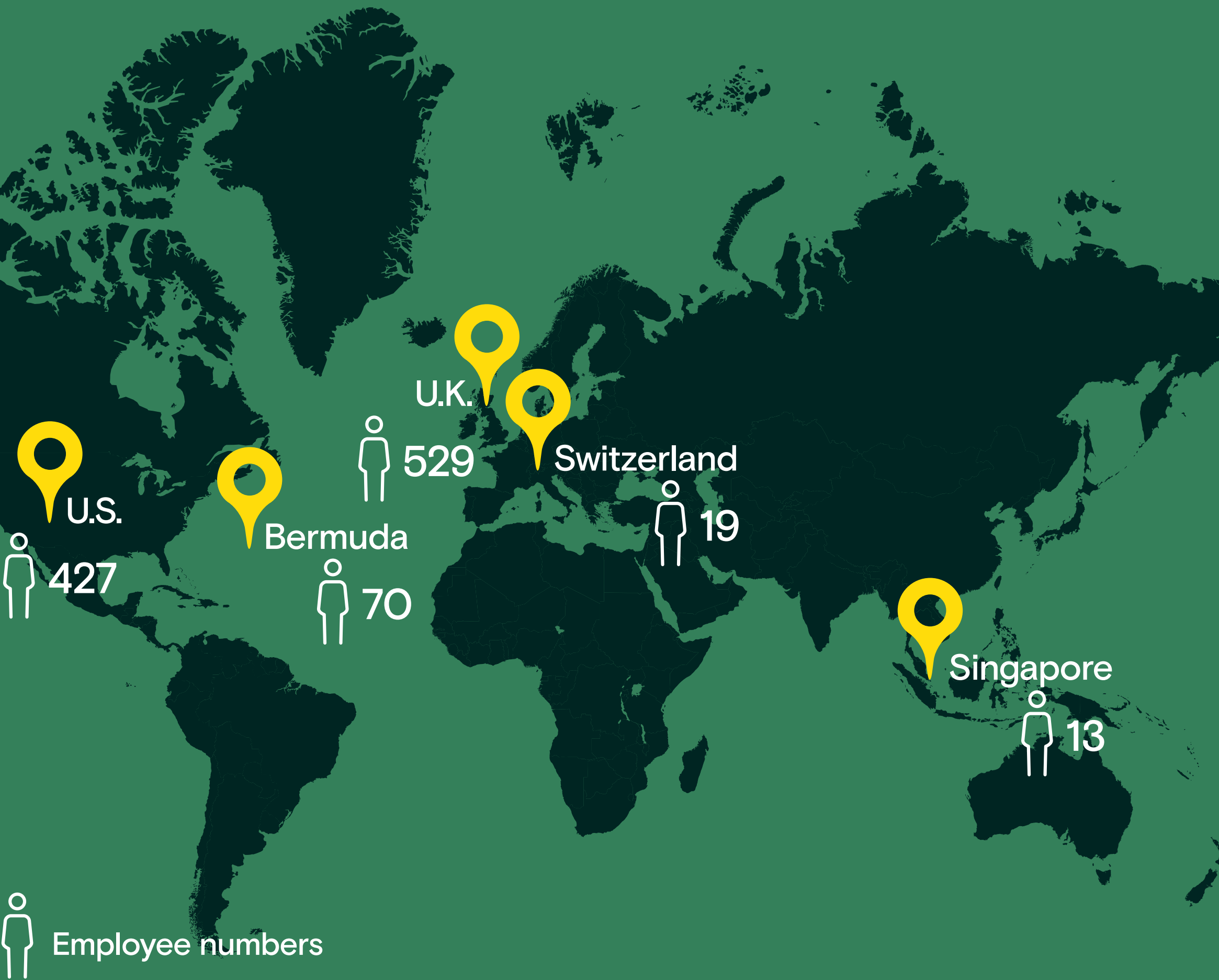


Diversity, Equity  
& Inclusion







# Our Global Presence



Total Full Time Employees 1058

# Our Employee Gender Breakdown\*

	 Female	 Male
Bermuda	3.2%	3.4%
Singapore	0.7%	0.6%
Switzerland	1.1%	0.8%
U.S.	18.4%	21.6%
U.K.	20.6%	29.7%
TOTALS	43.9%	56.1%

\*Employee self-reported gender.  
The total number of global employees equates to 100%,  
breakdown is percentage based off of 1058 total employees



# Diversity, Equity & Inclusion

As part of our commitment to developing the leaders of the future, we are investing in programs that foster Diversity, Equity and Inclusion (DE&I) across all of our businesses, championed through the work of our DE&I Delivery Board.



## Investing in Our People Through Initiatives that Build DE&I

### Attracting Diverse Talent

- **Early Careers – Graduate Recruitment Program**
  - 58% of offers to candidates from non-white background
  - Class of 2023: 18 Appointments, of which 72% were female graduates
- **Internship Programs**
  - 14 placements across the U.K., U.S. & Bermuda offices
  - 59% of disclosed ethnicity identify as non-white
  - 4 placements through upReach, supporting graduates from less-advantaged socio-economic backgrounds
  - 4 placements through our ex-military program

### Building Diverse Talent

- **New Corporate Induction**  
Virtual induction for all new joiners, including sessions on strategy, culture and DE&I
- **Performance Management Process**  
Second rating added to performance process, reflecting values and behaviors, as well as performance against objectives
- **Talent Programs**  
Focused on developing future leaders across all levels
- **Mentoring Program**  
Available for all colleagues
- **Breakthrough Program**  
to sponsor high-potential female colleagues

### Building Inclusion

- **Gender and Race inclusion networks**  
Bring your Whole self to Work: communication, engagement and education programs driven by our voluntary employee inclusion networks
- Discussions, activities and articles on a range of topics including different religious festivals, neurodiversity, disability, PRIDE, the menopause and supporting parents of young children
- **Process Metrics to build a more diverse business**
  - Diverse applicants invited to graduate assessment centers
  - Identifying and raising visibility of all high potential employees to promote internal progression



# DE&I Delivery Board

Our DE&I Delivery Board oversees and execute Aspen’s Diversity, Equity and Inclusion initiatives to ensure alignment with Aspen’s overall business strategy, and promotes new ideas to make Aspen a better place to work.

In 2023, our inclusion networks led the refresh of In my Shoes, our reverse mentoring program, and worked with HR teams to promote and build awareness among new parents of our Parental Leave policy and benefits.

High quality data is crucial to inform our DE&I decision-making. We introduced a new data warehouse which has materially improved the quality of the analysis we can provide. We worked in partnership with our inclusion networks to build confidence collecting demographic data, and have seen self reporting of ethnicity increase to 85% across our global locations. We take this figure as a measure of the comfort our colleagues have in sharing their information with us, which is a result of our efforts to offer a safe and nurturing environment where colleagues can be themselves.

# DE&I Governance Structure

## Aspen's DE&I Delivery Board

- Chaired by the Group Chief People and Communications Officer
- DE&I sponsors from the Executive Committee and Inclusion Networks Chairs
- Meets quarterly and ensures alignment of all ERG activities within the Group’s strategy and innovative ideas from emerging ERGs





SPOTLIGHT

Dive In Festival Global Sponsorship

In September 2023, Saadia Savoury, VP Excess Casualty & David Lê, AVP U.S. Distribution & Marketing; and Co-chair U.S. Gender and Inclusion Network participated in the Dive In Festival, the Global Festival for Diversity and Inclusion, as main panelists on the session ‘Courage: The key to next level innovation’. The session aimed to educate participants on why creating a culture of courage driven by diversity and rooted in psychological safety is the key to an organization’s success.



LINK Bermuda Partnership

Aspen proudly sponsors and partners with LINK Bermuda, a collaboration that fosters a diverse and inclusive workplace. In 2023, Steven Boyce, Pricing Actuary at Aspen, assumed the role of committee member.

In May, Aspen Bermuda hosted a groundbreaking event in collaboration with LINK Bermuda to commemorate the International Day Against Homophobia, Biphobia, and Transphobia (IDAHOBIT). This event, which was a first of its kind in Bermuda, aimed to raise awareness about the discrimination faced by the LGBTQ+ community and aligned with the global theme of ‘Together always; united in diversity’.



Insurance Supper Club Sponsorship

In 2023, Aspen Bermuda proudly became a Silver Sponsor of the Insurance Supper Club, Bermuda Chapter (ISC Bermuda), a not-for-profit organization dedicated to increasing the representation of women in senior leadership positions in the insurance sector by creating opportunities for training, education and networking.

Saadia Savoury, VP Excess Casualty at Aspen, leads the relationship with ISC Bermuda, emphasizing our commitment to fostering gender equality internally and at industry level.

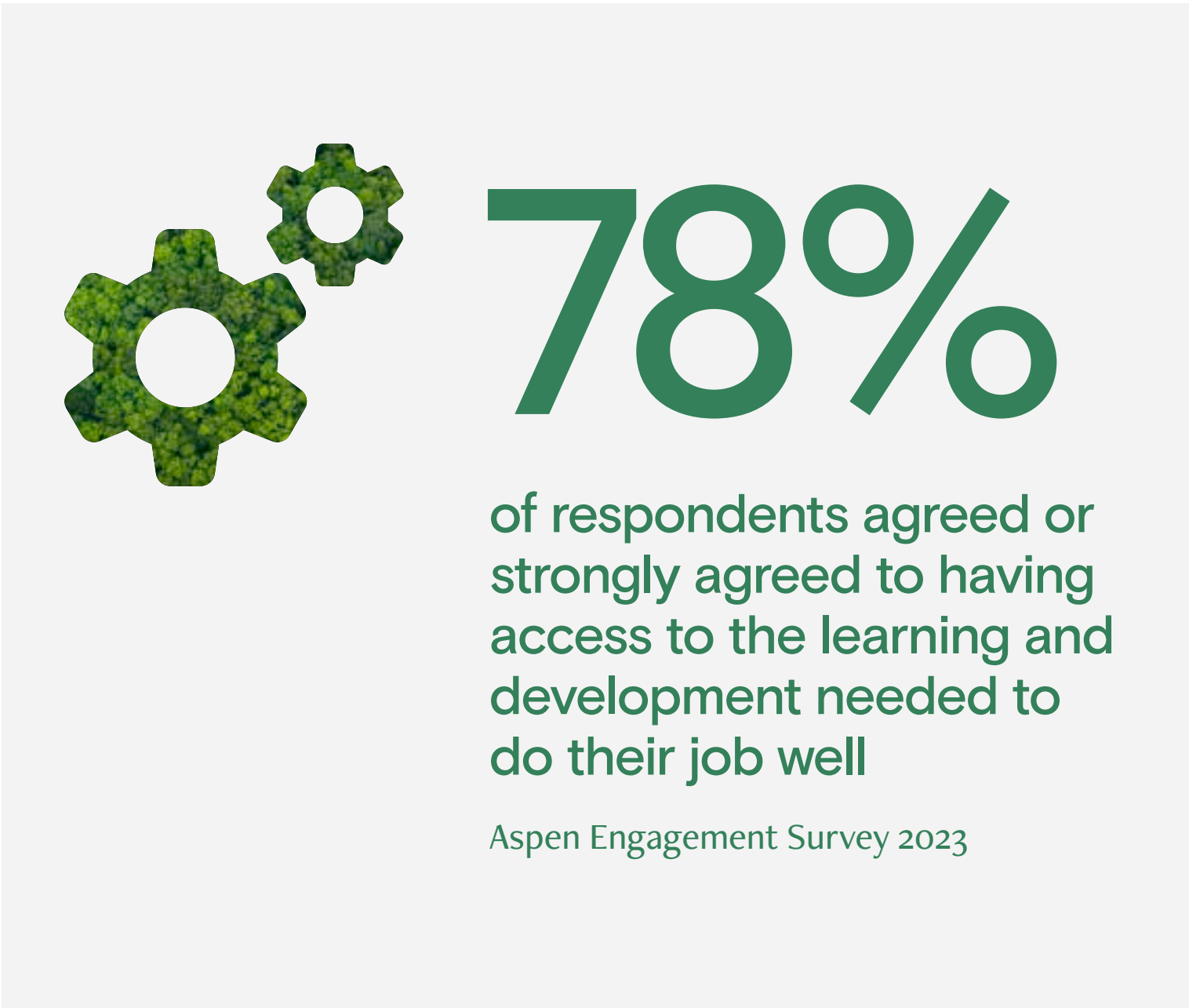




# Investing in Our People

At Aspen, we prioritize the ongoing professional development of our team through comprehensive virtual onboarding, our dedicated upskilling platform MyLearning, and tailored training programs for emerging and existing leaders.

Our commitment extends to a group-wide mentoring program, fostering skill improvement and network expansion. Looking ahead to 2024, we are poised to integrate Environmental, Social, and Governance learning opportunities, reinforcing our dedication to employee growth.



# Learning & Development



**Onboarding**

Through induction for all new joiners, covering strategy, culture and DE&I



**Tailored Training**

Offered to both emerging and senior leaders, including a Management Essentials program for new managers



**MyLearning**

Internal tool for coordinating skill development and accessing online resources



**Mentoring**

Launched in 2023 to enhance skills and broaden networks across Aspen



# Listening to Our People

Each year we run an engagement survey to hear directly from our people on their experience of Aspen. Questions cover a wide range of topics, from leadership to culture to career development, and we share the results with everyone in our business. Our leaders agree actions at a business level, and local teams create action plans to shift the dial on issues that are most important to them.

This focused approach has led to a 13% increase in people seeing year-on-year improvement.

## Aspen's Annual Employee Engagement Survey

Our 2023 Employee Engagement Survey reflected a very positive

**92%** response rate, an increase from 89% the previous year

- 3566 free text comments from 926 respondents
- 56 team members were trained to facilitate action planning sessions with their teams
- 92% of our people know our Aspen values
- Improvement of 9% in our people's perception of our work on Sustainability



In it together

“ In the last few years, there have been significant changes to make sure there is diversity and respect for everyone at Aspen.

“ The values are not just something you see in an executive presentation or on display across our offices, I feel they are genuine, and everyone does their best to live by them. I truly feel we are all in it together.

Aspen Engagement Survey 2023



# SPOTLIGHT Innovation Working Group

Our Innovation Working Group (IWG) has a wide reach within the organization, driving creative thinking and empowering innovations that have a positive impact on Aspen and for our customers.

The IWG hosts two annual competitions:

## Innovation Investment Competition –

first held in 2021, this competition is a driver for innovation and social impact and is open to all Aspen employees. The winners receive financial investment along with the management support to make their ideas a reality.

## Internal Innovation Awards –

celebrate the innovative actions of our colleagues and cross-team collaboration. We launched our Innovation Awards at the end of the year and will be announcing the winners to continue our celebration of innovative thinking at Aspen.

Successful initiatives include the launch of the Mental Health First Aiders in the U.K. office in 2022. In 2023, the IWG awarded additional financial seed funding to the Sustainable Underwriting Group to advance the pilot of their ESG Scoring tool, developed in collaboration with an external scoring provider, building on the initiative's initial funding in 2022.

We had a record breaking number of submissions to our Innovation Investment Competition this year – up 18% from 2022



Innovate

## Construction Wellbeing, Aspen U.K. Casualty & Construction

Launched in partnership with BCarm and developed through a close collaboration with Construction Sport, this is a unique prevention solution to support the rising challenges associated with the mental health of employees working in the U.K. construction industry. As part of our construction insurance products, we provide add-on support, free of charge, for construction workers, including a 24/7 confidential helpline.



WINNER!





# Our Business

03

We are dedicated to understanding and addressing the environmental impact of our operations, with a view to offsetting it in the short term while looking for long-term reduction in our carbon footprint.

Gathering data and using insights to guide our strategy will help make our operations greener and more efficient, and also continually evolve and improve our product offering to meet the demands of a changing world.

It is not just business, it is a shared commitment to building a better, more equitable and sustainable tomorrow that benefits us all.

In this chapter–

Our Environmental Impact

→



# Our Environmental Impact

Since 2019, we have embraced the annual measurement of our operational Greenhouse Gas (GHG) emissions.

Through this period, we have continuously expanded the depth and quality of measurement across the Group's business activities and regions, while aligning with best-practice calculation methodologies under the GHG Protocol's reporting standards.

In collaboration with our partners at Furthr, we have expanded the depth of measurement to include key upstream activities such as our Purchased Goods & Services.

In parallel, we have established systems that will enable us to monitor and reduce our baseline GHG emissions over the coming years, while helping us to identify climate risks and opportunities.

Our approach embraces double materiality, ensuring that our focus is on the topics more relevant to our business, our people and the wider communities in which we operate. This section focuses on our environmental commitments, including:

- Our GHG emissions inventory, highlighting our continuous improvement of data integrity and boundaries of measurement
- The development of our GHG emissions reduction strategy, involving a meticulous examination of the data and trends collected since 2021
- Our office sustainability initiatives and our vision to encourage colleague involvement in emission management and reduction
- Our established and ambitious carbon offsetting program, which delivers highly-verified nature-based solutions



Do the right thing



# GHG Emissions: Our Journey

## 2019 – 2021

- First measurement scope 1 & 2
- Scope 3: business travel

## 2023

- Expanded scope of measurement to: employee commuting, purchased goods & services and capital goods
- Carbon reduction plan development

## 2022

- Expanded scope of measurement to: travel & accommodation, well-to-tank, home working, water and waste

## 2024 onwards

- Analysis of our financed emissions
- Building and implementing our carbon reduction plan
- Assessment of metrics and targets





# Aspen's Greenhouse Gas (GHG) Emissions

Aspen's Recorded GHG Emissions 2022 vs 2023 (Location-based)	Unit	2022	2023	Variation 2023/2022
Scope 1 Direct Emissions: Natural gas & refrigerants	tCO2e	207	379	83%
Scope 2 Indirect Emissions: Electricity & steam	tCO2e	1,024	409	-60%
Scope 3 Indirect Emissions* (Please see Scope 3 Emissions Breakdown by Category)	tCO2e	2,785	26,878	865%
Total (Location-based)	tCO2e	4,016	27,666	589%

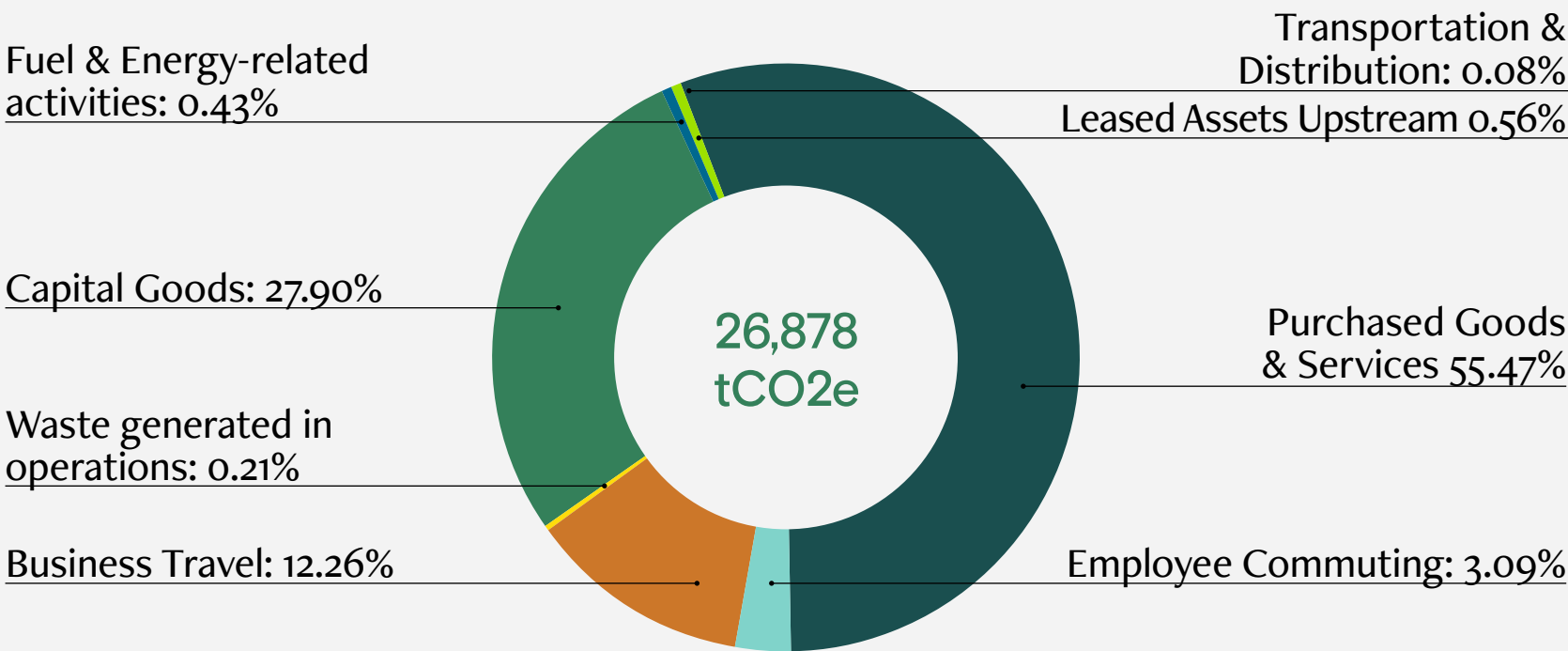
Aspen's Recorded GHG Emissions 2022 vs 2023 (Market-based)	Unit	2022	2023	Variation 2023/2022
Scope 1	tCO2e	207	379	83%
Scope 2	tCO2e	1,273	301	-76%
Scope 3*	tCO2e	3,007	26,878	794%
Total (Market-based)	tCO2e	4,487	27,558	514%

### Key Insights:

- Improved data collection: Facility manager surveys across Aspen's locations enhanced the quality of Scope 1 & 2 emissions, revealing a shift away from natural gas heating in most offices and highlighting notable contributions from air conditioning in warmer climates
- \*Expanded measurement scope: 2023 saw a significant extension in coverage of our emissions reporting, to include the emissions generated via our supply chain (Purchased Goods & Services, Capital Goods) reflecting a significant increase in Aspen's Scope 3 emissions and an opportunity to reduce these through supplier engagement and more stringent data collection

Carbon emission calculations are unaudited, see [here](#) for more information

# Scope 3 Emissions Breakdown by Category



Scope 3 Category (Location-based)	tCO2e	Key
Category 1: Purchased Goods & Services*	14,909	
Category 2: Capital Goods	7,499	
Category 3: Fuel & Energy-related activities	115	
Category 4: Transportation & Distribution	21	
Category 5: Waste generated in operations	58	
Category 6: Business Travel	3,295	
Category 7: Employee Commuting	830	
Category 8: Leased Assets Upstream	151	



# Carbon Reduction, Offsetting & Biodiversity

Our approach to managing our environmental impact centers on four key focus points:

- Reducing our GHG emissions through the development of a carbon reduction plan which implements initiatives including the efficient energy management of our global facilities
- Compensating for a significant portion of our unavoidable emissions annually, as we reduce these emissions year-on-year
- Funding only rigorously-audited and verified carbon offset programs to compensate for these emissions
- Using this funding to also mobilize tracked improvements in global nature and biodiversity

During 2023, in preparation for the development of our first dedicated carbon reduction plan, we have expanded the scope of analysis, while we redouble our efforts in supporting highest quality nature and & biodiversity efforts globally.

As part of our multi-year funding approach, Aspen has fast-tracked initiatives not only for carbon removal but also for regeneration, ecosystem restoration, and protection. This deliberate shift away from tech-based solutions signifies our commitment to comprehensive environmental stewardship, acknowledging the importance of biodiversity impacts.

The nature impacts of our chosen solutions are matched by the social impacts they provide.

Assessing multiple core Quality Criteria, our carbon offset takes input from both [The Core Carbon Principles](#) and [The Carbon Credit Quality Initiative](#) methodologies. These alignments ensure that we continue to work with credible project developers and highly-verified projects.

Key Quality Criteria Element for our portfolio can be found in [Appendix](#).

Total tons offset: 4,477  
Emissions Covered:

Scope 1 and 2:
Entire Footprint
Scope 3:
Cat 3: Well-to-tank
Cat 4: Transportation & Distribution (upstream) – Couriers
Cat 5: Waste
Cat 6: Employee Travel
Cat 7: Commuting & Homeworking

The offsetting covers Aspen's entire footprint apart from purchased goods and services and capital goods.

## BigCoast Forest Project

3,134 tCO<sub>2</sub>e



**Project Developer:** Green-Raise, Mosaic Forest Management  
**Location:** British Columbia, Canada  
**Project Type:** Carbon Reduction (Improved Forest Management)  
**Tracking:** Verified Carbon Standard: [ID 3018](#)  
**Third-Party Verification:** SCS Global Services  
**Quantification Methodology:** VM0012

### The Problem

Wood harvesting or 'Logging' contributes up to 26% of global forest loss annually.

### The Solution

Based across Vancouver Island, Haida Gwaii & Coastal British Columbia, The BigCoast Forest Climate Initiative converts 40,000 hectares (100,000 acres) of privately-owned timberland to protected forest land.

Committing these expansive sites into a nature-based climate solution is estimated to both store and remove 20 million tons of carbon over the project's lifespan (currently 30 years). Old forest parcels, ecologically significant areas and culturally important areas are purposefully targeted for the project.

### Biodiversity

On top of the obvious benefits of ecosystem protection throughout the period, a portion of the project funding enables cultural and ecological research through the Indigenous Protected and Conserved Areas (IPCA) [Innovation Program](#) and the [Pacific Salmon Foundation](#).

The IPCA Innovation Program seeks to establish Indigenous protected and conserved areas across Canada, while the Pacific Salmon Foundation undertakes positive initiatives to conserve Pacific salmon among all levels of government, including First Nations.



Yarra Yarra Biodiversity Project

1,119 tCO2e



**Project Developer:** Carbon Neutral  
**Location:** South West Australia  
**Project Type:** Carbon Removal (Afforestation, Reforestation)  
**Tracking:** Gold Standard: [ID 3039](#)  
**Third-Party Verification:** AUS Carbon pty Ltd  
**Quantification Methodology:** Gold Standard A/R GHG Emissions Reduction & Sequestration Methodology

The Problem

Spanning 200 km, The Yarra Yarra Biodiversity Corridor is the largest biodiverse reforestation carbon sink in Australia. However, more than 90% of this planting area was degraded during the twentieth century, to allow for the farming of crops and livestock.

The Solution

This project reconnects and restores the entire 200 km of woodland, benefiting 12 nature reserves across 50,000 km². Over the project’s current lifespan, this is expected to remove a total of 1.5 million tons CO2e.

Biodiversity

A corresponding report found that the restoration of the corridor adds between [\\$28 million and \\$63 million AUD of biodiversity value](#). This is delivered through enhancing local biodiversity with a wealth of benefits for both land & water ecosystems.

Anticipated improvements include increasing soil quality through decreasing salinity and increasing organic matter. Water quality is also expected to improve due to reduced surface runoff and reduction in sediment and nutrient loads in water catchments. Groundwater levels and salt concentrations are also expected to reduce over time. Currently, just under 21,000 hectares of remnant and native forest cover has been restored.

Blue Carbon Mangrove Restoration

224 tCO2e



**Project Developer:** Worldview International Foundation  
**Location:** Ayeyarwady, Myanmar  
**Project Type:** Carbon Removal (Afforestation, Reforestation)  
**Tracking:** Verified Carbon Standard: [ID 1764](#)  
**Third-Party Verification:** 4K Earth Science, TÜV SÜD  
**Quantification Methodology:** AR-AM0014

The Problem

From 2001 to 2022, [Myanmar lost circa 4.56 million hectares of tree cover](#), equivalent to a 11% decrease in tree cover since 2000.

The Solution

This project restores and protects 2,066 hectares of degraded mangrove forests across the coastal Ayeyarwady Region. The restoration and associated livelihood improvement activities of the project are implemented in the three village tracts of Magyi, Thabawkan, and Thaegone in Ayeyarwady Region. A total of 9.1 million protected, native mangrove trees across the project lifespan.

Biodiversity

Mangroves provide a vast array of ecosystem services, such as protection from storm surges, erosion prevention, nutrient cycling, habitat restoration for many marine and estuarine species and also food security for coastal communities. As the Japanese mangrove forest expert [Prof Dr Shigeyuki Baba](#) consistently repeats: ‘No mangroves along the coast, no fish in the sea!’. [The Worldview International Foundation](#), who develops this project, also established the first-of-its-kind mangrove gene bank, in collaboration with Patheingyi University’s Marine Research Centre. This aims to both protect and study over 50 mangrove species.



## Business Travel

Air transportation represents the primary driver for Aspen's business travel emissions (98%). Although hotel stay emissions have dropped 21% from the previous year, business travel emissions overall are 74% higher than reported in 2022.

We are building awareness and education amongst our staff, identifying opportunities for seeking lower emitting alternatives where appropriate.

As part of our carbon emissions and carbon reduction plan, in 2024 we will be working with our travel suppliers to further evaluate environmental performance and carbon reduction measures. We will also review our air travel policies as part of our ongoing efforts to encourage and promote responsible business travel.

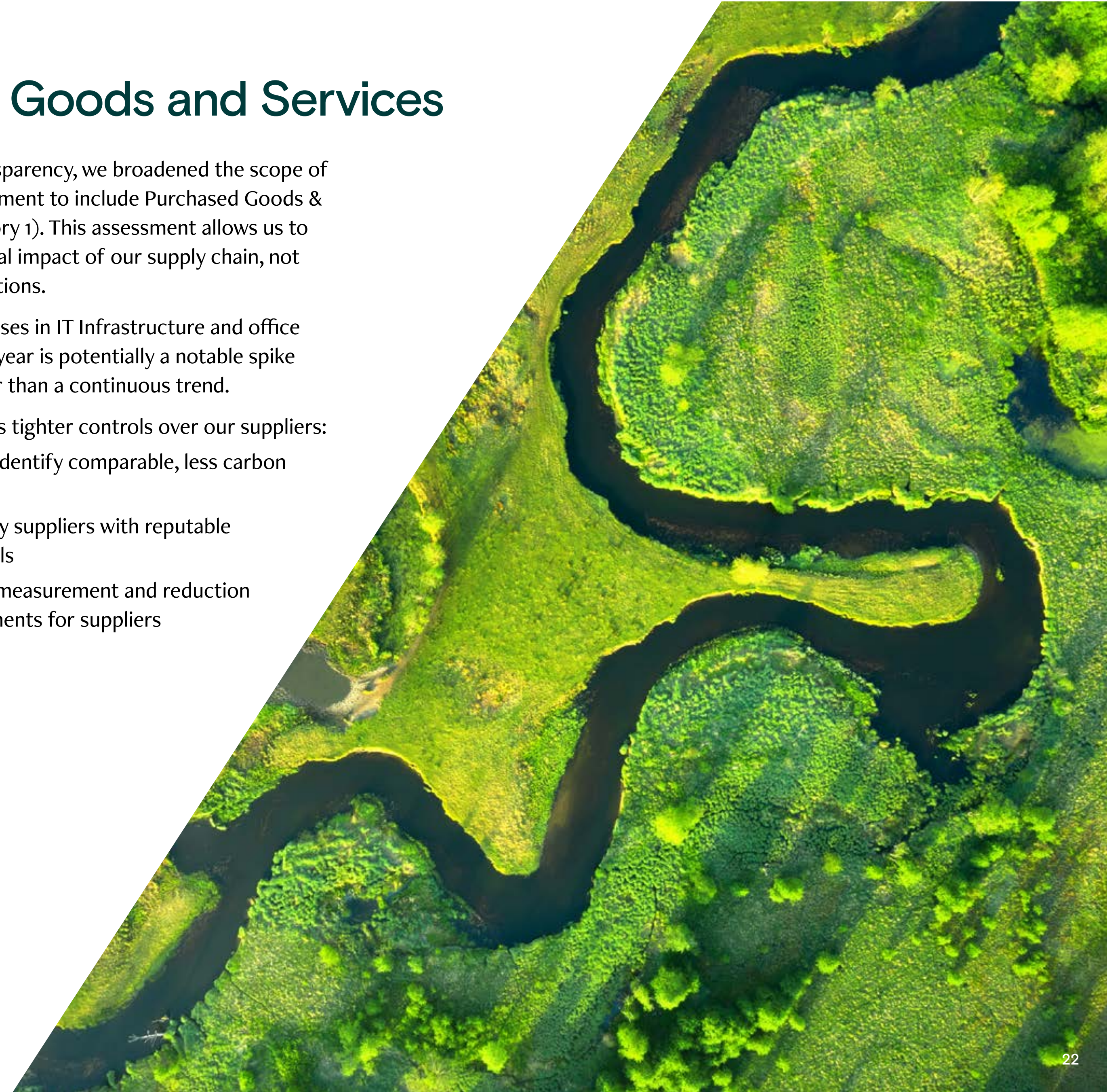
## Purchased Goods and Services

As a commitment to transparency, we broadened the scope of carbon emission measurement to include Purchased Goods & Services (Scope 3: Category 1). This assessment allows us to evaluate the environmental impact of our supply chain, not just our own direct operations.

Emission intensive purchases in IT Infrastructure and office furniture meant that this year is potentially a notable spike in annual emissions rather than a continuous trend.

Our plan for 2024 includes tighter controls over our suppliers:

- More granular data to identify comparable, less carbon intensive alternatives
- Where possible, identify suppliers with reputable sustainability credentials
- Include GHG emission measurement and reduction as part of our requirements for suppliers





## Our Facilities

Our Corporate Real Estate Services (CRES) team creates state-of-the-art sustainable working environments, nurturing an inclusive culture across our locations.

The **Move 2 the Future Program** has been instrumental in optimizing our real estate portfolio, standardizing spaces and saving energy. We have embarked on several initiatives that support energy efficiency, waste reduction, clean air and the wellbeing of our teams around the world, creating state of the art spaces that embrace sustainability, circularity, design and neuro-inclusivity.

Through our partnership with NY-based independent architects, L&K Partners, inc. Aspen was awarded the IIDA Award for Best of Corporate under 20K sq. ft. category for their Pennsylvania, New Jersey and Delaware chapter in June 2023.

We have invested significantly in audiovisual technology, empowering our teams with the necessary tools for an optimal working from home environment.

We have developed and updated our Health & Safety policies and processes, expanding scopes to cover areas beyond compliance.

## Best-in-Class Flexible Workplace

Refining the meeting experience at Aspen's London office, our newly installed phone booths allow privacy, confidentiality and improved productivity.

This initiative aligns with our sustainability targets for highly adaptable workspaces, conscientious materials sourcing, neuroinclusion in the workplace and environmental efficiency.



## Our Approach to Procurement




The Procurement team plays a significant role in Aspen's sustainability and ESG initiatives, overseeing all third-party spend across diverse categories such as software licenses, consulting advice, IT equipment, catering, and more.

In June 2023, we released an updated Group Procurement Policy to include more detailed information requirements from suppliers on their own sustainability practices and environmental impact of their prospective services with us. This revised policy aligns with ongoing efforts to prioritize sustainable considerations throughout the procurement process.





# Giving Our IT a Second Life

	U.K.	U.S./BERMUDA	TOTAL
 Collection of hardware to be recycled	1 from <a href="#">Greensafe</a>	3 from <a href="#">TES</a>	4
 Pieces of IT equipment being processed for resale or recycling	564	200	764
 IT equipment saved from landfill or incineration	1,632 <sub>KG</sub>	1,235 <sub>KG</sub>	2,867 <sub>KG</sub>

The U.K. IT department continues to collaborate with Greensafe, our external IT recycling service provider, to responsibly manage used IT equipment. Our commitment is to recycle technology through sales or donations to charitable organizations.

In 2023, the sale of phased-out assets generated over \$15,000, and included items collected in 2021 and 2022. While we recognize it may take time to resell outdated equipment, our intention is to donate the proceeds to a worthy charitable cause. In addition, we have provided a stock of laptops and desktops with Greensafe and are inviting donation requests.

This year, we supported [Street Storage](#) by donating a high-spec laptop, aiding their mission to provide safe storage for belongings and personal documents for those experiencing homelessness.

Proceeds of all re-sale activity support charitable donations across our jurisdictions.

In the U.S. we maintain an ongoing partnership with TES, our external IT recycling services provider, to ensure responsible disposal of phased-out IT equipment. In 2023, a total of 1,235 kg of IT equipment was collected and recycled.



# Our Communities

04

At Aspen, our commitment to our communities goes beyond supporting charitable initiatives around the globe. We are proud signatories to the UN Global Compact, the UN Principles for Responsible Investment and the UN Principles for Sustainable Insurance, aligning our values with global standards.

We acknowledge the significant role that the insurance industry can play in supporting a better world, so we actively partner with industry peers to bring practical solutions to life, contributing to a shared vision of sustainability within our sector.

In this chapter–

Working With Our  
Local Communities



Working With The  
Insurance Industry





# Working with Our Local Communities

At Aspen, our Corporate Social Responsibility (CSR) strategy is rooted in a commitment to global consciousness and local action, aligning our contributions with partners and organizations that advance the [UN Sustainable Development Goals](#).

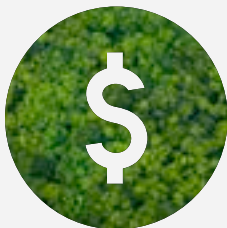
Our Group initiatives **Give as You Earn** and **Volunteer Day** allow for our people to dedicate both time and financial support to charities of their choice worldwide. Allowing them the freedom to champion causes they care about.

Clean oceans, homelessness, educational opportunities, health, and well-being emerged in 2023 as common themes in CSR initiatives across different regions.

For 2024, we have partnered with [OnHand](#) to help us boost awareness of our volunteer programs, track community impact and inspire participation through storytelling.



## Aspen's CSR Initiatives



\$1.3M

Aspen's charitable contributions in 2023



300+

initiatives through 80 global partnerships, advancing the UN Sustainable Development Goals



In excess of  
\$50K

employee raised funds successfully matched to the full amount through Aspen's Employee Matching scheme



70+ initiatives



50+ initiatives



25+ initiatives



15+ initiatives



At Aspen, colleagues enjoy a minimum of **one dedicated day per year** for volunteering activities.

Distribution of Aspen's CSR Initiatives across the UN SDGs can be found in Appendix



# SPOTLIGHT Waterstart

Our mission is to promote environmental awareness and personal growth through hands-on, outdoor education.

- Financial Support: Aspen has contributed approximately \$54,000 since January 2023 through grants, corporate donations, and employee donations.
- Multi-Year Commitment: Aspen has committed to contributing \$50,000 per year for the next three years to support Waterstart's education, research, and operational efforts.
- Impact on Participants: Aspen's support has facilitated the engagement of 270 students and 209 corporate/community volunteers between April 2023 and September 2023.
- Infrastructure Improvement: Funding has enabled the planned renovations and upgrades to the main base and classroom on Burt Island, supporting a conducive learning environment and paving the way for solar panel installation to make the base more sustainable.

- Project-Focused Donations: Aspen's donations have supported specific environmental projects, including the Reforestation and Food Security Project and the Mangrove Restoration Project on Burt Island, Bermuda.





# SPOTLIGHT

## Panathlon Challenge

Our partnership with Panathlon Challenge supports giving young people with disabilities and special educational needs the opportunity to take part in competitive sport. In 2022/23 Panathlon Challenge had programs running in 3,012 schools across England and Wales, attracting over 62,000 participants.

Aspen donated \$20,000 in 2023, which meant that 2,500 children with disabilities and special education needs could take part in different sports activities. Two groups of Aspen Volunteers helped out on volunteer days.



“Panathlon is an amazing non-profit that gives over 60,000 kids with special needs and disabilities the opportunity to participate in competitive sports—something that the majority (79%) of them wouldn’t otherwise be able to. This holds great significance not only for physical exercise but also for social connection, self-esteem, and exposing schools to adaptive sports that they may use regularly. Aspen is incredibly proud to partner with Panathlon and support their efforts because the impact is so evident.

Emma Yau  
Senior Underwriter and  
CSR Committee Member, London

## Habitat for Humanity

Sixteen members from our Jersey City office volunteered for Habitat for Humanity International, a non-profit that works in more than 70 countries — who have helped more than 59 million people improve their living conditions since 1976. Habitat works together with families, local communities, volunteers and partners from around the world so that more people are able to live in affordable and safe homes.

The team helped a veteran and her spouse, both of whom have medical conditions, by working on their home which required extensive repairs. The volunteers assisted in ripping out their kitchen and pruning overgrown trees that had been causing roof damage. Despite the demanding physical labor, the power of teamwork and opportunity to make a profound difference for one family in their local community made it all worthwhile!





# Working with the Insurance Industry

As a member of [Lloyd's of London](#) and part of the wider insurance community, we recognize our role in helping the sector to maximize its impact to create a more sustainable world.

As part of our commitment to building sustainable partnerships, we are members of several industry associations including, but not limited to:

- [Association of Bermuda Insurers & Reinsurers \(ABIR\)](#)
- [Association of British Insurers \(ABI\)](#)
- [Council of Insurance Agents & Brokers \(CIAB\)](#)
- [International Underwriting Association \(IUA\)](#)
- [Lloyd's Market Association \(LMA\)](#)
- [Reinsurance Association of America \(RAA\)](#)
- [Wholesale & Specialty Insurance Association \(WSIA\)](#)

In 2023, our strategic partnerships within the insurance industry, particularly amidst the challenges of our volatile climate, has garnered significant recognition, including receiving the Climate & Sustainability Collaboration Award of the year by Insurance ERM for our collaboration with kWh Analytics. ([See Spotlight](#)).



SPOTLIGHT

Addressing the Insurance Protection Gap

Aspen and Blue Marble

Blue Marble is a micro-insurance for-profit social enterprise entity which started as an insurance industry initiative in 2015.

It delivers socially impactful, commercially viable protection to two key typically uninsured groups in developing countries exposed to climate risks:

- Income stability and food security solutions for smallholder farmers
- Income protection safety nets for individuals and SMEs against health issues, business interruption and other threats

From coffee growers in Colombia, Honduras, Guatemala and Kenya to fruit growers in Indonesia, Blue Marble provides coverage to communities in the event of weather-related damages impacting their livelihoods.

As one of the insurance companies that co-own Blue Marble, Aspen provides leadership and resource to help develop Blue Marble initiatives with other consortium members.

	Beneficiaries
2022:	100k
2023:	300k
	Number of Countries, Active Programs are Operating
2022:	5
2023:	8



Blue Marble's Vision

To normalize financial risk protection for underserved populations in order to reduce poverty and have a positive impact on the environment

“ We are really proud of the role we play in Blue Marble. It shows how the insurance industry can be a force for good in making microinsurance a sustainable product. The potential for positive impact is huge.

Jonny Atkinson  
Director Blue Marble and  
Aspen Group Chief Business  
Development Officer



Aspen and the Fond de Solidarité Contre les Evènements Catastrophiques (FSEC)

FSEC is a fund established by the Moroccan government in 2019 to provide financial support to its uninsured populations in the event of an earthquake. Aspen has supported the FSEC directly and indirectly since 2020.

Through this parametric risk transfer arrangement, we are able to provide coverage for eligible earthquake events, compensating uninsured individuals and/or households in parallel with an indemnity program covering the insured population, therefore closing the protection gap between uninsureds and insureds.



# Our Planet

05

It is through our underwriting solutions, investment services, risk management practices, combined with the investments we ourselves make, that we have the greatest potential for positive impact on our planet. The scale of this is determined by the strategies we choose, the governance put in place, and the effective alignment of our people and business practices.

As part of our strategy and governance approach to Sustainability, in 2023 we have further embedded the management of environmental and climate change risks and opportunities within our frameworks for Sustainability, Risk Management, Underwriting, and Investment Management.



In this chapter–

Sustainable Underwriting



Responsible Investment Management





# Sustainable Underwriting

We are committed to continually evaluating our underwriting framework, looking to use sound underwriting and actuarial practices to develop evidence-based criteria with regard to sustainability.

We are applying a robust governance model that is proportionate to the relevant and material risks, which can be seen by the formation of our Sustainable Underwriting Group who, with global representation, is reviewing how we can manage and integrate sustainable underwriting practices across the group.

Our sustainable underwriting principles are applied appropriately to the nature, size, complexity and impact of the risks we see. We will continue to use scoring tools and principles-based frameworks in order to evolve our approach to underwriting and having a better understanding of developments within the industry.

As a result of our expertise in understanding a variety of sustainability-related risks, we are able to assist current and potential clients on their own sustainability journeys and will continue to work closely with industry partners to remain pragmatic in our approach.

“ At Aspen, we are committed to sustainable insurance practices and are continuously looking to enhance our evaluation-based underwriting criteria. Our approach is to be transparent and accountable, creating impact by taking thoughtful and responsible actions. Working together with clients, partners, and regulators across the industry, we are developing innovative solutions that address challenges, raise awareness, and actively manage risk.

**Paul Bland**  
*Head of International Excess Casualty and  
Co-Chair of the Sustainable Underwriting Group*





In 2023 we have continued to steadily build our sustainable underwriting approach by:



**Forming the Sustainable Underwriting Group**

to design, implement, manage and integrate sustainable underwriting practices across the Aspen Group including global representation across our insurance and reinsurance segments



**Establishing specific sustainable underwriting objectives and a roadmap for completion**



**Embedding the UN Environment Programme Finance Initiative Principles for Sustainable Insurance into our underwriting processes**



**Supporting multiple clients on their own sustainability journeys through climate change risk understanding and education**



**Enhancing our View of Risk**

to incorporate the projected impacts of climate change on North Atlantic hurricane frequency and severity risk, by developing a tool with catastrophe model specialists RMS to consider the potential risk of tropical cyclone induced precipitation flood risk for US hurricane exposure



**Researching the state of the climate science for several climate related perils in North America including Severe Convective Storms, Wildfires and Winterstorms**

This work focused on signals for frequency and severity for each peril while considering other factors such as exposure and vulnerability changes. Information from this study helped enhance our View of Risk





In the first half of 2024 this progress will continue with...



Developing a formal sustainable underwriting strategy

that aligns to Aspen’s overarching Sustainability philosophy statement and addresses applicability for individual lines of business



Enhancing our principles-based framework for sustainable underwriting at Aspen

with reference to global legislations, our commitment to the UN PSI, and Lloyd’s guidelines, and sustainability principles

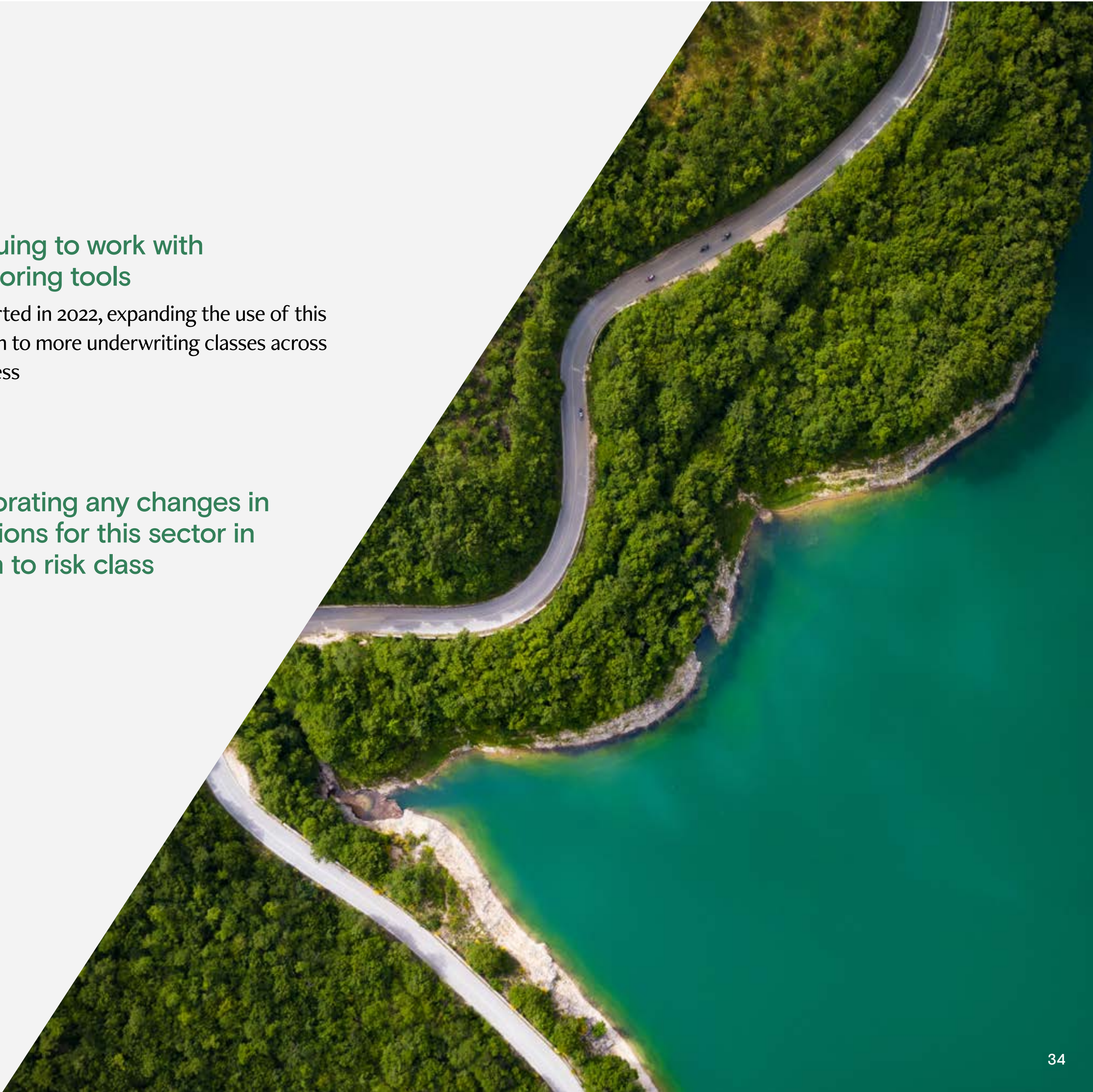


Continuing to work with ESG scoring tools

which started in 2022, expanding the use of this application to more underwriting classes across the business



Incorporating any changes in regulations for this sector in relation to risk class





SPOTLIGHT

Project Leaf: Moving Towards a More Sustainable Portfolio

- Project Leaf is the Credit and Political Risk (CPR) team’s objective to move to a more sustainable portfolio
- It includes a framework to assess an individual transaction’s impact across environmental, social and governance factors, allocating an ESG Favorability rating
- Started in 2022, our target is to have, by 2026, at least 91% our GWP rated neutral, with 66% favorable
- In 2023, we continued progress in 2023 towards this goal, with 94% of CPR Gross Written Premium (by value) now being at least neutral from an ESG Favorability perspective and 44% favorable

Project Leaf results to date

Financing/Policy ESG Favorability Rating	% CPR Gross Written Premium		
	2021	2022	2023*
Favorable	32	42	44
Neutral	48	48	50
Less Favorable	10	9	5

\*01.01.2023 to 17.11.23

Aspen and Parsyl: Sustainable Underwriting in Action

Parsyl is changing the way perishable cargo is monitored and protected by using data and technology to better understand, manage and mitigate risk.

It provides insurance solutions for shippers and suppliers of pharmaceuticals, food and other sensitive goods, and in doing so significantly reduces waste.

Parsyl was part of the first Lloyd’s Lab cohort in 2018 and is now a Lloyd’s syndicate, consortium and coverholder. Its technology is now deployed in more than 80 countries.

Our partnership started in January 2023 as one of the consortium members of Parsyl’s 1796 Syndicate.

Aspen and kWh Analytics: A Partnership Powering Renewable Energy Growth

In January 2023, Aspen and kWh Analytics launched an industry first, data-led product that encourages resilient design, construction and management of solar assets.

The product provides property insurance coverage for solar and other renewable projects and comes at a time when traditional carriers have tightened their portfolio exposure, leaving many insured with high premiums and inefficient coverage.

In October 2023, InsuranceERM named Aspen and kWh Analytics winner in the category of ‘Climate and Sustainability Collaboration of the Year’ during its inaugural Global Climate Risk & Sustainability Awards ceremony.





# Responsible Investment Management

Over the past two years we have developed our ESG investment guidelines which set out the asset classes where we are able to incorporate ESG considerations in our investment decisions and how we do this.

Whilst just over 50% of our investment portfolio is restricted by Trust and Collateral requirements, we have committed \$142 million of our investments into ESG related strategies including social and sustainable bonds.

The ability to consider ESG factors is inherent in the work of each member of our investment team. However, recognizing this is an ever evolving area in 2023 we created a dedicated ESG role reporting to the Group Chief Investment Officer, focused on assessing ongoing developments in this area to ensure we proactively consider and apply ESG investment criteria as appropriate.

In 2023, the Investment Management Team reached some significant milestones in Aspen’s Sustainability journey:

- Agreed ESG reporting scorecards with our asset managers
- Trialed and tested reporting requirements ready for the commencement of mandatory reporting in 2024 as part of our UN PRI membership
- Made significant new ESG/sustainability investments including a \$55 million commitment to energy transition funding and a £7 million commitment to the Big Issue Invest Social Enterprise Debt fund
- Made ongoing efforts to exclude investment in organizations that support controversial weapons
- Completed CFA ESG training for all members of the team and implemented an annual program of ESG Integration and Reporting Due Diligence for Managers
- Progressed ESG investment opportunities related to our Lloyd’s participation, including announcing our investment in BIG Issue Invest

“ Our deliberate approach to ESG/ Sustainability investments has provided us with a strong foundation to lead by example. If we can do it, others can too.

Aileen Mathieson  
*Group Chief Investment Officer*





# SPOTLIGHT Big Issue Invest

In September 2023, we became a seed funding investor in Big Issue Invest, contributing £7 million towards the new £75 million Big Issue Group's Social Impact Fund.

The fund lends to organizations looking to grow their impact in alleviating poverty in the U.K., across health and social care, affordable housing and social infrastructure sectors, while earning returns comparable to commercial funds for investors.

The investment represents one of the most significant commitments in the U.K. from a mainstream institutional investor into a pure social impact debt fund, and gives Aspen the opportunity to invest in initiatives that will make a difference in many communities.

We hope that our initiative in delivering a solid bridge between large pools of institutional assets and social investment opportunities will prompt similar new investors to participate in this fund.

**BIG  
ISSUE  
INVEST**





# Our Governance

06

At Aspen, we recognize the crucial role of governance in a global organization.

In 2023, we prioritized the strengthening of our corporate governance by enhancing operational structures to integrate and guide our approach to Sustainability, creating the right governing bodies and oversight to embed Sustainability at the core of our business.



In this chapter–

Sustainability Governance

→



# Sustainability Governance

In 2023 we drafted a design for our Sustainability Target Operating Model to identify key roles and responsibilities, create accountability, and strengthen governance within sustainability practices across the business.

In 2024, we will continue to progress our approach to administering strong governance over the strategic delivery, effective risk management, and assessment of key metrics and targets for consideration and integration.

Sustainability matters are now reported quarterly to the Aspen Insurance Holdings Limited Board (AIHL) as a standing agenda item. Additionally during 2023, we added key ESG risks and mitigating controls to Aspen’s Risk Universe and Taxonomy to strengthen our monitoring over the fast-changing global landscape.

We continue to work internally to improve the management of Aspen’s Sustainability practices.

## Governance



### Strengthening our Sustainability Governance in 2023

- Formally established our Sustainability Committee
- Sustainability Update now a standing agenda item presented at AIHL Board meetings from Q2 2023
- ESG Risks & Controls have been added to the Aspen Risk Universe and Taxonomy



# Sustainability Committee

The key governance milestone of 2023 was the formalizing of Aspen’s Sustainability Committee. With robust representation from leadership across the business, it supports the integration of sustainable principles throughout every department.

The purpose of the Committee is to oversee the design, strategy, coordination and management of the sustainability practices of Aspen, including ESG matters, and the integration within the Group’s business functions. The committee provides a forum for members and invited senior leaders to engage as the conversation continues to evolve around strategic sustainability topics.

In June 2023, Aspen also appointed Giselle Yeung, Vice President of Environmental, Social and Corporate Governance. In this newly formed role reporting to Jonny Atkinson, Giselle is responsible for formalizing and elevating Sustainability across the group, adding structure and governance to Sustainability, coordinating efforts across the business and developing our performance management processes to integrate Aspen’s sustainability strategy and track progress.

Adam Barboza continues to play a key role in Aspen’s sustainability initiatives and corporate social responsibility as Vice President, CSR and Sustainability.

# Sustainability Leadership Team



**Jonny Atkinson**  
*Group Chief Business Development Officer & Executive Committee member*



**Giselle Yeung**  
*Vice President of Environmental, Social and Corporate Governance (ESG)*

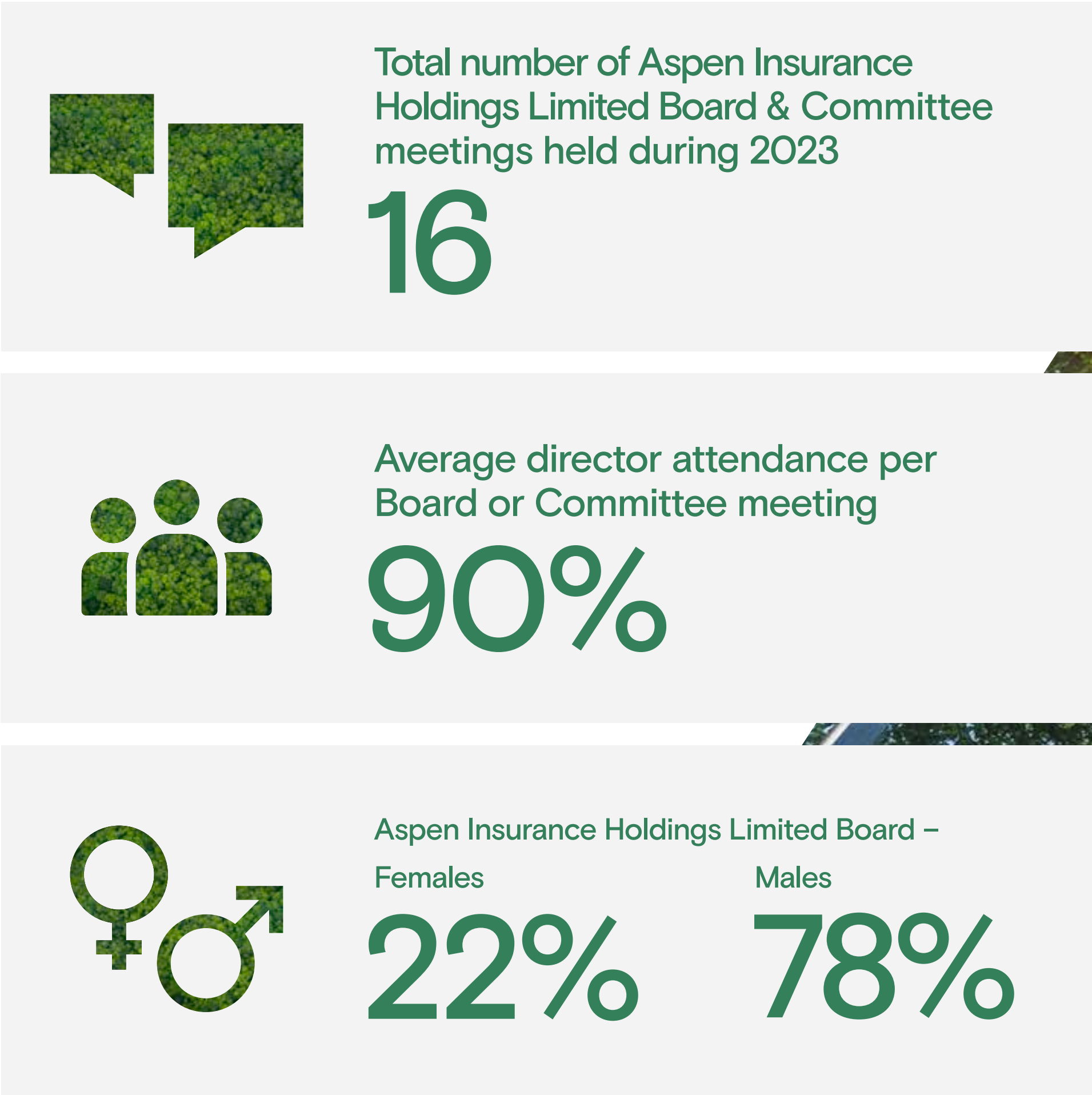


**Adam Barboza**  
*Vice President, Corporate and Social Responsibility and Sustainability*



# Our Board

[View our Board of Directors](#)





# Risk Management

Aspen’s risk management framework is articulated in the Group Risk Policy. The framework is the basis through which Aspen protects franchise value and seeks to enable sustained profitable growth. It is embedded across the Group and comprised of activities performed throughout the business cycle to manage risk and capital.

The main elements of Aspen’s risk management framework include:

- the Risk Universe and Taxonomy; provides a common language and categorization to enable aggregation, analysis and reporting of risks
- the Risk Appetite Framework; describes the level and types of risk Aspen wishes to take in pursuit of our strategic objectives. It is the foundation for business planning and decision making
- Risk Governance; Policies describe our risk management framework, document risk management practices, and roles and responsibilities for risk management activities
- the Risk Control Framework; the collective actions taken to manage and mitigate risks, including ongoing monitoring of the effectiveness of these actions.

In 2023, we broadened and refined our definition of Strategic Risk in our Risk Universe and Taxonomy to explicitly include both Climate Risk and ESG Risk. This serves to further strengthen our focus on these risks and ensure that monitoring arrangements and mitigating controls remain robust.

During 2023, we commissioned an independent assessment of Aspen’s readiness for compliance with current and forthcoming global Sustainability and ESG regulations. The report suggested opportunities to move beyond regulatory compliance towards strategic alignment, and serves as a roadmap as we seek to strengthen our approach to managing ESG and sustainability risks, and supporting our clients and communities.

As a next step, we facilitated a workshop with representation across the business to consider how climate change could generate risks and opportunities across our underwriting and investment activities, and affect our operations. The outcomes of the workshop are helping us to collect targeted data and develop metrics to better quantify and assess climate risks.

We are also using the output of this exercise to continue to enhance our approach to climate scenario testing, through the consideration of a broader range of potential future scenarios, and by bringing in secondary impacts.





# Compliance

At Aspen, we are committed to conducting business with the highest level of integrity and ethical standards. Aspen's Code of Conduct (Code) outlines the ethical principles and expectations of all directors, officers, employees and those working on behalf of Aspen.

We maintain a strong compliance culture. We encourage stakeholders to speak up if something doesn't feel right or is against our Code or our Values and Behaviors. We offer multiple channels to raise concerns regarding compliance or ethics issues, including speaking with Management, Human Resources, Legal or Compliance. We also maintain an Ethics helpline staffed by an independent third party and a Whistleblowing Policy that prohibits retaliation, harassment, or reprisals of any kind. We provide annual compulsory training on these policies for all employees.

# Financial Crime Frameworks

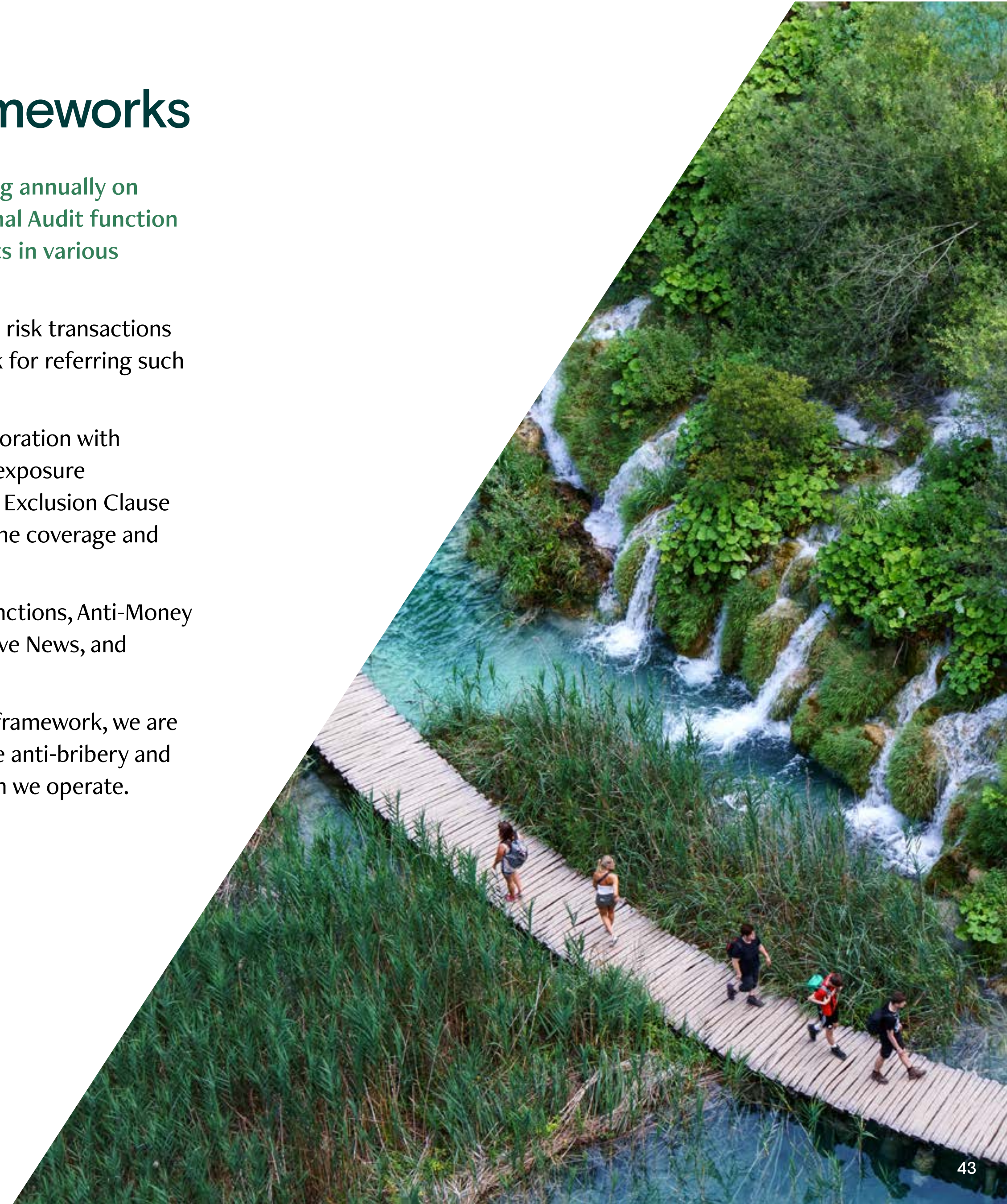
All Aspen employees have compulsory training annually on Financial Crime and Sanctions, and our Internal Audit function incorporates Financial Crime compliance tests in various relevant audits.

Aspen has developed triggers to identify higher risk transactions and jurisdictions and implemented a framework for referring such transactions to Compliance for review.

Our preventative approach, developed in collaboration with regulators, ensures transparent and compliant exposure management. The incorporation of a Sanctions Exclusion Clause in our (re)insurance policies enables us to decline coverage and claims with identified exposures.

We use solutions to screen our data against Sanctions, Anti-Money Laundering, Politically Exposed Persons, Negative News, and watchlists.

As set forth in the Anti-Bribery and corruption framework, we are fully committed to complying with all applicable anti-bribery and anti-corruption laws in the jurisdictions in which we operate.





# Information Security and Cyber Risk Management

As technology continues to advance, it is imperative that our governance of Information Security and Cyber Risk Management evolves at the same pace, making it a core area of focus for our business.

We align our Information Security and Cyber Risk Management with the National Institute of Standards and Technology (NIST) cybersecurity framework, and are Cyber Essentials certified, tailoring relevant controls to provide robust protection against external threats.

We have comprehensive Cyber and Data security induction courses that all employees are required to complete and recertify annually.

Our Cyber Security team takes a proactive approach educating our employees through information and training. We also run regular internal communication campaigns, keeping data security and cyber threats at the forefront of the operational agenda for all our teams.

Our Information Security Policies and systems are audited annually to ensure we are operating within a strong control environment. Within this, we treat Data Protection seriously and have strong governance around Privacy & Data, further details on can be found on our website.

Full details of our Corporate Governance with links to our website can be found in the Appendix A – Governance

As part of strong governance, Aspen's designated executive Alex Ramjuttun, Chief Information Security Officer (CISO), is responsible for managing information security, overseeing the IT risk function, and monitoring systems to prevent data breaches.

In 2023 we continued to optimize the use of our tools and strengthened our internal governance and collaboration to ensure all departments have an aligned approach to mitigating risks. We have established a formal risk & governance forum to improve the management of our business data risks. Our ability to respond to operational risks and regulatory changes has matured, enabling us to act swiftly.



# 99%

of employees complete our comprehensive Cyber and Data security induction courses within a month of starting



# Appendices

07

In this chapter–

Appendix A –  
Governance



Appendix B –  
Carbon Emissions



Appendix C –  
UN SDGs & CSR





# Appendix A – Governance

## Overview (Board Strategy & Alignment)

At Aspen, we take our responsibility to comply with all applicable regulations of the jurisdictions within which we operate very seriously. Good governance is the bedrock of our commitment to offer value to our clients, employees and the communities around us. We have strict operating structures in place to deliver on this.

### Aspen Insurance Holdings Limited Board of Directors

The Aspen Insurance Holdings Limited (AIHL) Board is the ultimate supervisory body of AIHL and the Group. All-but-one of the AIHL directors serve in a non-executive capacity. The AIHL Board members have ultimate oversight of the business, including the implementation of appropriate management controls and the determination of the Group's Sustainability/ESG strategy. The AIHL Board also reviews on an annual basis Aspen's three-year strategic plan (the "Plan") and its corporate objectives and has oversight of the implementation of the Plan.

An annual review is made of the skills and suitability of the AIHL Group Board including an assessment of the Audit Committee members' financial literacy in accordance with applicable listing rules.

## Group Board Committees

As of the end of 2023, the AIHL Board maintains four separate standing committees. Each Group Board Committee has its own charter setting out their terms of reference, membership details and operating procedures, and meets at least four times per year, unless otherwise determined by the chair.

These include:

- An Audit Committee to ensure the integrity of the Company's financial statements, the Company's compliance with applicable legal and regulatory requirements, and the performance of the internal audit function
- A Risk Committee to ensure the ongoing integrity of the group's risk management framework
- A Conflicts Committee to review potential transactions involving Aspen and/or its subsidiaries and its shareholders or other non-Aspen affiliates that may present a conflict of interest
- An Investment Committee to have oversight of, and review and monitor, the management and performance of the investment function of the Group

## Group Governance Framework – Operating Entities

Operating entity independence is a fundamental principle of the Group's governance model. The management of each operating entity is responsible for acting in the best interests of that entity and is responsible to the board of directors of that operating entity for all aspects of strategy, operations, risk management and capital management. However, where appropriate, governance frameworks are aligned across the Group, to ensure consistency of process and decision-making and to align with the "One Aspen" approach. Our Sustainability Committee (a sub-committee of the Group Executive Committee) supports the Group Executive Committee and its standing sub-committees to oversee the design, strategy, coordination and management of the sustainability practices of Aspen. Sustainability Update is now a standing agenda item at the AIHL Board meetings, providing quarterly updates on our Sustainability/ESG strategy, risks and opportunities, reporting and disclosure and any challenges that may have arisen. The Sustainability Committee also provides updates to Aspen's operating entity boards. Our Corporate and Regulatory information can be found on our website.



## Group Underwriting Committee

The Group Underwriting Committee (GUC) meets quarterly and is a subcommittee of the group Executive Committee. It assists the Group CEO and Executive Chairman in their oversight of underwriting risk. Membership of the GUC is heavily weighted towards the underwriters and actuaries with other key function attendees. This ensures that the GUC has representation and understanding of the entire business. It’s chaired by the Group Chief Underwriting Officer.

The remit of the GUC is deliberately kept broad, because it considers the general appetite as well as taking responsibility for the execution of underwriting principles. Any changes to embed and be adopted into underwriting practices are initially presented to the GUC for oversight, challenge, improvement and approval or rejection.

The GUC is the primary custodian of the framework for moderating best practice in underwriting. As a body it has the power and responsibility to implement appropriate controls. The GUC has regular strategic conversations with the underwriting teams, which in turn each have authority to execute their strategies.



# Appendix B – Carbon Emissions

## Furthr's Key 12 Quality Criteria

### A. Key Quality Criteria

#### Additionality

The quantification of how the reductions or removals are additional and would not have taken place without the credit funding

#### Developer Relationship

Credibility and experience of the carbon project developer, including their engagement levels

#### Host Country Ambition

The ambition of the host country’s Nationally Determined Contribution (NDC)

#### Leakage

The safeguards put on the project to derisk the climate benefit being lost through displacement into emissions downstream or upstream

#### Permanence

The time for which the emissions reduction or removal lasts

#### Social & Environmental Safeguards

Safeguards that prevent negative social impacts and ensure the project contributes to sustainable development goals

#### Net Zero Compatibility

Whether the project type facilitates long-term transition to low, zero or negative-emissions technologies

#### Double Counting

Ensuring the credits are not used more than once to achieve climate goals

#### Governance & Audit

Does the accreditor ensure good practice in governance, transparency, and third-party auditing

#### Developer Transparency

The ability to document a project’s impacts through written updates, interviews with team members, and video/photography

#### Stakeholder Management

How is this project benefiting and interacting with local, regional and national stakeholders?

#### SDG Impacts

Monitored and certified contributions to the UN’s Sustainable Development Goals



B. Carbon Offset Projects in Detail

**B.1. BigCoast Forest Project**

**B.1.a Quality Criteria Elements**

**Permanence:** VCS AFOLU Non-Permanence Risk Tool Criteria. Non-permanence risk rating: 14%. Associated buffer credits pooled into buffer: 231,044

**Additionality:** VCS AFOLU Demonstration and Assessment of Additionality Tool Criteria. Independent audit coverage of regulatory surplus requirements, appropriate of financial parameters, suitability of benchmark for investment analysis, geography of common practice analysis and assumptions made within Demonstration of Additionality

**Leakage:** Following guidelines of the VM0012 LTPF methodology, auditing found no activity-shifting leakage within the project proponent operating areas

**B.1.b Impact on Sustainable Development Goals**

**SDG 6 Clean Water & Sanitation:** 17 aquatic stewardship projects within the project area

**SDG 12 Responsible Consumption & Production:** Corporate Sustainability Progress Reports published annually, ensuring adoption of sustainable practices by large and transnational companies

**SDG 13 Climate Action:** 650,000 tons of CO2e reduced on average per year

**SDG 14 Life Below Water:** 17 anadromous fish stewardship projects within the project area

**SDG 15 Life on Land:** 100% Sustainable Forestry Initiative Certification for all forestlands in the project

**B.2. Yarra Yarra Biodiversity Project**

**B.2.a Quality Criteria Elements**

**Permanence:** Land use and forests activity requirements, Version 1.2.1.

Non-permanence risk rating: 17%. Associated buffer credits pooled into buffer: 20%. Additional 20 years of monitoring period added on top of original 30-year period originally planned

**Additionality:** GS A/R Requirements Version 0.9, section 4 (1) and A/R CDM combined tool to demonstrate additionality, considering alternative land use based on regional activity focused on underused farming land concluded and use a third-party auditor for determining alternative income source for landowners

**Leakage:** Following guidelines of the GS A/R Requirements Version 0.9 section 5.6, it was established that prior agricultural activities had already been retired prior to project inception, meaning that no leakage applies for this project

**B.2.c Impact on Sustainable Development Goals**

**SDG 3 Good Health & Wellbeing:** Contribution to the positive mental health and wellbeing of Indigenous communities

**SDG 4 Quality Education:** Provision of job-specific training sessions and inductions for local employees. The project is also partnering with the Morawa (Regional) Agricultural College providing students with opportunities to undertake training on carbon farming, environmental management and greater awareness of climate change impacts

**SDG 6 Clean Water and Sanitation:** Lowering salinity in both ground and surface waters over the project’s life from re-forested areas compared to broadsale agricultural areas

**SDG 8 Decent Work and Economic Growth:** Created 400+ jobs, 80 full-time employment positions, helped advance over 50 Indigenous roles and engaged over 80 businesses to generate a total value of \$30 million AUD

**SDG 13 Climate Action:** At least 967,695 tons of CO2-e will be sequestered during the project’s lifetime

**SDG 15 Life on Land:** 89% of project area was classed as degraded at the start of the project, with 66 native tree and shrub species planted to help with that, 50 native bird and 256 insect species

**SDG 17 Partnerships for the Goals:** The project has partnered with 11 local and national organizations including WWF, BirdLife Australia, Department of Parks and Wildlife, Bush Heritage, and Murdoch University



**B.3 Blue Carbon Mangrove Restoration Project Quality Criteria Elements**

**B.3.a Quality Criteria Elements**

**Permanence:** VCS AFOLU Non-Permanence Risk Tool Criteria. Non-permanence risk rating: 24%. Associated credits pooled into buffer: 14,454t. Nb: Myanmar is a UN-REDD partner country since December 2011. Myanmar received UN-REDD targeted support in 2013 to develop a REDD+ Readiness Roadmap and used this Roadmap to develop a funding proposal in November 2013 based on a full UN-REDD National Program2 (Annex 4). Myanmar also has a DNA (Ministry of Environmental Conservation and Forestry)

**Additionality:** Completion and ongoing auditing of Combined tool to identify the baseline scenario and demonstrate additionality in A/R CDM project activities. This takes into account i) investment barriers, other than insufficient financial returns and ii) technological barriers

**Leakage:** Completion and ongoing auditing of estimation of the increase in GHG emissions attributable to displacement of pre-project agricultural activities in A/R CDM project activities. The tool finds leakage to be zero

**B.3.b Impact on Sustainable Development Goals (Across Project Lifespan)**

**SDG 3 Good Health & Well-Being:** The project has supported 1,413 people with quality and essential COVID 19 preventive medicines and equipment among the most disadvantaged population

**SDG 4 Quality Education:**

- Total 15 students across high, middle and primary levels will be awarded scholarships within these facilities
- The project aims to increase the number of local people who have relevant skills, including vocational employment and entrepreneurship. Until the latest monitoring period, 145 local people received fuel efficient stove making training, computer training programs, shell craft training, seaweed training and mobile video production trainings (5% of the total population is covered in 15 targeted villages)

**SDG 5 Gender Equality:** 40%+ women will be included within the village development committee

**SDG 7 Affordable and Clean Energy:**

- Target to increase electricity coverage by 40% across each local village
- Cookstove Distribution: In total 243 stoves have been distributed to 937 populations of 4 targeted villages (22% of the total population is covered in 4 targeted villages)

**SDG 13 Climate Action:** 2,065.87 ha of mangrove forests in Shwe Thaug Yan Township have been restored and replanted by WIF. The project prevented the emission of 244,520 tons of carbon into the atmosphere from 2015 to 2022

**SDG 14 Life Below Water:** The marine project area is protected from deforestation with the cooperation of local villages, Myanmar’s Forest Department and Pathein University



# Appendix C – UN SDGs & CSR: Aspen Delivery in 2023

Aspen's CSR Initiatives across the UN SDGs in 2023



Total Aspen Contribution  
to CSR Projects=  
\$1.3 million





[aspen.co](https://www.aspen.co)

#### About Aspen Insurance Holdings Limited

Aspen provides insurance and reinsurance coverage to clients in various domestic and global markets through wholly-owned operating subsidiaries in Bermuda, the United States and the United Kingdom, as well as its branch operations in Canada, Singapore and Switzerland. For the year ended December 31, 2023, Aspen reported \$15.2 billion in total assets, \$7.8 billion in gross loss reserves, \$2.9 billion in total shareholders' equity and \$4.0 billion in gross written premiums. Aspen's operating subsidiaries have been assigned a rating of "A-" by Standard & Poor's Financial Services LLC and an "A" ("Excellent") by A.M. Best Company Inc. For more information about Aspen, please visit [www.aspen.co](https://www.aspen.co)

#### Cautionary Statement Regarding Forward-Looking Statements

This communication or any other written or oral statements made by or on behalf of the Company may contain written "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, that are made pursuant to the "safe harbor" provisions of The Private Securities Litigation Reform Act of 1995. Forwardlooking statements include all statements that do not relate solely to historical or current facts. In particular, statements using the words such as "expect," "intend," "plan," "believe," "aim," "project," "anticipate," "seek," "will," "likely," "assume," "estimate," "may," "continue," "guidance," "objective," "outlook," "trends," "future," "could," "would," "should," "target," "predict," "potential," "on track" or their negatives or variations and similar terminology and words of similar import generally involve forward-looking statements. All forward-looking statements rely on a number of assumptions, estimates and data concerning future results and events and that are subject to a number of uncertainties, assumptions and other factors, many of which are outside Aspen's control that could cause actual results to differ materially from such forward-looking statements. Accordingly, there are important factors that could cause our actual results to differ materially from those anticipated in the forward-looking statements, including, but not limited to, our exposure to weather-related natural disasters and other catastrophes, the direct and indirect impact of global climate change, our relationship with, and reliance upon, a limited number of brokers for both our insurance and reinsurance business, the impact of inflation, our exposure to credit, currency, interest and others risks within our investment portfolio, the cyclical nature of the insurance and reinsurance industry and many other factors. For a detailed description of these uncertainties and other factors that could impact the forward-looking statements in this press release and other communications issued by or on behalf of Aspen, please see the "Risk Factors" section in Aspen's Annual Report on Form 20-F for the twelve months ended December 31, 2023, as filed with the SEC, which should be deemed incorporated herein.

The inclusion of forward-looking statements in this press release or any other communication should not be considered as a representation by Aspen that current plans or expectations will be achieved. Aspen undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future developments or otherwise, except as required by law.

#### Carbon Emissions Calculation Disclaimer

Our emissions measurements are based on a combination of actual, estimated and extrapolated data for the calendar year of 2023 as at December 31, [2023] and are based on a number of assumptions. Our reported emissions subject to change in the future, and such variations could be material and should not be seen as indicative of any future period. All estimations or limitations are present in Furthr's detailed measurement report under each relevant GHG category & subcategory breakdown. Furthr's measurement methodology is continuously refined to align with international frameworks for best practices. Our emissions measurements are subject to change as part of our efforts to improve data accuracy, transparency, and integrity and, accordingly, estimates and presentations across years may be retroactively measured and may not be directly comparable as we update our processes and procedures. Of the emissions categories applicable to Aspen, we have not disclosed Scope 3 Category 15 at this time. Figures are unreviewed and unverified by our auditors.