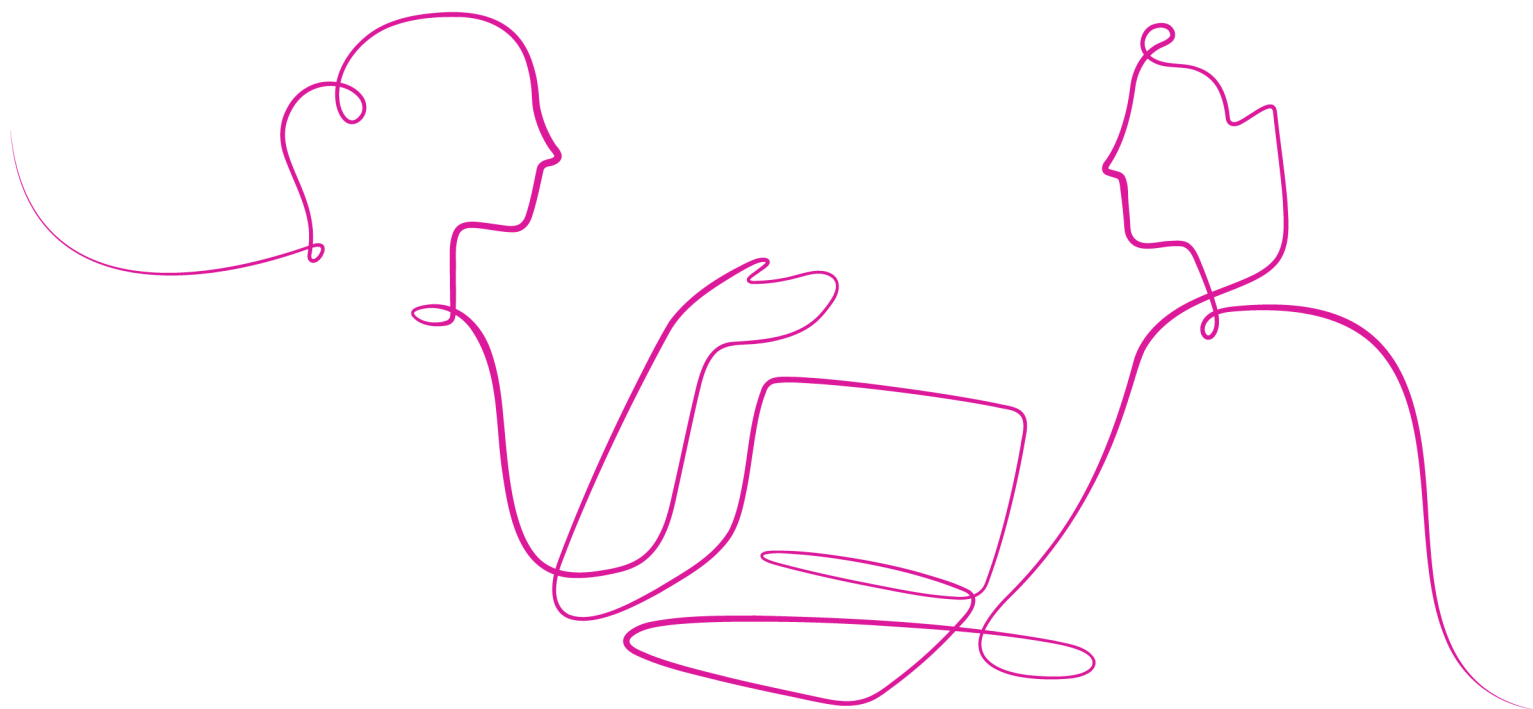


Governance

76	Governance at a glance
78	Chair's introduction to governance
80	Board of Directors
83	Corporate governance report
100	Nomination Committee
106	Audit Committee
115	Risk Committee
120	Remuneration Committee
122	Letter from the Chair of our Remuneration Committee
124	Directors' remuneration report
146	Statement of Directors' responsibilities
147	Directors' report
152	Independent auditor's report



Governance at a glance

Board composition and diversity*

Board composition



Chair	1
Executives	2
Non-Executives	8

*all data as at 31 December 2023.

Board gender balance



Men	55%
Women	45%

As at our reference date of 31 December 2023, we have met the Listing Rule 9.8.6R(9) targets of:

- at least 40% of the Board Directors being women; and
- at least one of the senior positions on the Board being held by a woman: our Group Finance Director and Senior Independent Director are both women.

Targets were also met throughout the year.

Board ethnic diversity



Asian	18%
White	82%

As at our reference date of 31 December 2023, we have met the Listing Rule target of at least one Board member being from a Black, Asian or ethnic minority background: two of our Directors throughout 2023 were from an ethnic minority background (Rajesh Agrawal and Cecilia Reyes Leuzinger).

The numerical data required by Listing Rule 9.8.6R(10) on both the ethnic background and gender of the Board and Executive Management as at the reference date of 31 December 2023 are included on page 20, together with an explanation of our approach to collecting data.

Committee diversity

The Board also aims to ensure that each Committee is diverse, where possible. The Chairs of the Risk Committee and Remuneration Committee are women. The diversity of each Committee as at 31 December 2023 is set out below:

Nomination Committee – Ethnic Diversity



Asian	20%
White	80%

Nomination Committee – Gender Diversity



Men	60%
Women	40%

Risk Committee – Ethnic Diversity



Asian	17%
White	83%

Risk Committee – Gender Diversity



Men	50%
Women	50%

Audit Committee – Ethnic Diversity



Asian	40%
White	60%

Audit Committee – Gender Diversity



Men	60%
Women	40%

Remuneration Committee – Ethnic Diversity



Asian	40%
White	60%

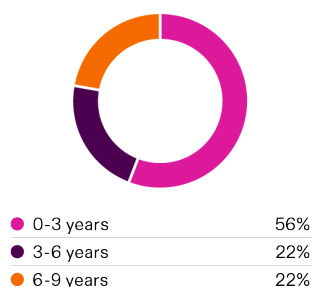
Remuneration Committee – Gender Diversity



Men	40%
Women	60%

Governance at a glance continued

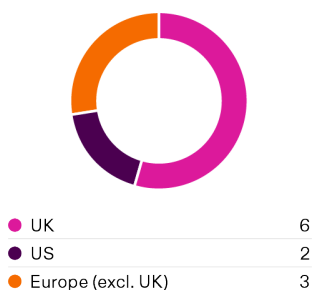
Non-Executive Director tenure*



*Pierre-Olivier Desaulle is included within 0-3 years tenure, as the data is at 31 December 2023, but entered his second term on 1 January 2024.

Director domicile

The Board is also mindful of geographic diversity and ensuring the Board is comprised of individuals with global experience to complement our three-platform strategy, focused on Lloyd's Wholesale (London, Singapore and Miami), US and Europe.



Planned Board changes for 2024:

- Carolyn Johnson was appointed as an independent Non-Executive Director on 1 March 2024.
- Christine LaSala will step down from the Board and as Senior Independent Director at the conclusion of the 2024 AGM. A new Senior Independent Director is being selected and will be confirmed by the AGM.
- Sally Lake will step down from the Board and as Group Finance Director in 2024.
- A new CFO, Barbara Plucnar Jensen, will be appointed in 2024.

Key activities in 2023

Monitored strategic delivery of key projects

Board activities: pages 87 to 91
Section 172 statement (principle decision 4): page 58

Considered Board and senior leadership succession

Nomination Committee report: from page 100

Approved change to capital surplus metrics

Board activities: page 89
Section 172 statement (principle decision 3): page 58

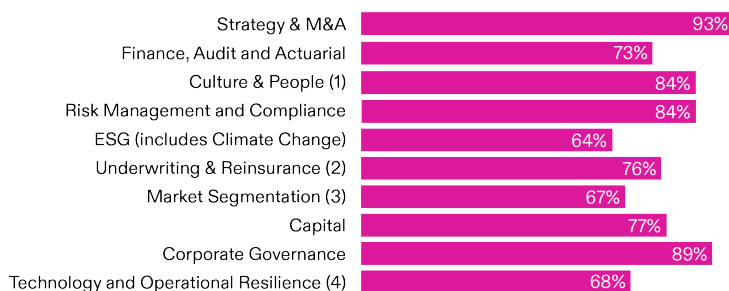
Implementation of IFRS 17

Audit Committee report: page 106
Financial review: from page 60
Engagement with shareholders: pages 52 to 54

Skills to support delivery of strategy for the long-term success of Beazley

A collective view of the skills of the Board as assessed by the Nomination Committee during 2023, as part of the Board evaluation and self-assessment by the Directors of their knowledge and skills.

Area of skill



(1) Culture & People includes HR and Reward

(2) Underwriting & Reinsurance includes Claims Management

(3) Includes insurance/distribution experience in specific markets such as Lloyd's, US, European and Wholesale markets

(4) Includes Cloud, Data, Information Security

Chair's introduction to governance

“On behalf of the Board of Directors, it is my pleasure to present the first governance report since I joined Beazley as Chair in 2023. I would like to start by thanking my fellow Board members and the entire Beazley Executive management team for their support during the year.”

Clive Bannister
Chair



The governance report describes our governance arrangements, the focus of the Board during 2023, and how the Board provides effective leadership to ensure the long-term success of Beazley. We believe in the importance of good corporate governance and report under the UK Corporate Governance Code 2018 (the Code).

In my statement on pages 8 to 9, I comment on Beazley's performance, and how we have made progress in 2023 against our vision to be the highest performing sustainable specialty insurer: a year of geopolitical turmoil and economic uncertainty. Our focused, flexible approach to underwriting allowed us to perform well, seize opportunities, and deliver for all our stakeholders.

Beazley's success is underpinned by a robust governance framework, which helps the Board contribute effectively to the Company's long-term strategy, and ensures that Beazley operates with the highest standards of integrity and accountability. Our governance framework is a key enabler of our strategy; ensuring that the Board and its Committees support Executive management in the development, refinement and successful execution of our strategy. The Board provides independent oversight and valuable input, whilst allowing the space needed by Executive Management to execute the strategy. This is evidenced by the Board's involvement in our key strategic project deliveries in 2023, including the establishment of a US Excess and Surplus lines carrier.

I am pleased to confirm that the Company has complied with all of the principles and provisions of the Code throughout the year. The Board remains highly engaged in fulfilling its principal task of leading the Company and overseeing the governance of the Group.

Board changes

The Board takes seriously its responsibility for and oversight of effective succession planning for Board and senior management positions. I assumed my role as Chair of the Board and Nomination Committee with effect from 25 April

2023, taking over from our Interim Chair, Christine LaSala. I would like to thank Christine for her excellent stewardship of the Board and for helping make my transition to Chair seamless. At the conclusion of the 2023 Annual General Meeting (AGM), Christine resumed her role as Senior Independent Director. Christine has decided not to stand for re-election as a Non-Executive Director and will therefore retire from the Board at the conclusion of the 2024 AGM. I would like to emphasise my thanks to Christine for her dedication and contribution to Beazley during her eight-year tenure. We have all benefited from her extensive leadership experience, US market insights and principled commitment to the organisation. We expect to announce the Director who will succeed Christine as Senior Independent Director prior to the AGM.

We were pleased to announce on 22 February 2024 the appointment of Carolyn Johnson as an independent Non-Executive Director of Beazley plc, with effect from 1 March 2024. Carolyn has extensive US insurance and financial experience as well as UK listed experience through her Non-Executive role at Legal & General Group plc, which will strengthen the Board. Carolyn will also be appointed as the Chair of our US subsidiary, Beazley Holdings Inc. More information on the process to select the new Non-Executive Director is included on page 102.

More information regarding appointments made during the year and the considerable work that the Nomination Committee has done to identify the skills and experience required by the Board and its Committees can be found in the Nomination Committee report on pages 100 to 105.

Group Finance Director succession

During 2023 Sally Lake expressed her intent to step down as Group Finance Director during 2024. I would like to thank Sally for her significant contribution to Beazley's success in her formidable 18-year career with the Group. Sally has been an outstanding role model within the business. She is a valued leader as Group Finance Director and has displayed professionalism and leadership throughout her tenure. More information about the search for a successor for Sally Lake is included in the Nomination Committee report on page 102.

Board performance

We have a strong Board comprising individuals of diverse experience, background and skills. In addition, there is a good balance of new and more established Directors. In line with the Code, the 2023 internal Board performance evaluation concluded that the Board continues to operate effectively, and that each Director is contributing to the Board's overall effectiveness. We report further on the process and outcomes from the Board and Committee performance evaluation on pages 97 to 98.

2023 Annual General Meeting (AGM)

At the AGM in 2023, two of the special resolutions proposed did not receive sufficient support to be passed. The Company engaged with shareholders to understand their views on these resolutions. The response, including the impact on the resolutions to be proposed at the AGM in 2024, is set out on page 93 in accordance with provision 4 of the Code.

Stakeholder engagement

The Board is committed to engaging with its stakeholders. The Board identifies our shareholders, people, clients and broker partners, regulators, and community and the environment as its key stakeholders. During 2023 the Board reviewed the key stakeholder groups. Following this review, 'community and the environment' have been included as an additional key stakeholder group for 2023. The Board recognised that the inclusion of this group further aligned key stakeholders with Beazley's strategy. On pages 57 to 59, we discuss how these stakeholder groups have been considered in key decisions taken by the Board during the year and our Stakeholder Engagement report beginning on page 50 describes our engagement activities. The Board has arranged its 2024 itinerary to ensure that the Board (or individual Directors) will visit international offices to meet with colleagues globally.

Culture and our people

At Beazley we define our culture by what "we actually do". We are bold, strive for better and intend to "do the right thing". Our values inspire the way we work, from how we engage with our stakeholders and colleagues, to how we design our workspaces, treat our customers and behave as a responsible business. Retaining and enriching our strong culture is key for Beazley. During 2023, the Board undertook an independent review of our culture. The outcome of the review was positive. Our culture was found to be valued by colleagues and consistent with the findings of our engagement survey. You can find out more about the culture review in the Corporate Governance report on page 92, as well as our regular activities to monitor culture and ensure it remains aligned with our values.

Inclusion and Diversity

The Board remains committed to promoting inclusion and diversity in all its forms. We are pleased to have met the new Listing Rule requirements in relation to Board diversity. However, we understand that our work in this area is never done. In line with our Board diversity policy, the Board continued to ensure an inclusive environment, aligned to the Company's strategy. The governance at a glance on pages 76 to 77 sets out our key metrics on Board diversity. During 2023, we agreed to increase some of our goals around ethnicity within our workforce to more accurately reflect the markets and communities in which we operate. Further details on our decision and approach to inclusion and diversity is included in the Responsible Business Report from page 17. The Nomination Committee report from page 100 also sets out further information regarding the Board's approach to ensure an inclusive and diverse organisation.

Board activities during 2023

It was another busy year for the Board and a summary of our key activities is set out from page 88. A key development during the year was the diversification of our business by building out our three platforms. More information about which is set out in the Strategic Report. During the Board's annual strategy day, we met in person and discussed topics including the Group's business strategy, Artificial Intelligence, technology and modernisation, with focus on the underwriting opportunities created as the world moves away from fossil fuels. We received valuable insights from external parties such as specialist consultants, our bankers and brokers.

Looking ahead

Given the continued changes to the Board, a key priority during 2024 will be the smooth transition of responsibilities between Sally Lake and her successor Barbara Plucnar Jensen as well as an effective induction for Carolyn Johnson. We will also carry out activities to ensure that the Board members maintain effective working relationships with each other and the Executive leadership team during these times of transition, and that our governance and oversight will remain strong. We look forward to undertaking an independent external evaluation of the Board's performance during 2024.

As ever, we welcome all engagement with our shareholders either via our AGM, our presentations throughout the year and via our website. All Directors expect to attend this year's AGM, which will again provide an opportunity for all shareholders to hear more about our performance and to ask key questions of the Board. Where it is not possible for Directors to attend in person, arrangements will be in place for these individuals to attend virtually.

I would like to thank all my Beazley and my Board colleagues for their contributions during the year.

Clive Bannister
Chair

Board of Directors

The Beazley Board is comprised of highly skilled professionals who bring a diverse range of skills, perspectives, and corporate experience to the boardroom. Their broad range of leadership experience makes the Board well placed to oversee the delivery of Beazley's strategic plans in line with its purpose, vision and values and maintain the long-term success of the Company.

On the Board, our two Executive Directors ensure the maintenance of a strong direct link between the business and the Non-Executive Board members. The Non-Executive Directors each bring specific, in-depth areas of expertise to the Board.

On 8 February 2023, it was announced that Clive Bannister had been appointed as Chair Designate and as a Non-Executive Director with immediate effect. Clive assumed the role of Chair at the conclusion of the Company's AGM on 25 April 2023.



1. Clive Bannister
Chair and Independent
Non-Executive Director

Appointed: 8 February 2023. Appointed as Chair 25 April 2023

Experience and contribution: Clive was Chief Executive of Phoenix Group plc from 2011 until retiring in March 2020. Clive's experience at Phoenix Group, at which he led the transformation of the Group and progression to the FTSE 100 brings considerable leadership experience to the Board as well as knowledge of the UK listing environment, capital markets and investor relations. Prior to that Clive had a long and distinguished career at HSBC Group, including leadership roles in private banking and insurance. He has previously held several non-executive directorships as well as his current external chair roles.

Skills: significant strategy, transformation experience, mergers and acquisitions, commerce, banking and insurance, leadership and governance.

Committee: NC (Chair)

Key external appointments: Chair of Rathbones Group plc and the Museum of London



2. Adrian Cox
Chief Executive

Appointed: 6 December 2010*. Appointed as Chief Executive April 2021

Experience and contribution: Prior to his appointment as Chief Executive in April 2021, Adrian was Chief Underwriting Officer at Beazley from January 2019. Adrian has vast leadership and underwriting experience gained throughout his career at Beazley, which he joined in 2001. He began his career at Gen Re in 1993. Adrian has a deep understanding of the Group's platforms and strategy, has considerable underwriting experience and market knowledge and effectively leads the Executive Committee to contribute to the long-term success of Beazley.

Skills: insurance, management, international business development, strategy, leadership, people management, stakeholder management and governance

Committees: EC, DC

Key external appointments: None



3. Sally Lake
Group Finance Director

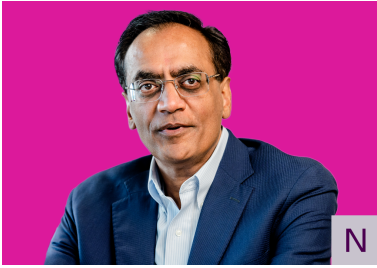
Appointed: 23 May 2019

Experience and contribution: Prior to her appointment as Group Finance Director in May 2019, Sally served as Group Actuary from 2014 to 2019. She was a Reserving Manager from 2012 to 2014. A Fellow of the Institute of Actuaries since 2004, Sally joined Beazley in 2006 in the Specialty Lines division. Sally oversees a number of areas including finance, actuarial, investments, investor relations, and corporate governance and brings valuable insight to the Board through her role. She has a deep understanding of the strategy and is a valuable contributor to both the Board and Group.

Skills: finance change and transformation, reserving and actuarial pricing, capital modelling and management, investments, strategy, leadership, people management and governance

Committees: EC, DC

Key external appointments: None



4. Rajesh Agrawal
Independent Non-Executive Director

Appointed: 1 August 2021

Experience and contribution: Raj currently serves as the Senior Vice President and Chief Financial Officer of Arrow Electronics, Inc. Before his appointment at Arrow, he was the Executive Vice President and Chief Financial Officer at Western Union from 2014 until 2022 and a member of the executive team responsible for leading Western Union's global finance organisation. Raj's considerable finance leadership experience brings financial strength to the Board, and a commercial viewpoint, as well as knowledge of the US market and environment. During 2023, Raj was also appointed as an independent Non-Executive Director on one of Beazley's US subsidiary Boards.

Skills: finance, financial reporting and planning, strategy, operations, international business development and investor relations

Committees: AC, RC

Key external appointments: Senior Vice President and Chief Financial Officer at Arrow Electronics, Inc



6. Nicola Hodson
Independent Non-Executive Director

Appointed: 10 April 2019

Experience and contribution: Nicola was appointed as the Chief Executive Officer of IBM, for the UK and Ireland division in January 2023. Nicola was previously Vice President of Field Transformation, for Microsoft Global Sales and Marketing and prior to this chief operating officer for Microsoft UK. Nicola was formerly a Non-Executive Director at Ofgem, a Board member at the UK Council for Child Internet Safety and at the Child Exploitation and Online Protection Group. Nicola brings varied and diverse skills to the Board through her executive role in the technological sector, with a focus on transformation and technology. She is skilled in engaging with various stakeholders and public bodies. She also has extensive UK listed company knowledge and experience to contribute through her other non-executive role. Nicola demonstrates the required skills, knowledge, and attributes to effectively chair the Remuneration Committee and was appointed permanently to this role during 2023.

Skills: strategy, leadership and management, business and digital transformation, information technology, and sales and marketing

Committees: RIC, RC (Chair)

Key external appointments: Chief Executive officer of IBM, UK and Ireland (a private limited company), Non-Executive Director of Drax Group plc and remuneration committee chair



8. Fiona Muldoon
Independent Non-Executive Director

Appointed: 31 May 2022

Experience and contribution: Fiona has over 30 years' experience in the insurance industry. Fiona was the Chief Executive of FBD Holdings plc, a listed general insurer in Ireland, from 2015 to 2020. Prior to that Fiona was Director of Credit Institutions and Insurance Supervision at the Central Bank of Ireland, the Irish regulator. Fiona spent 17 years of her career with XL group in various progressively senior finance and general management positions. Fiona brings knowledge of the global P&C insurance industry, regulatory knowledge, and strong leadership skills to the Board, through her executive career and non-executive positions. Fiona demonstrates the required skills and attributes to effectively chair the Risk Committee and was appointed to this role during 2023. Fiona was also appointed as Employee Voice of the Board in November 2022.

Skills: insurance, strategy, stakeholder management, regulatory knowledge, governance, finance, capital management and leadership

Committees: AC, RIC (Chair)

Key external appointments:

Non-Executive Director of the Bank of Ireland group on both the group Board and on the Board of New Ireland Life Assurance, a wholly owned subsidiary, until 30 September 2023. On 2 October 2023 Fiona was appointed as an Independent Non-Executive Director of Admiral Group plc.



5. Pierre-Olivier Desaulle
Independent Non-Executive Director

Appointed: 1 January 2021

Experience and contribution: Pierre-Olivier served as Chief Executive of Hiscox Europe until 2017 and has held a number of other executive roles within the (re)insurance industry including at Marsh. He began his career in insurance with Marsh assisting with the integration of a leading French broker. Pierre-Olivier was more recently until February 2024, the Chief Insurance Officer at the InsurTech start-up, Pattern Insurance. He remains a director of Pattern and is active in the InsurTech market as an adviser and angel investor. Pierre-Olivier brings considerable insurance industry experience to the Board, as well as strategy and leadership skills and first-hand knowledge of the InsurTech market. He has been a Non-Executive Director of Beazley Insurance dac since 2017 and has chaired the Beazley Insurance dac Board since 2021.

Skills: insurance, reinsurance, strategy, operations and distribution

Committees: RIC, NC

Key external appointments: Director of Pattern Embedded SAS (France)



7. Christine LaSala
Senior Independent Non-Executive Director

Appointed: 1 July 2016

Experience and contribution: Christine was Interim Chair of the Board from 21 October 2022 until 25 April 2023. She was the Senior Independent Director prior to assuming the role of Interim Chair and resumed this role on 25 April 2023. Christine was previously chair of Willis Towers Watson North America. Christine held Board and leadership roles at Johnson & Higgins and Marsh and was for 10 years the Chief Executive of the WTC Captive Insurance Company. Christine has substantial experience and insight into the US insurance industry, as well as extensive leadership experience which she contributes to the Board. She also brings her skills to provide leadership of external recruitment searches for non-executive directors and her personal attributes and diplomacy aid her in her role as Senior Independent Director. Christine is also a Non-Executive Director of one of Beazley's US subsidiary Boards.

Skills: leadership and management, client leadership, financial experience, distribution, strategy, risk management, regulatory knowledge, governance and talent and leadership development

Committees: NC, RC

Key external appointments: Non-Executive Director of Sedgwick



9. John Reizenstein
Independent Non-Executive Director

Appointed: 10 April 2019

Experience and contribution: John has more than 30 years' experience in financial services. He was Chief Financial Officer of Direct Line Insurance Group plc, until 2018 when he retired. Prior to that he held senior positions in insurance and banking at Co-operative Financial Services and in investment banking at Goldman Sachs and UBS. Through his previous role as the Chief Financial Officer of a FTSE 100 company and his non-executive directorships, John brings considerable financial leadership, corporate governance and capital markets experience to the Board and its Audit Committee. Through recent and relevant financial experience and his knowledge of Beazley, he is able to effectively chair the Audit Committee and challenge management on financial reporting and internal control matters. John is also a Non-Executive Director of Beazley Furlong Limited.

Skills: finance, strategy, leadership, investment and mergers and acquisitions

Committees: AC (Chair), RIC, NC

Key external appointments: Non-Executive Director of Scottish Widows, a member of the Takeover Panel and chair of Farm Africa.



10. Cecilia Reyes Leuzinger
Independent Non-Executive Director

Appointed: 31 May 2022

Experience and contribution: Cecilia has more than 30 years' experience in banking, asset management and insurance covering Europe, Asia Pacific, and the Americas with a focus on investment management and risk. Cecilia held senior roles in risk, as group chief risk officer and group chief investment officer during her 17-year career with Zurich Insurance Group. Prior to this, Cecilia spent her career at ING Barings, ING Asset Management and Credit Suisse Group in various senior roles. Cecilia also brings insurance industry experience to the Board, and considerable risk management and investments insight to Board discussions.

Skills: risk management, insurance investment management, strategy, leadership and management, responsible investment strategy

Committees: AC, NC, RIC, RC

Key external appointments: Member of the Supervisory Board and risk committee chair of NN Group NV, Non-Executive Director and investment committee chair of Riverstone International Holding Ltd



11. Robert Stuchbery
Independent Non-Executive Director

Appointed: 11 August 2016

Experience and contribution: Robert served as the president of international operations of The Hanover Group until May 2016, when he retired. Prior to this he was Chief Executive Officer of Chaucer until 2015. Before his appointment to the Chaucer Board, Robert held numerous management roles at the company for over 25 years. Robert has previously served as a member of the London Market Group, was deputy chairman of the Lloyd's Market Association Board and is currently a Liveryman of The Worshipful Company of Insurers. Robert brings extensive insurance industry insight to the Board, particularly Lloyd's market knowledge, as well as leadership and strategy skills. Robert has made significant contributions to the Board since his appointment in 2016 and continues to provide valuable contributions to the wider Group. During 2023, he was appointed Chair of Beazley Furlonge Limited, having already been a Non-Executive Director. He also acted as the Employee Voice of the Board until November 2022 and took on the role of interim Senior Independent Director from 21 October 2022 until 25 April 2023.

Skills: insurance, risk management, distribution, operations and strategy, deep Lloyd's market knowledge

Committees: AC, RIC, RC

Key external appointments: None



12. Carolyn Johnson
Independent Non-Executive Director

Appointed: 1 March 2024

Experience: Carolyn has worked for over 40 years in the insurance industry with extensive leadership experience, and a particular focus on the US market. In her last executive management role, Carolyn was Chief Transformation Officer at AIG where she successfully led an ambitious modernisation and cost reduction programme. Since standing down from this role, Carolyn has built a portfolio of non-executive roles, including currently serving as a Non-Executive Director of Legal & General Group plc, where she is a member of their audit, risk and nominations and corporate governance committees. She also serves on the board of Kuvare, a private insurance holding and asset management company. Carolyn will bring deep leadership and transformational management experience to the Board as well as strengthening the Board's US insurance market knowledge, as we fulfil our strategy of growing the US platform. Her existing non-executive directorship of Legal & General also means she understands our obligations as a listed insurer.

Skills: transformation and change, leadership and management, strategy, insurance (particularly US).

Key external appointments: Non-Executive Director of Legal & General Group plc, Non-Executive Director of Kuvare Holdings

- E** Executive Directors
- N** Non-Executive Directors
- NC** Nomination committee
- RC** Remuneration committee
- EC** Executive committee
- DC** Disclosure committee
- AC** Audit committee
- RIC** Risk committee

* Where the appointment date of a director pre-dates 13 April 2016 (being the date that Beazley plc became the holding company of Beazley Group) this appointment date refers to his representation on the Beazley Ireland Holdings plc board (formerly Beazley plc)

Corporate Governance report

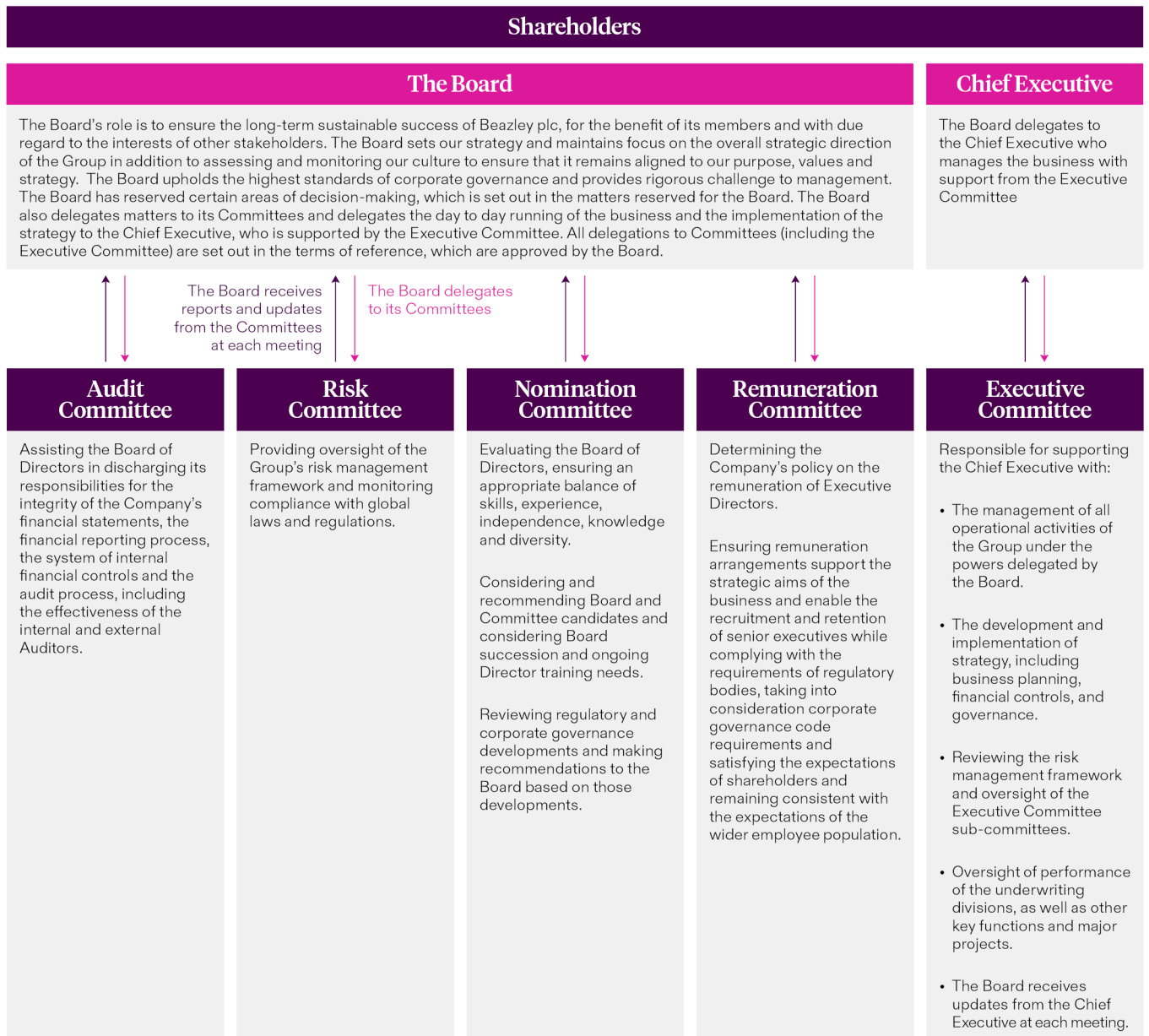
Statement of compliance

The Board is committed to high standards of corporate governance and continues to be guided in its approach through the application of the Financial Reporting Council's 2018 UK Corporate Governance Code (the Code). The Code can be viewed on the Financial Reporting Council's website at www.frc.org.uk.

High standards of corporate governance provide confidence to our stakeholders in the effective and sustainable delivery of our strategy. For the year ended 31 December 2023, the Board confirms that the Company has applied all the principles and complied with the provisions set out in the Code throughout the year. The governance report describes how the Board and its Committees have applied the main principles of the Code and complied with its detailed provisions. The disclosures which evidence the Board's approach are included in the corporate governance report, with cross references used where supporting information is outside of this report.

Application of UK Corporate Governance Code principles	
Code principle and application	See further information
Board leadership and company purpose	
A The role of the Board	Chair's introduction to governance (pages 78 to 79) Board biographies (pages 80 to 82) Governance framework (page 84) Role of the Board and the Board's key activities during 2023 (pages 86 to 91) Section 172 statement (pages 57 to 59)
B Purpose, values, strategy and culture	Our purpose, values, strategy and business model (pages 3 to 7) CEO statement (pages 10 to 11) and CUO statement (pages 12 to 14) The Board's activities in assessing and monitoring culture (pages 91 to 92)
C Resources and controls	Risk management framework and controls – Risk Management and compliance report (from page 69) Risk Committee report (from page 115)
D Shareholder and stakeholder engagement	Approach to stakeholder engagement and activities during the year, including activities of the Director responsible for employee voice – Stakeholder Engagement report (pages 50 to 56) Shareholder engagement including engagement in relation to the 2023 AGM and the resolutions which did not pass (pages 92 to 93)
E Workforce policies and practices	Non-Financial and Sustainability Information statement - employees (page 47) Stakeholder engagement report (our people) (pages 50 to 51) Investing in and rewarding the workforce (page 93)
Division of responsibilities	
F The role of the Chair	Governance framework (page 84) Division of responsibilities (page 94)
G Board composition and division of responsibilities	Governance at a glance (pages 76 to 77) Board biographies (pages 80 to 82) Division of responsibilities (page 94)
H Role of the Non-Executive Directors	Board biographies including other appointments (pages 80 to 82) Division of responsibilities (page 94) Board evaluation report (pages 97 to 98)
I Ensuring the Board functions effectively and efficiently	Board evaluation report (pages 97 to 98)
Composition, succession and evaluation	
J Succession planning for the Board	Nomination Committee report (pages 100 to 105)
K Skills, experience and knowledge of The Board	Governance at a glance - key skills chart (page 77) Board biographies (pages 80 to 82) Nomination Committee report (pages 100 to 105)
L Board evaluation	Board evaluation report (pages 97 to 98)
Audit, risk and internal control	
M Ensuring the independence and effectiveness of the Internal and External audit	Audit Committee report (pages 106 to 114)
N Fair, balanced and understandable assessment	Audit Committee report (page 109)
O Risk management and internal controls	Audit Committee report (internal financial controls) (page 114) Risk Committee report (risk management and internal controls framework including compliance and operational controls) (pages 115 to 119) Audit, risk and internal controls (page 99)
Remuneration	
P Designing remuneration policies	Remuneration Committee report (page 120)
Q Executive remuneration	Directors' Remuneration report (page 127)
R Remuneration outcomes and independent judgement	Directors' Remuneration report (page 126)

Corporate governance framework



Disclosure Committee

An Executive Director led Committee, responsible for overseeing the implementation of the governance and procedures associated with the assessment, control and disclosure of inside information in relation to the Company.

Members: Adrian Cox, Sally Lake, Rob Anarfi, Christine Oldridge

Executive Committee Members

Adrian Cox (ED), Sally Lake (ED), Rob Anarfi, Liz Ashford*, Paul Bantick, Troy Dehmann, Beth Diamond, Ian Fantozzi, Bethany Greenwood, Fred Kleiterp, Lou Ann Layton, Richard Montminy, Bob Quane, Tim Turner

For further details on the Executive Committee members and their roles, please see the Company's [website](#)

* Executive Committee members as at the date of the report. In January 2024, Liz Ashford replaced Pippa Vowles on the Committee, as Pippa retired from her role as Head of Culture and People at Beazley

Board Composition

At 31 December 2023, the Board comprised 11 Directors including the Chair (who was deemed independent on appointment), two Executive Directors and eight further independent Non-Executive Directors. An additional independent Non-Executive Director was appointed on 1 March 2024 bringing the total to 12 board Directors and nine independent Non-Executive Directors at the date of this report. None of the Non-Executive Directors have served on the Board for more than nine years. The Board considers all the Non-Executive Directors to be independent and free of any relationship which could materially interfere with the exercise of their independent judgement. In accordance with the Code, the Board has recommended that all Directors should submit themselves for election or re-election on an annual basis and as such all Directors will stand for election or re-election at the forthcoming AGM, with the exception of Christine LaSala who intends to stand down from the Board at the conclusion of the AGM.

At the beginning of 2023, the Board was led by the Non-Executive Interim Chair Christine LaSala, who was independent on appointment. Christine chaired the Board whilst the search for a new Chair was being conducted. Following the conclusion of the 2023 AGM, Clive Bannister assumed the role of Chair of the Board. Clive was appointed to the Beazley plc Board on 8 February 2023 as a Non-Executive Director and Chair Designate. Information about the process to identify and select the new Chair was included in our 2022 Annual Report.

The Company operates through the main Board and four Committees. During 2023, those Committees were the Audit, Risk, Nomination, and Remuneration Committees and details of their main responsibilities and activities in 2023 are set out in the Committee reports on pages 100 to 121. With effect from 1 January 2023, the combined Audit and Risk Committee was replaced by separate Audit and Risk Committees. The Board has also established the Disclosure Committee with responsibility for matters relating to the control and disclosure of inside information. This Committee is led by the Executive Directors and includes the Chief Risk Officer and the Company Secretary. The Board evaluates the membership of its individual Board Committees on at least an annual basis, as well as when required during the year. The Board Committees are governed by terms of reference which detail the matters delegated to each Committee and for which they have authority to make decisions. The terms of reference for the Board Committees can be found at www.beazley.com.

Adrian Cox is the Chief Executive and chairs the Executive Committee which acts under delegated authority from the Board. The Executive Committee usually meets monthly and is responsible for implementing the Group's strategy and managing all operational activities of the Group. The Executive Committee is comprised of individuals who are experts in their respective disciplines, supporting the creation of a strong, well-diversified business. The Executive Committee members and their roles within Beazley are described on our website: www.beazley.com

The Senior Independent Director will, if required and as took place during 2022 and 2023, deputise for the Chair. Their role is to act as a sounding board for the Chair and as an intermediary for other Directors. They are available to talk to shareholders if they have any issues or concerns or if there are any unresolved matters that shareholders believe should be brought to their attention. Following the conclusion of the 2023 AGM held on 25 April 2023, Christine LaSala, resumed her role as the Senior Independent Director, upon stepping down as Interim Chair of the Board on the same date. Robert Stuchbery undertook the role of Interim Senior Independent Director until 25 April 2023. Christine will be stepping down from the Board at the conclusion of the 2024 AGM, and a successor for this role is expected to be appointed prior to the AGM.

Following the conclusion of the 2023 AGM, Clive Bannister in addition to becoming Chair of the Board, assumed the role of Chair of the Nomination Committee. On 9 May 2023, the Board appointed Nicola Hodson as the permanent Chair of the Remuneration Committee. On 29 September 2023, the Board appointed Fiona Muldoon as Chair of the Risk Committee, and Cecilia Reyes Leuzinger as an additional member of the Nomination Committee. Robert Stuchbery stepped down as Chair of the Risk Committee with effect from the same date but remained a member.

The governance framework of the main Board and its Committees is shown in the diagram on page 84.

Biographies of current Board members appear in the Board of Directors section on pages 80 to 82.

The division of roles and responsibilities is set out on page 94.

Board leadership and Company purpose

The role of the Board

In accordance with the Code, the role of the Board is to promote the long-term sustainable success of the Company, generate value for shareholders and contribute to wider society by overseeing the delivery of strategy and activities and ensuring that the Company's culture remains aligned with the stated purpose, values, and strategy. The Board maintains high standards of governance and taking decisions which take into consideration impacts on a diverse range of stakeholders. This is integral to good governance.

The independence of the Board is important in providing constructive challenge, strategic guidance, offering specialist advice and holding management to account against agreed objectives. The Chair regularly holds meetings with the Non-Executive Directors without the presence of the Executive Directors and management at the conclusion of every scheduled Board meeting.

The Board ensures that the necessary resources are in place to support the business model and for the organisation to meet its objectives and measure performance against these. The Board has established a Risk Committee and Beazley operates three lines of defence model which allows for a strong governance framework of internal controls and managing risk. More information on how Beazley manages risk can be found in the Risk management and compliance report from page 69. If any Director has concerns about the running of the Group or a proposed course of action, they are encouraged to express those concerns which are then recorded in the minutes of the meeting. No such concerns were raised during 2023.

Matters reserved for the Board

The Board has a schedule of matters reserved for its decision. This is monitored by the Company Secretary and reviewed by the Board on an annual basis. The matters reserved are available on the Company's website: www.beazley.com

Key matters reserved for the Board include:

- **Management:** including Board appointments and terms of reference of the Board Committees, Executive Committee and principal subsidiaries.
- **Stakeholders:** including ensuring effective engagement with stakeholders using appropriate mechanisms.
- **Strategy:** including setting purpose, values and strategy, culture, monitoring of strategy and objectives and long-term commercial success, acquisitions and disposals over a certain quantum, strategic alliances and joint ventures, and capital management.
- **Risk Management and Internal Controls:** including setting the Group's risk appetite, assessments of principal and emerging risk (including climate-related risks), ultimate oversight of risk management and controls, with input from its Committees.
- **Finance:** including financial statements and dividends, review of business plans, tax strategy, investment strategy, and capital and revenue expenditure over a certain quantum.

- **Corporate Governance:** including the overall corporate governance arrangements, major changes to employee share schemes, approval of principal policies, and board performance evaluation.

Key subsidiary Boards

At Beazley we have a strong governance framework which includes governance of the relationship between the Group Board and the Boards of our key subsidiaries. These principal subsidiaries align with the three platforms of Beazley's strategy as described in our business model and strategy on pages 3 to 7, and Chief Executive statement on pages 10 to 11. A Beazley plc Director chairs each of the principal subsidiary Boards. Pierre-Olivier Desaulle chairs the Beazley Insurance dac Board, Robert Stuchbery chairs the Beazley Furlonge Limited Board and Carolyn Johnson was appointed as Chair of the Board of the US holding company, Beazley Holdings, Inc, with effect from 1 March 2024. Other independent Non-Executive Directors and Executive management are Directors on the key subsidiary Boards. The subsidiary governance framework provides an important link between the Group Board and principal subsidiary Boards and helps ensure effective information flows and collaboration across the Group. The Board encourages positive and collaborative relationships between the Boards and further enhancements continue to be made to the framework. For information regarding the selection of the new independent Non-Executive Director to Chair the US Holding Company Board, see pages 102 to 103 of the Nomination Committee report.

Board meetings and attendance

To effectively fulfil its role, the full Board meets at least five times each year and more frequently where business needs require. In 2023, there were six scheduled Board meetings. The attendance at these meetings is set out in the table below, along with Committee meeting attendance.

During the year, there were ten additional Board meetings, most of which were attended by the full Board where the Board had not established a Sub-Committee to approve or consider a specific matter. The meetings were held to consider topics such as: the appointment of the new Chair; the correction to the 2022 Annual Report; updates and decisions in relation to the key strategic project to set up the new US excess and surplus insurance company, including consideration of implications for the Group's capital position and intra-group reinsurance arrangements; consideration of the release of financial information such as the trading statement for quarter one, the half-year trading statement, the release of the unaudited 2022 comparatives under IFRS 17, and the half-yearly results; and approval to participate in a Lloyd's capacity auction. There is also a scheduled joint meeting of the Boards and Committees of Beazley plc and the principal Group subsidiaries to consider updates on strategic projects of relevance to entities across the Group as well as various policy updates, risk, compliance and internal audit assurance plans, and environmental, social and governance matters.

All the Beazley plc Directors also attend an annual strategy day. All Committees also had additional meetings as required to discuss specific matters, and details are included in the Committee reports.

At each Board meeting the agenda is structured to allow sufficient time for the Committee Chairs to report on the substantive discussions, and any recommendations to the Board which require approval.

Board leadership and company purpose continued

Board and Committee meeting attendance table

Director	Board		Audit Committee		Risk Committee		Remuneration Committee		Nomination Committee	
	No. of meetings ¹	No. attended ²	No. of meetings	No. attended	No. of meetings	No. attended	No. of meetings	No. attended	No. of meetings	No. attended
Rajesh K Agrawal ³	6	6	10	8	–	–	4	4	–	–
Clive Bannister ⁴	6	6	–	–	–	–	–	–	3	3
Adrian P Cox	6	6	–	–	–	–	–	–	–	–
Pierre-Olivier Desaulle	6	6	–	–	4	4	–	–	4	4
Nicola Hodson ⁵	6	6	–	–	4	4	4	2	–	–
Sally M Lake	6	6	–	–	–	–	–	–	–	–
Christine LaSala ⁶	6	6	–	–	–	–	4	4	4	4
Fiona Muldoon ⁷	6	6	10	10	4	4	–	–	–	–
A John Reizenstein	6	6	10	10	4	4	–	–	4	4
Cecilia Reyes Leuzinger ⁸	6	6	10	10	4	4	4	4	1	1
Robert A Stuchbery ⁹	6	6	10	10	4	4	4	4	–	–

- 1 Number of meetings: There were 10 additional Board meetings, 5 additional Audit Committee meetings, 2 additional Nomination Committee meetings and 2 additional Remuneration Committee meetings during the year. The purpose of these meetings is explained above for the Board and in the Committee reports.
- 2 Where a Director joined or stood down from the Board or Board Committee during the year only the number of meetings following appointment or before standing down are shown.
- 3 Rajesh Agrawal was unable to attend two Audit Committee meetings. One of the meetings was rescheduled at short notice and Rajesh was unable to attend and the other was due to an unavoidable scheduling conflict.
- 4 Clive Bannister assumed the role of Chair of the Board and Chair of the Nomination Committee at the conclusion of the AGM held on 25 April 2023.
- 5 Nicola Hodson was appointed Chair of the Remuneration Committee on 9 May 2023 (but was Interim Chair prior to that). Prior to Nicola's appointment as Chair of the Remuneration Committee, Nicola had some unavoidable scheduling conflicts for the early 2023 Remuneration Committee meetings.
- 6 Christine LaSala stepped down as Interim Chair of the Board at the conclusion of the AGM held on 25 April 2023.
- 7 Fiona Muldoon was appointed Chair of the Risk Committee on 29 September 2023 (and was a member prior to that).
- 8 Cecilia Reyes Leuzinger was appointed as a member of the Nomination Committee on 29 September 2023.
- 9 Robert Stuchbery stood down as Chair of the Risk Committee on 29 September 2023 but remained a member.

Key activities of the Board during 2023

Our vision to be the highest performing sustainable specialty insurer is underpinned by our values and culture of being bold, striving for better and doing the right thing. These values enable us the freedom and confidence to question the status quo, dare to be different and explore bold possibilities to create innovative outcomes for our stakeholders, consistently strive for the best and act with integrity in a straightforward way. Our vision, values and culture generate value for our shareholders through delivering long-term consistent underwriting performance. For more information see the business model description on pages 4 to 7.

At each scheduled meeting, the Board receives reports from the Chief Executive and Group Finance Director on the performance and results of the Group and also receives reports from the Chief Underwriting Officer and the Chief Risk Officer. The Chairs of the Board's Committees provide an update on their activities and discussions, as well as the Chairs of the principal subsidiaries on matters related to the subsidiaries and their respective platform. In addition, the Board receives regular updates on operational matters and

key projects, culture and people, ESG strategy and activities, investor relations and corporate governance. For 2024, the Board has developed a schedule of deep dives on specific areas of the business to be received over the year including each of the three platforms and areas such as brokers, clients, reinsurance and strategic partners, and innovation and growth.

There is an annual schedule of rolling agenda items to ensure that all matters are given due consideration and are reviewed at the appropriate point in the financial and regulatory cycles. Meetings are structured to ensure that there is sufficient time for consideration and debate on all matters. During the year, the Board has spent time on the following key areas.

Key to stakeholder

- C – Clients and/or brokers
- S – Shareholders
- E – Employees
- R – Regulators
- Co – Communities
- En – Environment

Activity	Outcomes	Link to stakeholders	Timeline
Strategy & Purpose			
Approved investment strategy	Considered and approved the investment strategy, including linking the strategy to the responsible investment policy.	S, En, Co	Feb
Assessed and approved steps in relation to our three-platform operating model For more information see the section 172 statement (pages 57 to 59)	Considered the continued implementation of the three-platform strategy (as explained in our Strategic Report on page 10) to promote the long-term success of the Group through continued simplification and de-risking. The Board challenged and approved proposals at various stages throughout the year. The proposals included realigning the business flows into the London wholesale and US markets. To achieve this, it was necessary to obtain approval from our subsidiary Boards and also from Lloyd's syndicate 623 Names to a change in business mix. The Board also approved the establishment of a new US surplus lines carrier (Beazley Excess and Surplus Insurance Inc). The Board considered the implications for capital and intra-group reinsurance arrangements and considered various options in relation to these matters.	C, S, R	Feb, Apr, Jun
Received updates on Cyber Risks	During late 2022 and early 2023, Beazley took the lead in addressing systemic cyber risk by clarifying cyber war exclusions in our Cyber Risk policies and making these exclusions clearer for clients. The Board received regular updates on the deployment of the endorsement and monitored any impact to the business. The Board received updates regarding efforts to engage with our brokers and reinsurance partners to communicate the rationale and engagement with Lloyd's to help encourage a broad market consensus. In addition, the Board received regular updates from the Chief Underwriting Officer on monitoring cyber threats arising from the geopolitical environment and from technological advancements such as Artificial Intelligence.	C, R	Feb, May, Aug, Sep, Nov
Held the annual Board strategy day	The Board received updates from both internal and external subject matter experts at their strategy day in May. Various topics were discussed, such as: <ul style="list-style-type: none"> • Perspectives about Beazley and market positioning including market and competitor comparative analysis and insurance market outlook, a shareholder perception study, and views of analysts • Climate risk and ESG covering climate related risks and opportunities for Beazley in underwriting, including climate litigation risk, views on climate change and sustainability and shifts required within the insurance industry to support the transition; and the case for climate adaptation • A deep dive on Artificial Intelligence and the emerging risks and opportunities arising – a session facilitated by external experts 	C, S, E, Co, En	May
Received updates on engagement with shareholders and investors For more information see page 93	Received updates on shareholder engagement activity following the failure of Special Resolutions 22 (general dis-application of pre-emption rights) and 23 (dis-application of pre-emption rights in connection with an acquisition or specified investment) to pass at the April AGM.	S	May, Sep
Reviewed strategic opportunities	Reviewed strategic opportunities throughout the year including approving the participation in the capacity auctions for Lloyd's syndicate 623 to grow the Group's share of this business, reviewing opportunities for innovation and growth presented during the year, and gaining an understanding of the work undertaken by the incubation underwriting team to develop new products.	C, E, S, R	Aug, Sep, Oct, Nov

Activity	Outcomes	Link to stakeholders	Timeline
Financial			
Approved 2023 Group GAAP budget	Approved the 2023 Group GAAP budget having considered the underlying assumptions. The Board also considered impacts arising from the change to IFRS 17, the new reporting standard for the Group from 1 January 2023.	C, S	Feb
Implementation of IFRS 17	With input from the Audit Committee, the Board monitored the implementation of IFRS 17. The Board reviewed, challenged, and approved the release of information in relation to the adoption of IFRS 17, including market and stakeholder communications, indicative comparatives, and the effects of IFRS 17 on reserving.	C, S, E, R	Feb, Jul
Approved financial reporting including the 2022 Annual Report, quarterly trading statements and the 2023 interim results	Reviewed and approved the 2022 Annual Report, the 2023 interim results and quarterly trading updates, following recommendations from the Audit Committee.	C, S, E	Mar, May, Jul, Nov
Approved correction to the 2022 Annual Report	Examined and debated the error in the NAVps figure disclosed in the 2022 Annual Report. Following in-depth discussions, the Board approved the release of an explanatory market announcement and corrected and republished the 2022 Annual Report. The impact of the error on the Executive Directors' share award outcomes, was corrected. A comprehensive risk review was presented on lessons learned in relation to the reporting error.	S, E	Mar
Recommended and approved an interim dividend	Recommended the 2023 interim dividend to shareholders, in line with the dividend strategy, which was approved at the 2023 AGM.	S	Apr
Approved change to the metric used to communicate capital surplus to be based on our Solvency II ratio	Reviewed, challenged, and approved the change of Beazley's external capital KPI from Lloyd's based ECR to Group Solvency II Coverage Ratio ('SCR'). The Board considered feedback from investors on our capital strategy. The Board agreed that the SCR is better understood by a wider audience of investors and analysts, better reflects Beazley's entire business and is used across the insurance industry.	S, R	Aug
Approved changes to the Internal Model	Reviewed, considered, and approved a major model change to Beazley's Internal Model. As part of their review, the Board considered the triggers for the change, and whether they constituted a major change rather than ongoing updates to the model, and whether the model remained appropriate for Beazley's risk profile. The governance process for the major model change was reviewed. The Board also considered the impact of the change on solvency capital requirements.	S, R	Sep
Approved the 2024 Group business plan	Considered and approved the final version of the 2024 Group business plan, including growth forecasts, changes in risk appetites linked to the business plan and risk management's view of the plan.	C, S, E, R	Nov

Board leadership and company purpose continued

Activity	Outcomes	Link to stakeholders	Timeline
Risk Management			
Assessed and reviewed the effectiveness of financial, risk management and internal controls For more information see the Risk management report (from page 69), the Audit Committee report (from page 106), and the Risk Committee report (page 115 to 119)	Received regular updates regarding Beazley's systems of risk management and internal controls, including enhancements being made to the control environment, and agreed that the risk management framework and internal controls (including financial, compliance and operational controls) continued to be effective.	C, S, E, R, En	Feb and throughout the year
Received updates on Cyber and Information Security	Received regular updates from the Chief Operating Officer on cyber security maturity and operational resilience. In May and November, the Board also received in depth updates from the Chief Information Security Officer regarding programmes to further enhance Beazley's cyber security maturity, develop a new security strategy for 2024 to 2026, to further educate the workforce to enhance resilience, and progress made in relation to the implementation of the Digital Operational Resilience Act. This was complemented by Board training on cyber and information security during the year.	C, S, E, R	Feb, May, Aug, Nov
Analysed Beazley's emerging, strategic and principal risks For more information see the Risk management report (from page 69)	Analysed the potential impact of emerging, strategic and principal risks. Discussed, challenged and approved the principal risks and risk management disclosure in the Annual and Interim Reports.	C, S, E, R, En	Mar, May
Approved risk management framework including risk appetite, risk appetite statements and risk governance framework For more information see the Risk Committee report (pages 115 to 119)	Reviewed, provided challenge on and approved risk appetite for 2023 together with the 2023 risk appetite statements and approved the 2024 overall risk appetite. Reviewed and challenged new risk taxonomy and reviewed and approved risk governance framework.	C, S, E, R	May, Nov
Reviewed and approved the Own Risk and Solvency Assessment (ORSA) and ORSA policy	Reviewed the outputs from the 2023 ORSA process including the material risks and outcomes. The ORSA provides a detailed assessment of the short- and long-term risks faced by the Company and Group and assesses the solvency requirements of the Group through analysis of different stresses and scenarios. The Board also annually review and approve any changes to the ORSA policy.	S, R	May
Culture & People			
Approved the appointment of a new Chair	Discussed, reviewed, and approved the appointment of Clive Bannister as a Non-Executive Director and Chair Designate of the Beazley plc board effective 8 February 2023. Information regarding this process was included in the 2022 Annual Report.	C, S, E, R, Co, En	Jan, Feb
Discussed employee engagement feedback For more information see the Stakeholder Engagement report (pages 50 to 51)	Discussed key themes arising from the employee engagement survey undertaken in 2022 and assessed the outcomes from the work undertaken to address the feedback.	E	Feb
Approved a new Share Incentive Plan For more information see the section 172 statement (page 59)	Approved the implementation of a new share incentive arrangement for all employees, globally. Rules for the new share incentive plan were subsequently approved by shareholders at the 2023 AGM.	E	Feb, Apr
Engaged with the workforce, including employee voice updates For more information see the Stakeholder Engagement report (page 50 to 51) and page 91	The dedicated 'Employee Voice' Non-Executive Director, Fiona Muldoon, provided bi-annual updates to the Board on the views and feedback from employees that she had gathered through attending various events that were arranged for this purpose. These views and feedback were contemplated by the Board in their decision-making throughout the year.	E	May, Nov
Assessed and monitored culture and employee well-being For more information see the culture review (pages 91 to 92)	Received dedicated updates on people and culture and discussed various initiatives aimed at supporting employees, including employee well-being. Received, assessed and discussed the results of an independent culture review.	E, R	May, Sep
Culture & People continued			
Board and Executive succession planning For more information see the Nomination Committee report (pages 100 to 105)	Reviewed, discussed, challenged and approved Board succession plans including the renewal of appointments of Non-Executive Directors coming to the end of their terms. Reviewed and received updates on changes to the Executive Committee.	C, S, E, Co, En	Nov
Board and Committee evaluations For more information see the Board Evaluation report (pages 97 to 98)	Reviewed, discussed, and provided feedback on the suggested priorities and actions, based on the outcome and results of the Board and Committee effectiveness reviews.	C, S, E, Co, En	Nov

Activity	Outcomes	Link to stakeholders	Timeline
Environmental, Social and Governance ('ESG')			
Received updates on responsible business activities For more information see the Responsible Business report (pages 17 to 21) and TCFD statement (from page 22)	<p>Considered, examined and provided oversight and challenge of various responsible business activities throughout the year, such as:</p> <ul style="list-style-type: none"> development of the net zero transition plan; oversight and challenge of Beazley's compliance with the Task Force on Climate-Related Financial Disclosures ('TCFD'), including receiving an independent review of Beazley's TCFD disclosures; consideration of steps Beazley would take to meet the requirements of new climate-related legislation globally, such as the EU's Corporate Sustainability Reporting Directive; and the implementation of ESG elements (carbon emission, inclusion and diversity and governance) into the supply chain. <p>These activities enabled the Board to monitor Beazley's performance against its Responsible Business Strategy.</p> <p>The Board also received updates and provided feedback on the process and stakeholder engagement activities which took place in 2023 in order to develop an updated ESG strategy. The updated strategy will be published later in 2024.</p>	C, S, E, R, Co, En	Feb, May, Aug
Considered the Responsible Business Report	Examined and approved the 2022 Responsible Business Report (RBR) which was contained within the 2022 Annual Report.	C, S, E, R, Co, En	Mar
Approved the responsible investment policy	Reviewed, challenged and approved the responsible investment policy, including consideration of the commitment to adopt the Science Based Targets initiative framework with regards to the decarbonisation of assets.	C, S, E, Co, En	May

Purpose, values and culture

Our purpose sets out why we exist and how we help our stakeholders. Our strategy guides what we do, and our culture determines how we do what we do. As a result, our culture is very important to us, and sets us apart from our competitors. The Board and Executive Committee focus on it regularly and view it as critical to maintaining an inclusive environment that attracts, engages and retains talented people with diverse backgrounds and experiences at all levels.

Our culture is founded upon our values – being bold, striving for better and doing the right thing. They guide how our people work together, treat our clients and stakeholders, and act together as a responsible business.

More information on our purpose, values and culture and how they help us deliver our strategy is set out in the Strategic Report.

Monitoring our culture

The Board and senior leadership understand the importance of setting the tone from the top and ensuring our culture is aligned to the Group's purpose, values and strategy, and is embedded throughout the organisation.

The Board regularly reviews and assesses our culture utilising a number of mechanisms, including:

- Regular reports from the Culture & People team on: engagement surveys (which include cultural metrics and industry benchmarks); inclusion and diversity; and whistleblowing;
- Attendance at employee events (e.g. Townhalls; Exec Q&As; and new joiner welcome calls);
- Regular meeting with senior leadership and inviting employees to present at Board and Committee meetings;
- A Non-Executive Director with responsibility for Employee Voice (appointed in line with the UK Corporate Governance Code requirements) – who meets informally with groups of employees throughout the year to capture feedback and any concerns; and
- Internal Audit reports, which periodically review aspects of our culture.

In addition, our Executive Committee members sponsor our Group-wide inclusion and diversity networks, enabling them to experience, monitor and steer our culture from different perspectives. The current networks are as follows:

- Beazley SHE (Successful, High Potential, Empowered Women in Insurance) - Lou Ann Layton (Group Head of Broker Relations and Marketing)
- Beazley RACE - Rob Anarfi (Chief Risk Officer)
- Beazley Wellbeing - Beth Diamond (Chief Claims and Litigation Officer)
- Beazley Neurodiversity - Troy Dehmann (Chief Operating Officer)
- Beazley Families - Bob Quane (Chief Underwriting Officer)
- Beazley Veterans - Tim Turner (Group Head of Marine, Accident and Political)
- Beazley Proud (LGBTQ+) - Ian Fantozzi (CEO - Beazley Digital)
- Beazley Young Professionals network – Jeremie Saada (Head of US Executive Risk, a senior leader within the business reporting into an Executive Committee member)

More information regarding our employee networks is included in our Stakeholder Engagement report on page 50 and Responsible Business report on page 17 to 18.

Board leadership and company purpose continued

What our people say about our culture

We are confident our people feel empowered to share their thoughts with leadership, as demonstrated by the 80% participation rate in our latest engagement survey (Q4 2023), a 5% increase from 2022. We scored 80% in terms of overall favourability (a measure of how satisfied employees are with their holistic experience at Beazley) and an engagement score of 86% (a measure of whether employees are willing to 'go above and beyond' for the business). Both results were above the global benchmark.

The survey also confirmed our culture as one of our biggest strengths with employees describing it as "friendly", "open", "inclusive" and "flexible".

Assessing our culture – independent culture review

The Board recognises the importance of assessing and monitoring our culture and ensuring it remains aligned with Beazley's purpose, values and strategy as the business evolves. During 2023, the Board engaged an independent third party to carry out an assessment of our culture to provide us with more formal, detailed, and independent insight. As part of the independent review:

They collected data...

90 documents were reviewed including Culture & People policies, corporate communications, employee survey results, training materials, demographic and diversity data, talent management and succession planning information.

They listened...

43 colleagues were interviewed representing a mix of gender, ethnicity, geographical location, team, age, seniority, and tenure.

They observed...

Meetings of various decision-making committees were attended including the Executive Committee.

They found...

- A strong sense of shared culture at Beazley with 100% of colleagues asked confirming they would recommend Beazley as a place to work
- A friendly and supportive culture, where people feel empowered to deliver their commitments and to innovate
- Recognition of strong leadership support for culture and role modelling of positive Beazley behaviours by leaders
- High levels of commitment to inclusion and diversity principles and strategies
- Flexibility in terms of how and where people work and high levels of trust
- High levels of psychological safety indicating the workforce feel able to ask questions, make suggestions and challenge
- A culture they described as "friendly," "collaborative," "hard-working" and "flexible"; which is consistent with how it was described by our people in the 2023 engagement survey.

Protecting our culture

Much good work has already been done, and the culture was found to be positive and valued. The culture review highlighted some areas for continued focus, to ensure the culture remains aligned with our purpose and values over time. One key outcome was supporting the workforce through a period of change which has been addressed through re-introducing an employee well-being day, providing a 'striking the balance' toolkit and other well-being resources, as well as a focus on corporate communications around change within the business. Employees also participated in sessions on managing change with a change management expert as part of our annual employee strategy event. Focus areas for 2024 include greater emphasis on culture and values in the employee induction process and continued Executive Committee engagement with the workforce. More information regarding outcomes from employee engagement activities is included in the Stakeholder Engagement report on pages 50 to 51.

In future years, the Board will build on the findings of the culture review and use its regular monitoring activities to ensure that they understand the workforce experience of culture and apply insights to their Board decision making and discussions. Their monitoring will help ensure that Beazley's culture remains valued by our people and other stakeholders and continues to be a key driver of what makes us different.

Shareholder and stakeholder engagement

The Board is committed to understanding the views of the Company's key stakeholders and has continued to ensure effective engagement with its stakeholders to ensure that their interests are taken into account in its decision making. Further information on how the Board has discharged its duties under section 172 of the Companies Act 2006, and how it has engaged with stakeholders and the outcomes of these activities is included in the Strategic Report from page 57.

During 2023, the Board reviewed and refreshed its key stakeholder groups, and as a result of the review, community and environment were recognised as an additional group. The addition of this group further aligns the Group's key stakeholders with the key pillars of our strategy. More information on the strategy can be found within the Strategic Report on pages 3 to 7. More information on our stakeholders, how we engage with them, and the outcomes of that engagement can be found on pages 50 to 56.

Shareholder engagement

Communication with shareholders remains important and the Board spends a significant amount of time during their strategy planning sessions during the year considering shareholder perspectives and considering how the business can continue to create long-term sustainable growth.

We hold regular feedback sessions with shareholders around important topics. In accordance with the Code, during 2023, the Board actively pursued engagement with shareholders with regard to the pre-emption rights resolutions which did not pass at the 2023 AGM and the impact of our transition to IFRS 17 on incentive arrangements including annual bonus and LTIPs. Information was also provided to shareholders, via presentations and on the website, to explain how the change in accounting standards would impact our financial statements.

The Senior Independent Director has specific responsibility to be available to investors who have any issues or concerns, and in cases where contact with the Chair, Chief Executive and Group Financial Director has either failed to resolve their concerns, or where such contact is inappropriate. No such concerns have been raised in the year under review.

2023 AGM resolutions

At the 2023 AGM, resolutions 22 (general disapplication of pre-emption rights) and 23 (disapplication of pre-emption rights in connection with an acquisition or specified capital investment) which were special resolutions requiring a 75% majority, did not receive sufficient support to be passed (receiving votes in favour of 60.76% and 60.85% respectively).

In accordance with Provision 4 of the Code, the Company wrote to a significant number of shareholders that voted against the resolutions to understand their views. The Board would like to thank those shareholders which engaged with the Company. Whilst the feedback was limited, the utilisation of a cashbox structure for the November 2022 capital raise, and the resulting dilution of shareholder equity, appears to be the main area of concern.

The resolutions followed the provisions of the Pre-Emption Group's 2022 Statement of Principles for the dis-application of pre-emption rights and the Board continues to consider the flexibility afforded to be in the best interests of the Company and its shareholders. However, as a result of the feedback received, the Board has considered its capital position and at the 2024 AGM will not seek the levels of authority at the levels set out in the Pre-Emption Group's guidelines. The Company intends to revert to previous levels of authority for the general dis-application of pre-emption rights and to seek no authority to dis-apply pre-emption rights in connection with an acquisition or specified capital investment. The Company will consider the levels of authority to be sought on an annual basis. The Company remains committed to following the Pre-Emption Group's guidelines in respect of all future issuances.

IFRS 17 and incentive arrangements

Towards the end of 2023 and in early 2024, the Remuneration Committee Chair, with the support of the Company Secretary, led activities to engage with circa 40 of our top shareholders on our proposed approach to ensuring fair variable remuneration for all employees as a result of the impacts of IFRS 17 on the incentive framework. Shareholders were supportive of the approach proposed, and welcomed the opportunity to engage. More information on our approach to shareholder engagement, including on this topic, is included in the Stakeholder Engagement report on page 54.

In addition to Board led engagement, the Investor Relations team provide regular reports to the Board on their activities. The report includes information regarding meetings with investors and analysts, formal engagement activities, and information about the shareholder register.

All shareholders are invited to attend the Company's AGM in person. The Chairs of the Audit, Remuneration, Nomination and Governance, and Risk Committees attend the AGM along with the other Directors and are available to answer shareholders' questions, along with the Chair, Chief Executive and Group Finance Director. Shareholders are also invited to ask questions during the meeting and have an opportunity to meet with Directors after the formal business of the meeting has been concluded. Details of proxy voting by shareholders,

including votes withheld, are made available on request and are placed on the Company's website following the meeting. The Group maintains a corporate website (www.beazley.com) containing a wide range of information of interest to institutional and private investors.

Workforce engagement

The Board exercises a combination of formal and informal engagement methods which are detailed in the Stakeholder Engagement report on pages 50 to 51. In accordance with the Code, the Board have appointed a dedicated Non-Executive Director, Fiona Muldoon (prior to this Robert Stuchbery), who is responsible for gathering the views of the workforce (the Employee Voice) and reporting this information to the Board. Fiona provides a twice yearly written report to the Board as well as providing informal feedback during the Board's discussions and decision-making activities. In addition to the methods set out in the Stakeholder Engagement report; the Board and its Committees routinely invite members of the management team to join meetings to present on the matters and hold informal social gatherings with presenters and senior management around its Board meetings. As a result of feedback received through formal and informal employee feedback channels a number of corporate decisions were made during 2023, which are set out in the Stakeholder Engagement report. The effectiveness of the methods of engagement with the workforce are kept under review.

Investing in and rewarding the workforce

In addition to salary and discretionary bonus, we offer a generous global package of benefits that provide choice and flexibility as well as stability and security to help our people no matter what stage of their life journey they are at. These include flexible religious holidays, six full months of parental leave no matter how you come to parenthood, sabbatical leave, £100 (or equivalent) monthly lifestyle allowance, paid for commuter benefits, free lunch, plus the standard offerings such as medical insurance and retirement/pension contributions. We know that the small things also matter. For example, we have healthy snacks available in every office for everyone to enjoy and match funding/volunteer leave for those who want to make a difference.

Each year there is an all employee session where the Chief Executive and the Chief People Officer explain how both executive and employee remuneration is determined and the policy relating to remuneration, including setting bonuses of employees. Bonuses are set with regard to our policies and are based on performance of the Company and individual performance.

From a career development and learning perspective, we offer a variety of tools and programmes that enable people to reach their full potential and build their careers. From online self-learning courses to coaching and mentoring, residential leadership programmes, to professional qualifications. We regularly deliver mandatory training, and have a suite of training courses available. This includes specific training for managers, to help support them in their role. Launching in 2024 is our new leadership profile which will form the foundation for a review of our leadership and management development over the next year. We also bring a focus on feedback, whether that is via our annual engagement survey or during the appraisal process, to ensure we continue to invest in our people in the right way.

Board leadership and company purpose continued

Workforce policies and practices

The Board and its Executive Committee have ultimate responsibility for overseeing the Company’s compliance with the Beazley code of conduct and upkeep of whistleblowing procedures and other employee policies and ensuring they are in line with strategy and culture. The workforce is able to raise concerns through the whistleblowing procedures, set out in the Whistleblowing Policy. The Whistleblowing Policy is approved annually by the Audit Committee and both the Audit Committee and the Board receive regular whistleblowing updates, in the form of reports on an annual basis. More information on this policy and our policies in relation to our workforce is included in the Non-Financial and Sustainability Information Statement from page 45.

Division of responsibilities

Roles and responsibilities

The roles and responsibilities of the Chair and Chief Executive are separate, with each having clearly defined responsibilities. They maintain a close working relationship to ensure the integrity of the Board’s decision-making process and the successful delivery of the Group’s strategy. The Chair and Non-Executive Directors regularly meet without the presence of the Executive Directors and other senior leadership. The Executive Committee meet informally weekly and meet formally monthly to oversee the management of the Group and implementation of strategy. Any significant issues or updates are communicated to the Board in a timely manner outside of Board meetings either via electronic communications or the Board portal. The Board have access to the Group Company Secretary for advice in relation to Board and corporate governance matters.

Non-Executive Directors		
Chair	Senior Independent Director	Non-Executive Directors
<p>The Chair is responsible for:</p> <ul style="list-style-type: none"> • Effective and objective leadership and governance of the Board, ensuring that the Board discharges its duties effectively and the Board remains effective with the right composition and mix of skills. • Overseeing the Group’s overall strategy, as approved by the Board, in alignment with purpose, values and culture and ensuring an inclusive culture by establishing the right ‘tone from the top’. • Works effectively with the Chief Executive and Company Secretary to ensure the right topics are on the Board agenda, that information is disseminated in a timely manner and supports effective and constructive challenge and debate during discussions and decision-making. • Managing constructive dialogue between Non-Executive Directors and the Executive Directors and Executive leadership team and ensuring effective relationships between them. • Ensuring effective communication between shareholders, Executive management, the Board and other stakeholder groups and that stakeholder views are considered appropriately in Board discussions and decision-making. 	<p>In addition to the responsibilities of the Non-Executive Directors, the Senior Independent Director:</p> <ul style="list-style-type: none"> • Supports the Chair and is ready to deputise for the Chair. • Acts as an alternative contact for shareholders and other stakeholder groups. • Leads the evaluation of the Chair’s performance including seeking feedback from Executive and Non-Executive Directors. • Acts as a sounding board for the Non-Executive Directors. 	<p>Non-Executive Directors must:</p> <ul style="list-style-type: none"> • Uphold high standards of integrity and corporate governance and support an inclusive culture by setting the right ‘tone from the top’. • Allow sufficient time to meet their Board responsibilities and provide constructive challenge, strategic guidance, offer specialist advice and hold management to account. • Attest on appointment that they are able to allocate sufficient time to discharge their duties effectively and continue to keep this under review if their responsibilities with Beazley or externally change. The Nomination Committee is also responsible for monitoring the commitments of the Non-Executive Directors. • Engage with internal and external stakeholders as appropriate. • Serve on Committees of the Board.
Chief Executive		
<p>The Chief Executive is responsible for:</p> <ul style="list-style-type: none"> • Proposing and delivering the strategy agreed by the Board. • Running the Company’s business on a day-to-day basis, making and implementing operational decisions. • Maintaining a strong direct link between the business and the Non-Executive Directors. • Building an effective relationship with the Chair and maintaining an ongoing dialogue on key strategic issues. • Together with the Group Finance Director, leading shareholder engagement activities, responding to feedback from investors, and reporting to the Board on outcomes from this engagement. • Representing Beazley externally to all external stakeholder groups. • Setting the tone from the top to maintain an inclusive culture and ensuring the Group operates in line with its values. 		
Company Secretary		
<p>The Company Secretary is responsible for:</p> <ul style="list-style-type: none"> • Supporting the Chair, the Board and its Committees and advises them on all corporate governance matters. • Ensuring accurate, timely, and clear information flows to the Boards and its Committees and between senior management and Non-Executive Directors in support of effective decision making. • Ensuring that the Board has the policies, processes, information, time and resources to function effectively and efficiently and support the Chair in undertaking Board performance evaluations. • Beazley’s compliance with the Listing Rules, Disclosure and Transparency Rules, statutory compliance and the reporting under the UK Corporate Governance Code. 		

Composition, succession, and evaluation

Board composition and succession planning

The Nomination Committee is responsible for recommending appointments to the Board and its Committees and for ensuring a formal, rigorous and transparent appointment procedure, which also considers Board diversity. The Nomination Committee is also responsible for ensuring an effective succession plan for the Board and senior management, in accordance with the Code. The Nomination Committee report on pages 100 to 105 sets out the approach to succession planning and the procedures and outcomes in relation to the Board appointments during 2023 and early 2024.

Skills, experience, and knowledge

The Nomination Committee ensures that the Board and its Committees have the range of skills, experience, and knowledge necessary to discharge their roles and to support the management team in the execution of the Company's strategy. Board knowledge is reviewed annually by the Nomination Committee and training needs are identified with plans to address these needs proposed. Further information is included in the Nomination Committee report and the Board Evaluation report on pages 97 to 98.

Induction, training and support

Induction process

Directors receive a comprehensive induction when they join the Board covering the Company's business and the industry. Directors are asked to complete a skills and knowledge assessment and a tailored initial training plan is developed to ensure the Director is capable and comfortable in discharging their duties. Directors meet a range of people across the business and obtain an insight into our culture. Board members are asked to provide feedback on the process so that it can be continually refreshed. A check-in with each Director takes place after they have been in role for around six months, to follow up on any areas on which they may require further information or support. Directors can also request follow-up sessions at any point following the completion of the formal induction.

Clive Bannister's induction

Beazley welcomed Clive Bannister as the new Chair of Beazley plc in early 2023. Clive received a comprehensive and tailored induction plan covering our business and markets and meeting our key internal and external stakeholders. Key activities included in the induction plan were:

- One-to-one meetings with the Directors of the Beazley plc Board and Directors of the principal subsidiary Boards;
- Attending Board meetings of our principal subsidiary Boards, including visiting our Dublin office for a meeting of the Beazley Insurance dac Board;
- One-to-one meetings with senior executives and the Company Secretary;
- Participating in a Q&A with our Chief Executive at the London office and live streamed virtually to all staff;
- Meeting our regulators with the Chief Risk Officer;
- Meeting our remuneration consultants; and
- Meetings with our shareholders (as described in the Stakeholder Engagement report on page 53).

Induction topics were centred around core skills and areas of knowledge required and a broad suite of topics covering our global business were covered to provide the Chair with a fulsome overview of the business. Induction sessions were delivered by a range of senior leaders across the business, giving the Chair the opportunity to learn about Beazley from its people. Topics were grouped into six core areas of strategy, how Beazley does business, market knowledge, risk management and controls, governance, and global regulatory requirements.

Director training and development

For our Board to remain effective, it is important that our Directors are briefed on recent and upcoming developments and keep their knowledge and skills up to date and enable them to fulfil their responsibilities to the Company.

Annual training is provided for all Directors, based on the annual Board skills and knowledge assessments and feedback from Directors, the Company Secretary, the Chief People Officer and other senior leadership. The annual assessment is carried out in conjunction with the annual Board evaluation process so that any outcomes from the evaluation can be incorporated into the training plans. The training sessions include business and industry specific topics, a range of strategic matters, economic and political updates, as well as changes to legal, accounting, information security, tax and other regulations. Standard training modules are regularly reviewed to ensure they meet best practice and the changing business environment and may be delivered by internal experts or external advisers. Bespoke training will also be provided if requested by any Director.

The format of training sessions primarily includes videos sent out in advance, followed by a live question and answer session where the Directors can discuss specific aspects of interest to them in detail. The aim of the training sessions is to enhance the Board's skills and update them on new and evolving topics or regulations so that they can contribute to Board discussions effectively. They also provide the Board with access to senior leaders and other experts within Beazley, below Board and Executive Committee level, who often deliver the training. The format of the training allows the Board to gain in-depth insight into the topics and hold detailed discussions with our subject matter experts, providing insight into management capability. In addition, the Directors of our subsidiaries sometimes join training sessions, allowing engagement between the Beazley plc and subsidiary Board Directors.

During 2023, training sessions included Realistic Disaster Scenarios, UK Consumer Duty (Risk Committee members), Information Security, our ESG in underwriting strategy including climate risk and climate adaptation. EY also provided an update on the UK Audit and Corporate Governance reforms to the Audit Committee. At the Board strategy day in May, the Board received an update from external experts on Artificial Intelligence and emerging risks and opportunities for Beazley.

For topics of key significance, more frequent optional briefings are held for Directors to ensure they have sufficient information and understanding to discuss and challenge management. For example, during 2023 briefings were held on capital and IFRS 17 and its impacts on our reporting.

Composition, succession, and evaluation continued

Timely information for decision making

To enable the Board to function effectively and Directors to discharge their responsibilities, timely access is given to all relevant information. In the case of Board meetings, this consists of a comprehensive set of papers, including regular business progress reports and discussion documents regarding specific matters. Directors have access to an electronic information repository to support their activities. The terms and conditions of appointment for all the Non-Executive Directors set out the expected time commitment and they agree that they have sufficient time to provide what is expected of them.

There is a continued focus on the quality of Board reporting to promote better discussions and further assist decision-making to ensure that high standards are maintained. Ongoing training sessions on how to write effective Board reports have been carried out by the external provider of the Board portal platform and the corporate governance team have also provided training to relevant authors of Board and Committee reports. The Board and Committees consider the quality of reporting at each meeting and feedback is provided to ensure continuous improvement.

There is an agreed principle that Directors may take independent professional advice if necessary, at the Company's expense, assuming that the expense is reasonable. This is in addition to the access which every Director has to the Company Secretary. The Company Secretary supports the Chair to ensure that the Board has the necessary policies, processes, information, time and the resources to function effectively and efficiently.

Board evaluation

Board and Committee performance evaluation

The Board monitors and continually improves its effectiveness through its annual evaluation of the performance of the Board and its Committees. The evaluation is designed to assess whether the Board and its Committees are operating effectively and whether the Chair and Directors are making effective contributions individually and collectively. Feedback from the evaluation is also used to formulate action plans for improvement areas and identify where the composition of the Board and Committees could be enhanced.

Board evaluations are carried out on a three-year cycle, with an externally facilitated performance evaluation carried out every three years, and internally led evaluations taking place in other years. The previous external evaluation was conducted by Clare Chalmers Limited in 2021. The Nomination Committee reflected upon the internal process undertaken in 2022 and agreed that the 2023 performance evaluation should be internally led following the same process. An externally led comprehensive evaluation of the Board and its Committees is planned for 2024, in accordance with the Company's approach and the Code. The external and internal evaluation processes are undertaken for Beazley plc and other principal Group subsidiaries.

Findings from the 2023 Board evaluation

The 2023 evaluation concluded that the Board and its Committees were operating effectively. The overall findings were positive, with good progress made on previous areas recommended for enhancement from the prior year evaluation. The Board has been working well collectively to oversee the strategic direction of the Group. Areas contributing to effectiveness included deep-dive sessions used to enhance collective Board knowledge of key topics, appropriate use of hybrid meetings, an inclusive culture in the boardroom, and good progress made in refining the governance approach and division of responsibilities between the Beazley plc Board and its principal subsidiaries. The evaluation included a review of the mix of skills, knowledge and expertise and diversity, both collectively on the Board and in relation to the Board's Committees.

While the findings were positive and found the Board to be operating effectively, several opportunities for enhancement were identified during the evaluation. Actions were agreed by the Nomination Committee and the Board to address specific observations and support the continued effectiveness of the Board and its Committees.

Beazley's overall approach to Board evaluation

External reviews (every three years)	Internal reviews (other years)
An independent external evaluation firm is appointed who works with the Chair, the Nomination Committee and Company Secretary to define the objectives and scope of the evaluation. The external evaluation is the beginning of the three-year cycle and ensures a rigorous approach. The scope may build on Beazley's experience from previous evaluations, whilst also enabling the evaluator to use their own experience and independence to provide insight. Processes (e.g., interviews, meeting observations, desk-top reviews, questionnaires) and key people included within the review are also agreed. The findings and agreed actions from the evaluation are reviewed and monitored by the Board and, as part of the ongoing cycle, the themes and recommendations may be built upon in the subsequent internally led board performance evaluations.	<p>The internal reviews are facilitated internally by the Company Secretary with support from the Chair and Nomination Committee. Internal reviews involve interviews with Directors individually to obtain their views on the effectiveness of the Board and each Committee. Directors are encouraged to share their views openly, and questions are asked of each Director to determine overall Board and Committee effectiveness and obtain feedback on opportunities for continued improvement.</p> <p>The Chair also conducts separate meetings with each Director to solicit their feedback on board dynamics, review their individual performance and determine any steps to be taken. The Senior Independent Director conducts a review of the Chair. A Directors' knowledge and skills self-assessment exercise complements the evaluation process to identify any areas for individual or collective board training for the following year.</p> <p>The findings from this work are presented to the Nomination Committee and the Board and an action plan is created to address specific findings. Progress against these actions is monitored by the Board throughout the year.</p>

Board evaluation continued

Recommendations and actions from the 2023 Board performance evaluation

Recommendations and priorities	Actions agreed
<p>Building and enhancing relationships Due to expected changes to the Board and Executive leadership during 2024, a priority would be to ensure that relationships were built and enhanced to ensure ongoing effectiveness.</p> <p>In addition, the board highlighted a need to enhance engagement with other senior leaders and with those in all regions in which Beazley operates.</p>	<p>Actions considered by the board for 2024 include:</p> <ul style="list-style-type: none"> • Ensuring effective induction processes for the new Board and Executive Committee members. • Increased opportunities for Executive exposure to the Board on relevant topics. • Increased social activities between the Board and Executives. • Board meetings to be held at locations where Beazley operates outside of London at least annually. • Deep dives on regions in which Beazley operates to be facilitated.
<p>Long-term planning and strategy Notwithstanding enhancements made around business planning during 2023, this remained a priority for 2024.</p> <p>A further priority was to gain more insight into the competitive landscape.</p>	<p>The Board agreed to set specific objectives and to use strategy sessions and deep dives to ensure understanding and oversight of the long-term plans and of the competitive landscape.</p>
<p>Supporting business change There was a substantial amount of change both in terms of critical milestones in Beazley's three-platform strategy and with changes to leadership for the Board to support during 2024.</p>	<p>Actions considered by the Board for 2024 include:</p> <ul style="list-style-type: none"> • Ensuring the right topics are on the Board agenda and that deep dive and training plans reflect the changing environment. • Ensuring that the board composition remains appropriate to support the changing business.
<p>Board reporting Notwithstanding the high quality of reporting and enhancements made in this area over the past two years, there was an opportunity for further enhancement of specific reports.</p>	<p>Specific feedback and knowledge will be shared by the Board on suggested enhancements. Regular training on board report writing to continue to be provided in 2024.</p>

Progress made on action areas from the 2022 Board performance evaluation

Recommendations and priorities	Actions agreed
<p>Seek to further improve the efficiency of corporate governance across Boards and Committees without impacting effectiveness.</p>	<p>A governance effectiveness review was conducted in 2023 and actions are being implemented during 2023 and 2024. The relationships and responsibilities between Beazley plc and subsidiary Boards were a key component of the review. Changes have been proposed, including the appointment of a new non-executive director of Beazley plc who will also Chair the principal US subsidiary Board (see Nomination Committee report on page 100).</p>
<p>Improve the processes around short- and longer-term business planning.</p>	<p>A roadmap was presented to the Board in 2023 for the implementation of an integrated planning model, with an expected full implementation date of 2025. This remains a priority for 2024.</p>
<p>Create an integrated scorecard as a more impactful means of monitoring the performance of businesses and key programmes.</p>	<p>An integrated performance scorecard was developed during 2023 and will be subject to continual enhancements.</p>
<p>Ensure meeting agendas are appropriately focused.</p>	<p>Enhancements have been made to agendas during 2023 and this will continue to evolve under Beazley's new Chair as a priority.</p>
<p>Ensure The Board has appropriate oversight and understanding of IFRS 17 changes.</p>	<p>Time was devoted by the Board and Audit Committee to understand the commercial and technical implications of the move to IFRS 17 and determine the key judgements to be made. A suite of training material was made available as well as specific training sessions with the Board.</p>

Performance of the Board's Committees

The evaluation of the performance of the Board Committees found that each Committee is effective in supporting the Board. Specific actions for Committees included further consideration of succession planning processes by the Nomination Committee and continued embedding of the new Risk Committee, following the separation of the Audit and Risk Committee at the beginning of 2023.

Individual Director performance

Individual Director performance and contribution was assessed through one-to-one discussions between the Chair and each Director. The sessions included reflection on contributions during the year, strengths, and personal development areas. This was supported by the self-evaluation of knowledge and skills completed by the Directors. The evaluation concluded that each Director is operating effectively and contributing positively to the effective operation of the Board and Committees. A few areas to support the Directors' individual or collective performance were identified and action plans have been formulated. This includes delivery of the 2024 Board knowledge and training plan. Topics such as Artificial Intelligence, Operational Resilience, Cyber Security

and Cloud, Data, Analytics and Digital were identified for the 2024 training plan. Director time commitments and independence were also considered as part of the evaluation.

Chair performance

The Senior Independent Director carried out a review of the performance of the Chair. The Senior Independent Director sought feedback from all Directors. The review concluded that the Chair was effective and had made a positive start in the role, particularly given the level of activity during the six months including successful execution of key projects such as IFRS 17, strategic projects, as well as resignations of the Group Finance Director and two other Executive Committee members. The Nomination Committee discussed the evaluation and the feedback including strengths in areas such as support of the Executive Committee, engagement with people across the business, strategy direction, growth, expense management, investor relations and governance. The Senior Independent Director provided all feedback directly to the Chair, including areas for continued development as he embeds into the role and business.

Audit, Risk and Internal Control

EY were first appointed as the external auditor for the 2019 accounting year. The respective responsibilities of the Directors and the Auditors in connection with the accounts are explained in the Statement of Directors' Responsibilities on page 146 and the Independent Auditor's Report on page 152.

The Board is responsible for the Group's system of risk management and internal control and for reviewing its effectiveness. However, such a system can only provide reasonable, not absolute, assurance against material misstatement or loss. The system is designed to manage, rather than eliminate, the risk of failure to achieve business objectives within the risk appetite set by the Board. The Board confirms that it is comfortable with the effectiveness of the Group's risk management and internal controls (including financial, operational and compliance controls), which have been in place throughout 2023 and continue to operate up to the date of approval of the annual report and accounts. The Board delegates oversight of these controls and their effectiveness to the Audit Committee and Risk Committee, as set out in their terms of reference. The Audit Committee has overseen work to enhance internal controls in relation to financial and non-financial information and reporting during the year. More information on work undertaken as well as the process to review internal financial controls is included in the Audit Committee report on page 106. More information on the process to review compliance and operational controls is included in the Risk Committee report from page 115.

The Board agrees the overall risk appetite for the Group. Throughout the year, the Board has monitored performance against risk appetite in accordance with the risk management framework, which is itself reviewed and approved by the Board annually. Key components of the risk management framework include ongoing assessment and validation of controls, and taking steps to ensure that controls remain effective. Ongoing oversight of risk is undertaken via the Executive Risk and Regulatory Committee, which meets each month and considers key risk indicators and reviews of specific risk areas. The Board delegates oversight of risk management and compliance matters to the Risk Committee. There is ongoing reporting of risk matters to Risk Committee and Board, as appropriate, from the Chief Risk Officer and members of the Risk function. The Board also receives specific assessments of risk in the form of risk opinions to support key decision-making. During the year, the Board received risk opinions in relation to the execution of key strategic projects related to the three platform strategy. This included reviewing all key risks including capital, insurance, liquidity and operational risks in relation to key steps in the projects. The Board also received a risk opinion in relation to the transition to Solvency Coverage Ratio for monitoring and reporting solvency. Annually, the Board receives a risk opinion on the business plan for the forthcoming year. This year's risk assessment focused on whether the plan was logical, realistic and achievable as well as any risks to the plan and how they would be mitigated, which helped inform the Board's assessment and approval of the 2024 business plan.

Further information is provided in the Risk management and compliance report from page 69 and the Risk Committee report from page 115.

Nomination Committee



Clive Bannister
Chair

Role of the Committee

The Nomination Committee provides dedicated focus on the leadership needs of Beazley. This includes reviewing and monitoring Board and Committee composition, their effectiveness, succession planning for the Board and senior executives, the senior management pipeline, and inclusion and diversity. The Committee's role is to ensure the Board, its Committees, and the executive leadership team, as well as those in the talent pipeline, have the right skills, capabilities, and diversity of thought, to effectively oversee and implement the Company's strategy and ensure Beazley's long-term success.

Responsibilities of the Committee

The full responsibilities of the Nomination Committee are set out in its terms of reference. These are reviewed by the Committee and submitted to the Board for approval on an annual basis. The terms of reference are available on the Company's website.

The Committee's main responsibilities are:

Board composition, succession, and evaluation

- Regularly review the structure, size, and composition (including the skills, knowledge, experience, and diversity) of the Board and its Committees in response to the changing business needs and external environment.
- Consider succession planning for Executive and Non-Executive Directors and ensure the Board will continue to have the right balance of competences, skills, knowledge and diversity, considering the challenges and opportunities facing Beazley.
- Ensure Non-Executive Directors possess the skills and knowledge required through training and development to ensure effective Board performance; and to ensure that a performance evaluation is conducted to highlight areas for improvement and that appropriate action plans are in place to meet development needs.

“2023 proved another busy year for the Nomination Committee. There were changes at both the Board and Executive level. We are committed to engaging with the highest levels of professional skills at the Board, to lead the Group; whilst fulfilling all our Inclusion and Diversity ambitions.”

- Conduct search and selection processes for Board and Executive Director roles, and review any other key leadership roles, in line with governance and diversity requirements.
- Recommend, if appropriate, all Directors for election or re-election by shareholders under the annual re-election provisions of the Code, having due regard to their performance and their ability to continue to contribute to the overall long-term success of the Board.

Leadership succession and talent pipeline

- Review succession planning for senior leadership, including development plans for internal talent, to ensure Beazley's long-term success and ability to compete effectively in the marketplace.

Inclusion and Diversity

- Review the Group's and the Board's diversity policy and link to company strategy and ensure inclusion and diversity perspectives are considered across all areas of Board and Committee composition, succession planning and development of the talent pipeline. Monitor progress against Beazley's inclusion and diversity objectives to drive progress and meet ambitions to be an inclusive organisation, where all our people can thrive.

Committee membership and meetings

Attendance at Nomination Committee meetings by Committee members is shown in the table on page 87. In 2023, there were four scheduled meetings and two additional ad hoc meetings. The Nomination Committee is chaired by Clive Bannister following his appointment at the AGM on 25 April 2023. The Committee also comprises Pierre-Olivier Desaulle, Christine LaSala, John Reizenstein, and Cecilia Reyes Leuzinger, who are independent Non-Executive Directors. Until 25 April 2023, the Committee was chaired by Christine LaSala, who was also acting as Interim Chair. Cecilia Reyes Leuzinger was appointed to the Committee on 29 September 2023 to ensure continuing diversity of the Committee's membership. The biographical details of the Committee members can be found on pages 80 to 82. The gender and ethnic diversity of the Committee is shown on page 76.

The key activities of the Committee during 2023 are set out below. Only members of the Committee have the right to attend meetings; however, other individuals, such as the Chief Executive, Chief People Officer and Head of ESG, representatives from other Boards or Committees, and external advisers, may be invited to attend for all or part of any meeting where this is beneficial to assist the Committee with fulfilling its responsibilities. The Company Secretary is secretary to the Committee.

Key Committee activities

	Activities	More information?
Board composition, succession, and evaluation	<ul style="list-style-type: none"> Commenced the search for a new Group Finance Director to succeed Sally Lake and provided oversight of the recruitment process. Conducted an external search for the appointment of a new Non-Executive Director. Commenced an internal search for the appointment of a Senior Independent Director to succeed Christine LaSala. After an external and internal search process, agreed the appointment of Bob Stuchbery as the Chair of Beazley Furlonge Limited ('BFL'), one of Beazley's key operating subsidiaries. Recommended changes to the composition of Board committees. Recommended the renewal of the appointments of Non-Executive Directors. Reviewed the onboarding and induction processes for Directors. Reviewed Beazley plc and subsidiary Board renewals and appointments, including succession plans, and reflected on effectiveness of succession planning activities. Reviewed the knowledge, skills and training assessment for the Beazley plc and regulated/principal subsidiary Boards and confirmed that the Boards continued to have the right mix of skills and experience. Reviewed the plans for and outcomes of the 2023 performance evaluation for the Beazley plc Board, Committees, and key regulated subsidiary Boards and Committees. 	<p>Board evaluation (pages 97 to 98).</p> <p>More information on board and committee changes is included in this report</p>
Leadership succession and talent pipeline	<ul style="list-style-type: none"> Reviewed Executive performance and succession planning, including a review of the diversity of the senior leadership talent pipeline. Received updates regarding some key senior internal appointments including the appointment of Head of Strategy, following the departure of Rachel Turk. Recruited a new Chief People Officer and Head of ESG, following the retirement of the incumbent, Pippa Vowles. 	<p>More information on succession planning and the process for appointing new Directors is included in this report.</p>
Inclusion and Diversity	<ul style="list-style-type: none"> Reviewed diversity commitments and targets set by Beazley. Reviewed policies including Inclusion and Diversity policies for the Board and the Group. Reviewed sections of the Annual Report and Accounts including diversity disclosures required by Listing Rules 9.8.6(9) and (10). Inclusion and diversity considerations also underpinned other activities including Board recruitment and composition and succession planning discussions. 	<p>More information on Inclusion and Diversity is included below and in the Responsible Business report (pages 17 to 21).</p> <p>For Listing Rule disclosures see Governance at a Glance (page 76).</p>

Board composition, succession, and evaluation

Board and committee composition and succession during 2023

2023 proved to be another year of change impacting the Committee's key activities. Considerable time was spent by the Committee on the composition of the Board and its Committees, as well as changes in the Executive leadership team.

The composition of the Board is informed by an assessment of the skills required, diversity objectives, and orderly succession plans in line with the overall goal of ensuring the long-term success of Beazley and ability to develop and implement its strategy. Following outcomes from the 2022 Board evaluation and an internal review, the Committee has focused on ensuring that the composition of the Beazley plc Board and the Boards of its principal subsidiaries is appropriate, aligned to broader strategy and ensures effective governance oversight of the Group. Therefore, succession planning covers both Beazley plc and the Boards of its principal subsidiaries, with the Chairs of those subsidiaries usually being appointed to the Beazley plc Board.

Nomination Committee continued

Committee changes

Several changes were made or put into action during the year to strengthen the Board and Committee composition, to support succession planning, and to continue to support the overall governance effectiveness of the Group. These included:

- The permanent appointment of Nicola Hodson as Chair of the Remuneration Committee with effect from 5 May 2023.
- The appointment of Fiona Muldoon as Chair of the Risk Committee with effect from 29 September 2023 to succeed Robert Stuchbery (who remains a member and has been appointed as Chair of Beazley Furlong Limited).
- The appointment of Cecilia Reyes Leuzinger as a member of the Nomination Committee, with effect from 29 September 2023.

When appointing Nicola as the permanent Chair of the Remuneration Committee, the Board considered Nicola's time commitments and her other executive and non-executive roles. Nicola is the Chief Executive of IBM UK and Europe, which is an unlisted private limited subsidiary company and division of IBM, and a non-executive director of Drax plc, where she also chairs the remuneration committee and is a member of their audit committee and risk committee. The Nomination Committee and Board are satisfied that Nicola has sufficient time to undertake her role and is able to balance her responsibilities well. The Committee keeps the situation under review to ensure that Nicola is able to commit the time and dedication required as a Non-Executive Director of Beazley plc; as we do for all Directors.

Selection of a new Senior Independent Director

Christine LaSala, who has been on the Board for eight years and is currently the Senior Independent Director, expressed her intention to not seek re-election at the 2024 AGM. Following this decision, the Committee discussed and reviewed the process for the selection of the next Senior Independent Director. The Committee approved the role specification, which sets out the role's responsibilities and required skills and attributes. The Committee were satisfied that an internal candidate could be identified. During early 2024, the Chair and the incumbent Senior Independent Director met with interested candidates. Their skills and attributes will be assessed against the role specification as well as considering their existing time commitments. It is anticipated that the appointment will be confirmed prior to the AGM.

Recruitment of a Chief Financial Officer

In August 2023, Sally Lake announced that she intended to step down as Group Finance Director during 2024, after five years in the role, and 18 years at Beazley. The Committee has overseen the recruitment process for a Chief Financial Officer, to replace Sally in 2024. The process has been led by the Chief Executive, with the support and guidance of the Committee and the involvement of independent Non-Executive Directors in all stages. A candidate brief and role specification was discussed and approved by the Committee and it was confirmed that an external search was appropriate. Succession plans for internal talent would continue to be

developed. The key search criteria including required skills, attributes and cultural fit were agreed. A diverse and inclusive candidate list was sought. This included, where possible, seeking candidates from different geographical regions in which Beazley operates. Spencer Stuart were appointed to conduct the search, and they have no other connection with the Company or its Directors.

Following a comprehensive process, Barbara Plucnar Jensen was identified as the successor to Sally Lake as Chief Financial Officer and recommended to the Board for approval. Barbara will join Beazley in May 2024. Barbara's depth and breadth of experience across financial services, together with her leadership style was considered to be a great asset and cultural fit for Beazley. Barbara was most recently CFO at Tryg, the largest non-life insurer in Scandinavia with a top 3 market position across Denmark, Norway and Sweden.

Board recruitment process in focus: appointment of an additional independent Non-Executive Director, Carolyn Johnson

The Nomination Committee is responsible for oversight of search and selection processes for Board and Executive Director roles and as such a key activity during 2023 and early 2024 was the process to identify a Chair of Beazley's US holding company, Beazley Holdings Inc, who would also be an independent Non-Executive Director of Beazley plc.

We were pleased to announce on 22 February 2024, that Carolyn Johnson will be taking up this role, on 1 March 2024.

Stage 1 – Commencement

- To align the Board and subsidiary governance framework to the three-platform business model and broader strategic ambitions, the Committee and the Board decided to commence a search for a Chair of the principal US subsidiary Board which will oversee the North American platform, who will also be appointed as an independent Non-Executive Director of Beazley plc.
- A sub-group of the Committee, led by Christine LaSala, was established to lead the search and report to the Committee.

Stage 2 - Key search criteria

- In September, the Committee reviewed the role specification including key experience, skills and attributes required.
- An independent external search consultancy, Russell Reynolds, was engaged to support the process. The Company and its Directors have no other connection with Russell Reynolds.
- Key search criteria included: US domiciled, successful track record as a Non-Executive or Executive leader in the US insurance sector, ability and capacity to build and develop the US board, and cultural fit.
- The Committee requested that a diverse candidate long-list be sought, following consideration of the current Board diversity profile and the Board's inclusion and diversity policy. The Committee selected broad search criteria to allow consideration of candidates from different backgrounds and foster diversity of candidate profiles.
- A pool of 40 candidates were reviewed in November 2023.

Stage 3 - Short list and initial interviews

- All candidates were assessed against the search criteria. Six candidates from the long list were selected for interview,

with five of the candidates being women. Initial interviews were held with the Senior Independent Director and another member of the Nomination Committee.

Stage 4 – Second stage and final interviews

- In February, the sub-group selected three candidates to progress to the second stage. The candidates were assessed based on their strengths and capabilities identified through the initial interviews, against the search criteria. The second stage included interviews with two independent Non-Executive Directors of Beazley plc, and two Executive Committee members based in the US.
- Upon conclusion of these interviews, Carolyn Johnson was identified by all those involved as the preferred candidate based on her experience, strengths, cultural fit, and appetite and ability to build and develop the US Board. The sub-committee put forward Carolyn for a final interview with the Chair and Chief Executive.

Stage 5 – Selection: supporting Board diversity and US regional experience

- The Committee discussed the proposed candidate and decided that Carolyn Johnson be recommended to the Board for appointment.
- Carolyn Johnson was recommended because of her extensive US financial services and insurance experience, which would complement and strengthen the Board's US insurance industry knowledge following Christine LaSala's departure at the conclusion of the AGM. Carolyn's executive leadership and transformation leadership skills were also a key strength, which would help with strategic ambitions for the US platform. Carolyn also has relevant UK listed insurance company experience and extensive experience gained from her successful executive career which will further enhance the Board. In addition, the Board were pleased that the appointment would promote the continued diversity of the Board and meant that one of the three principal subsidiary Chair roles was held by a woman.

Board tenure, renewal of Non-Executive Director appointments, and review of time commitments

The Committee reviewed the profile of Board tenure of the Non-Executive Directors with a view to the future requirements of Beazley, the length of service of the Board as a whole and succession plans for key Board roles. As part of this it considered the reappointments of Rajesh Agrawal, Robert Stuchbery, and Pierre-Olivier Desaulle. The Committee recommended:

- The reappointment of Rajesh Agrawal for a second three-year term.
- That Robert Stuchbery be re-appointed to serve until August 2025. Robert Stuchbery has served on the Board since August 2016 and his full nine-year term will expire in August 2025.
- That Pierre-Olivier Desaulle be reappointed until the 2025 AGM and his appointment be considered on a rolling 12-month basis. Pierre-Olivier Desaulle's first three-year term on the Board was due to expire in January 2024. However, since 2017 he has served as an independent Non-Executive Director of Beazley's Irish regulated subsidiary, Beazley Insurance dac, including as Chair since 2021.

The Nomination Committee continues to monitor the time commitment of all Directors to ensure that Directors are able to provide a sufficient level of time and dedication to the role.

The significant benefits of having Non-Executives who are serving Executives in other firms having balanced against their availability.

In addition, in September 2023, Fiona Muldoon's appointment to Admiral plc was considered. It was noted that given Fiona would be stepping down from her Non-Executive Directorship at the Bank of Ireland plc, Fiona would continue to have sufficient time to dedicate to her role at Beazley.

The Committee also monitors and evaluates the independence of all Non-Executive Directors and undertakes an annual review of their other interests. The Board, on the Committee's recommendation is satisfied that each Non-Executive Director serving remains independent and has sufficient time to discharge their responsibilities to the Company.

Board and Committee performance evaluation

The Board carries out a formal and rigorous annual evaluation of its performance and of the performance of its Committees, the Chair and individual Directors. The Committee has a role in overseeing the Board and Committee evaluation process for Beazley, and in making recommendations to the Board to improve performance.

To fulfil its responsibility to ensure the Board and its Committees remain effective, the Committee spent time reviewing the actions from the internal 2022 Board effectiveness review. In addition, the Committee reviewed and approved the plans for the 2023 internal Board effectiveness review for the Board, its Committees and for two of the principal regulated subsidiary Boards and their Committees (Beazley Insurance dac and Beazley Furlonge Limited). The Committee received a report on the outcomes of the internal review for all Boards and Committees and discussed common themes and key areas of focus in 2024. The Committee noted that in 2024 an external Board performance evaluation will be carried out.

More information on the Board evaluation process is provided on page 97.

The Committee reviewed its effectiveness during the year, as part of the annual Board evaluation process. The Board confirmed that the Committee is effective in fulfilling its role.

Board knowledge and skills assessment

The Board and Committee recognise the importance of a diverse composition with a broad mix of skills and experience. As part of each annual Board evaluation, all Directors carry out a self-assessment of their knowledge against a wide range of skills and competencies. For each area, the Directors assess whether they have considerable knowledge, a base level of knowledge necessary to contribute to discussions, or no knowledge. The Committee receives a report on the self-assessments completed, including information for each Director, to enable them to assess whether each Director and the Board collectively have the right mix of skills and experience. The Chair also considers this information in the performance evaluations of the Directors, together with other relevant information and feedback, to assess whether each Director continues to contribute effectively

Nomination Committee continued

The self-assessment helps identify any areas where training would be useful to develop knowledge and skills either for Directors individually or for the Board as a whole, and a training plan for each year is developed. For some skills, which are dynamic and changing, the Directors' knowledge is augmented by external or internal experts who ensure the Board has the right, up to date, expertise to challenge effectively. The balance of skills and experience on the Board is also a core part of Director succession planning.

A summary of the aggregate skills of the Directors from the skills self-assessment is included on page 77.

Board training

Information on Directors skills and training plans carried out in 2023 and proposed for 2024, which were reviewed and agreed by the Committee, can be found on page 95.

Director induction process

In advance of the new Chair joining, the Committee took the opportunity in early 2023 to review the Director induction process, seeking feedback from the two recent appointees, Fiona Muldoon and Cecilia Reyes Leuzinger. Beazley provides a comprehensive formal and tailored induction for new Directors including meetings with senior leadership and key external stakeholders such as regulators, auditors and shareholders. The plans ensure that Directors are appraised of all areas of the business. This is supplemented with follow-up sessions on areas of interest or where further development is required. Core competencies covered include areas such as business strategy and business model, responsible business strategy, business planning, our 'target operating model', reinsurance, Solvency II, our culture and approach to people, market knowledge, risk management, and governance oversight. A description of the Chair's induction process is included on page 95

Leadership succession planning and talent pipeline

Throughout 2023, the Committee carried out its key responsibilities of ensuring that plans are in place for the succession of Executive Director roles and wider senior management positions and ensuring the continued strong Executive talent pipeline within the Group. This work aligns with the people pillar of Beazley's strategy to attract and nurture talented colleagues.

The Committee reviews succession plans for the Executive Committee members annually and their individual performance against objectives. The succession plans for other senior roles (such as Executive Committee direct reports) and regulatory roles are also reviewed annually. The reporting includes information about potential successors for each role in the short, medium, longer term and emergency cover, including whether roles could be filled internally or externally. The reporting assists with proactively planning for future roles to progress our internal talent. The 'talent pipeline review' also covers cross team succession opportunities. The succession plans are linked to the inclusion and diversity strategy and policy. The progress towards meeting and/or exceeding externally and internally set diversity targets is reviewed.

For vacancies at both Board and Executive leadership level, external search agencies are often utilised. Any internal candidates are incorporated into the process run by the appointed external agency. All external agencies are made aware of our inclusion and diversity policy and long and short lists are designed to ensure there is a diverse selection of candidates put forward.

During 2023, the Committee also received updates on the appointment of a new Chief People Officer and Head of ESG and a new Head of Strategy. This was following changes to the Executive leadership team as a result of the resignation of Rachel Turk as Head of Strategy and the decision by Pippa Vowles, Head of Culture and People, to retire. The search was led by the Chief Executive. Both internal and external candidates were considered, and comprehensive searches were carried out. The Committee were pleased that the successful candidate for the Head of Strategy role, Brenna Westinghouse, was an internal candidate. Brenna had previously been highlighted through succession planning and talent mapping activities, including activities to highlight future women leaders. Liz Ashford, an external candidate, was appointed as Chief People Officer and Head of ESG.

In addition to the activities highlighting those who may be successors for leadership roles in the short- to medium-term, there are programmes and activities to highlight and develop future talent throughout the organisation. The diversity of cohorts for such programmes is taken into account, to ensure that a diverse range of talented individuals are included and provided with opportunities to develop. The 'NexCo', which is described in the Stakeholder Engagement report on page 50, is an example of one of these programmes.

The Committee will continue to review succession plans for senior Executives, including programmes in place to identify and develop internal capability, to facilitate internal candidates available for future opportunities in line with Beazley's people strategy.

Inclusion and diversity

Inclusion and diversity policies

The Board firmly believes that having an inclusive and diverse workplace will support us in our ambitions to outperform the market. Our inclusion and diversity strategy enables us to deliver our business strategy, as we need to attract, engage and nurture a diverse, high-performing workforce in order to drive, develop and implement the business strategy. A diverse workforce with progressive mindsets helps champion diversity of thought leading to better outcomes for both Beazley and its stakeholders.

Beazley's inclusion and diversity policy is reviewed annually. In 2023 the policy was expanded to commit to improving inclusion and diversity within the wider industry, with third parties, suppliers, and partners and to add specific reference to reporting of incidents. The Board has adopted its own inclusion and diversity policy which is aligned to that of the Group. Both policies are available on the Company's website (www.beazley.com/en-sg/who-we-are/inclusion-diversity).

The inclusion and diversity policy sets out our commitment to recruit, retain and develop people with diverse backgrounds and experiences to thrive at all levels of our business, in a truly inclusive environment that has zero tolerance for discrimination or harassment and fully supports and celebrates differences. These differences could include but are not limited to age, disability, gender, gender reassignment, marital status, pregnancy and maternity, race, nationality or ethnic origin, religion or religious beliefs, sexuality, socio-economic group or working pattern.

We want our workforce and supply chain to reflect the diversity of our customers and the communities where we work around the world; however, we know that simply aspiring to have a diverse workforce is not enough. As an organisation, we continue to set measurable targets to become a truly diverse and inclusive employer; where everyone can contribute their best work and develop fully. We aim to set objectives where possible and appropriate to embed inclusion and diversity within our supply chain. Our colleagues and third parties, where appropriate, are encouraged to report incidents through relevant channels, including through the whistleblowing procedures. The policy is supported by the inclusion and diversity strategy and roadmap, and more information is included in the Responsible Business report on pages 17 to 21.

The Board's inclusion and diversity policy sets out the commitment of the Board to use its position and influence to create a truly inclusive environment and confirms the Board's view that diversity is central to our strategy by contributing to enhanced risk management and improved business performance, bringing about richness of challenge, debate, and innovation. The Board commits to continue to meet or exceed guidelines and regulations for gender or racial diversity set out in the Parker Review and the FTSE Women Leaders review. While accepting there will be natural fluctuations in balance due to the size of the Board, the Board also aims to reflect the Company's public targets regarding gender and race and ethnicity in its own composition.

The Board's inclusion and diversity policy also applies to the Board's key Committees. The Committee considers diversity when appointing Directors to Board Committees. The diversity of each Committee is shown in 'governance at a glance' on page 76.

Approach to diversity and setting targets

The Committee is satisfied that the focus on inclusion and diversity by the Board and Executive leadership team and the Company's diversity strategy, underpinned by bold targets mean that any risks around continuing to meet externally set targets for Board diversity are mitigated. Beazley and the Committee use governmental census data to set evidence-based diversity targets. Through this data and understanding our employee base, we are able to understand where there may be gender or racial disparities in our recruitment or promotion activities. However, decisions relating to performance, hiring and promotion at Beazley are always based on individual merit and performance.

The Committee has agreed targets for gender diversity and ethnic diversity for the senior leadership, which have been monitored by the Committee during the year. We determine and monitor against our own leadership groups, which represent those most likely to progress to senior positions in the organisation, including the Executive Committee, and

those leading strategic projects. This helps ensure a diverse pipeline. During the year we have continued to embed the strategy for gender equality and ethnic diversity to help us reach our targets of 45% female representation in senior leadership roles by the end of 2023 and to increase the representation of People of Colour in leadership roles by 6% to 17% by the end of 2027. For the wider workforce, we have also set targets for People of Colour representation of at least 25% by the end of 2023 (of this target 25% should be Black people). In early 2024, these targets were reviewed against updated government census data in the locations in which we are based and were increased. Our new goal is to have People of Colour make up at least 33% in our workforce by the end of March 2028. Roles are not held specifically for people from minority groups and our targets are not quotas. We aim for the applicant talent pool to reflect the diversity of the talent available in the locations in which we are based.

The Committee monitors the workforce's diversity through reporting and succession planning activities for the Executive Committee. The Committee tracks progress by ensuring that senior leadership have relevant targets related to inclusion and diversity in their own objectives. Progress against these targets is reviewed as part of the Committee's activities in reviewing the performance of senior leadership. The Executive Directors also have specific inclusion and diversity targets linked to their discretionary remuneration. For further information see the Directors' Remuneration Report from page 124.

The Committee will continue to review, assess, and challenge succession planning to ensure there is a diverse pipeline of senior women and People of Colour within Beazley, that senior leadership truly reflects the diverse make-up of our workforce and communities, and that people from a diverse range of backgrounds are able to see career progression within Beazley. Our Responsible Business report provides further information on our inclusion and diversity activities, including our strategy, objectives, and outcomes against our targets, please see our Responsible Business report on pages 17 to 21. We also publish a more detailed Responsible Business report, which is available on our website.

Diversity data

The diversity data for the Board and Executive management in terms of gender and ethnic background, as required by the Listing Rules is set out on page 20, following our Responsible Business report. We also disclose diversity data for our senior management and all employees, as required by and defined by the Code and the Companies Act 2006. We disclose this data both to meet the requirements and for comparison with other organisations. However, we use internally set targets based on a defined leadership population for our own monitoring purposes and these are also disclosed. Page 76 provides an overview of diversity at Board level, including the gender and ethnic diversity disclosures required by Listing Rules 9.8.6R(9) and 9.8.6R(10).

Audit Committee



John Reizenstein
Non-Executive Director

Dear shareholder

I am pleased to present the Audit Committee (the Committee) report, which provides shareholders with insight into the activities of the Audit Committee during 2023. The Audit and Risk Committee was separated on 1 January 2023, and this has allowed us to focus on our key responsibilities of ensuring the integrity of the annual report and financial statements, assessing the independence and effectiveness of the External Auditors, and overseeing the internal financial control framework of the Company.

Throughout the year, I regularly engaged with the Group Finance Director, other Executives, the Company Secretary, External Auditor, Head of Internal Audit, and individuals preparing and presenting reports to the Committee, to ensure that the Committee members had the necessary information to enable them to advise, challenge and make decisions. This also ensured that the right topics were presented to the Committee.

In March, the Committee oversaw the reissuing of the Group's 2022 annual report following the identification of an error in the net asset value per share (NAVps) calculation. Any material error in the annual report is unacceptable, and the Committee subsequently received and discussed a report from the risk function on the root causes and lessons learned from the error. Further detail is given in the Committee's report on page 108 and in the section 172 statement on page 58.

The Committee's work during 2023 was carried out against a backdrop of considerable regulatory change. The implementation of IFRS 17 from 1 January 2023 represented a major change to the way insurers account for their business activities. I would like to extend my thanks to the IFRS 17 project team for the significant work undertaken across the many functions in Beazley to prepare the business for the changes under the IFRS 17 accounting standard. The Audit Committee closely monitored the progress of the implementation of the new standard. Throughout the year,

Committee members continued to receive training and briefings to embed their understanding of the scope of the standard as the practical application of IFRS 17 became more evident and to support their discussions with management. The Committee uses its collective expertise and experience to challenge the approach and judgements made in the treatment of financial matters and the resulting disclosures to be made under IFRS 17. A higher level of scrutiny was required as we reported under IFRS 17 for the first time in the 2023 half year results.

The 2023 half year results provided shareholders the opportunity to see the full impact of IFRS 17 on our financials with 2022 IFRS 17 comparatives being included. Additional activities were carried out during the year to help shareholders understand the impact of IFRS 17 and the way in which our results are disclosed. Further information on the transition to IFRS 17 is included in the financial review from page 60 and in Note 1 to the financial statements on page 171. The Committee was informed by the Financial Reporting Council (FRC) that our half year results were reviewed as part of their thematic review into the initial application of IFRS 17 and were pleased to be informed that no information or clarifications were required following the review.

The Committee has also overseen potential reporting changes resulting from the audit and corporate governance reform in the UK. We reviewed the 'Audit Committees and the External Audit: Minimum Standard' published by the FRC in 2023 and are pleased to report that we are operating in accordance with the Standard.

In support of Beazley's commitment to doing the right thing and being a responsible business, the Committee oversaw further enhancement of Beazley's reporting of climate and ESG matters in accordance with the 'Taskforce on Climate-Related Financial Disclosures' (TCFD), and the reporting requirements under the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022. The Committee will also be kept updated on the Group's reporting obligations in relation to the EU Corporate Sustainability Reporting Directive (CSRD).

In August, Sally Lake announced her decision to step down from her role at Beazley. We will miss Sally, who has provided a valuable contribution to Beazley and plays a substantial role supporting the Committee and its work. We look forward to welcoming her successor Barbara Plucnar Jensen later in 2024 and will be wholeheartedly involved in ensuring that there is a smooth and orderly transition.

John Reizenstein
Audit Committee Chair

Committee membership

The Audit Committee membership is compliant with the Code. The Audit Committee was established as a separate Committee on 1 January 2023 and currently comprises five independent Non-Executive Directors: John Reizenstein (Chair), Rajesh Agrawal, Fiona Muldoon, Cecilia Reyes Leuzinger and Robert Stuchbery. There were no changes to the Committee membership during the year. The Board is satisfied that members of the Committee have 'recent and relevant financial experience' and that the Committee as a whole has competence relevant to the sector, as required by the Code. All Committee members are independent Non-Executive Directors of the Board and details of each member's relevant experience, including their financial and/or sector experience, are given in their biographies on pages 80 to 82. The gender and ethnic diversity of the Committee is shown in 'governance at a glance' on page 76.

Committee meetings

Attendance at Audit Committee meetings by Committee members is shown in the table on page 87.

The Audit Committee was required to meet at least quarterly, with meetings scheduled at appropriate intervals in the reporting and audit cycles in accordance with the forward-looking agenda planner. Additional meetings were held as required. In 2023, there were a total of ten scheduled meetings, which included a joint meeting of the Audit Committees of Beazley plc and other regulated Group entities to consider policies, the internal audit plans for the forthcoming year and other matters relevant across entities. There were five further meetings, which were fully attended apart from one meeting which was attended by four members. Additional meetings were used to provide updates on progress with the half-year results which were the first results released under IFRS 17, and were released in September 2023. Meetings were also required to consider additional reporting provided to the market such as the 2022 IFRS 17 comparatives which were released. Whilst every effort is made to consider time zone differences when scheduling the Committee meetings, it was not possible to do so on two occasions in 2023. It is also not possible for overseas based Directors to attend every meeting in person. For this reason, Rajesh was unable to attend the 9 May and 29 November 2023 meetings. Rajesh had full access to the Committee packs prior to the meetings and was able to raise any prior observations for discussion at the meetings.

Only members of the Committee had the right to attend meetings; however, invitations are routinely extended to the Beazley plc Chair, the Senior Independent Director, the Chief Executive, the Group Finance Director, the Chief Risk Officer, the Chief Underwriting Officer, the Head of Internal Audit, and participants from the External Audit firm. The Chairs of the Audit Committees of the Group's regulated subsidiaries also attended Audit Committee meetings during the year as and when appropriate. The Company Secretary acted as secretary to the Committee.

The Head of Internal Audit and representatives from the External Auditor periodically met in private with the Committee to discuss matters relating to its remit and issues arising from their work. The Committee also met in private with the Group Actuary. In addition, the Chair of the Audit Committee had regular contact with the External Auditor and internal auditors throughout the year and members of the Committee met individually with regulators when required. The Committee Chair also meets regularly with the Group Finance Director, other senior finance managers and the Company Secretary to ensure the work of the Committee is focused on the right topics and the Committee is receiving valuable information.

Committee performance evaluation

The Committee reviewed its effectiveness during the year, as part of the Board evaluation process (see page 95). The Board confirmed that the Committee was effective in its role and that the Chair contributed positively to the effective running of the Committee and oversight of the Committee's responsibilities. The Board agreed the closure of the actions from the 2022 review. These included the recommendation that consideration be given to the separation of the Audit and Risk Committees to ensure strong governance and to allow sufficient time for the separate oversight and reporting of the audit and risk functions on behalf of the Board and the implementation of training sessions for all Directors on the commercial and technical implications of the transition to the IFRS 17 accounting standard. No specific actions from the review were noted for the Committee, however the change of Group Finance Director expected in 2024 was highlighted as of key importance to the Committee, who would need to be ready to support a smooth and orderly transition.

Responsibilities of the Committee

Following the separation of the Audit and Risk Committee on 1 January 2023, oversight of risk management, internal controls and compliance was transferred to the Risk Committee. Oversight of internal financial controls remains under the Audit Committee's remit.

The Committee's key responsibilities are set out in full in the terms of reference which are available on the Company's website. The terms of reference are reviewed annually. In 2023, updates were made to reflect the FRC's 'Audit Committee and the External Audit: Minimum Standard.'

Financial and narrative reporting

- monitor the integrity of the Company's financial and narrative statements;
- review significant financial reporting judgements contained in the financial statements;
- review and oversee accounting policies and practices;
- review the analysis supporting the going concern assumption and long-term viability statement;
- review the Annual Report and advise the Board on whether it is fair, balanced and understandable; and
- review of other reporting such as the Solvency and Financial Condition Report and Task Force on Climate Related Financial Disclosures.

Audit Committee continued

External audit

- review and make recommendations to the Board regarding the tendering of the External Audit contract, the appointment, remuneration and terms of engagement of the External Auditor;
- review and oversee the relationship with the External Auditor, including their independence, objectivity, and the policy on and level of non-audit services; and
- review and monitor the effectiveness of the External Auditor and the audit process.

Internal audit

- monitor and review the effectiveness of the Group's internal audit function; and
- review and approve the internal audit plan and monitor its implementation, including adequacy of resources.

Internal financial controls

- review and make recommendations to the Board on the effectiveness of the internal financial controls;
- review statements in the Annual Report concerning internal financial controls;
- review whistleblowing arrangements in place for the workforce to raise concerns; and
- monitor the performance and independence of consulting actuaries used for the review of insurance reserving.

Key focus areas and activities in 2023/24

The Committee supported the Board of Directors in overseeing the accuracy of financial reporting and ensuring the system of internal financial control, the audit process and the Company's processes for compliance with laws and regulations and internal policies and procedures are robust, effective, and responsive to ever-changing environments.

Financial and narrative reporting

Re-issue of Beazley's 2022 Annual Report and Accounts

As described in the section 172 statement on page 58, a version of Beazley's Annual Report and Accounts for the year ended 31 December 2022 was originally approved by the Board on 1 March 2023 and Beazley announced its results for the year ended 31 December 2022 on 2 March 2023. The results reported an Alternative Performance Measure (APM) of NAVps that had been calculated using the weighted average of shares for the year. It had been intended that the alternative performance measure would be calculated using the number of shares at 31 December 2022, rather than using the weighted average of shares for the year.

The Committee took responsibility for investigating the root causes of the error and ensuring the control environment was effective. The Committee received a report from the Risk function, with input from the Group's financial control team. It was found that the error occurred due to incorrect calculation methodology being applied in some underlying spreadsheets, which were calculating the NAVps using the weighted average shares in issue as opposed to the number of shares in issue at 31 December 2022. The large increase in the Group's number of shares in issue due to the 2022 equity raise resulted in a material difference between these two values. Several actions were agreed on following the review and

improvements to the control environment and review process around spreadsheets used throughout the Group's financial close process have been made. The Committee also discussed the root cause of the error with the External Auditor and any resultant impact on their audit approach. The Committee has subsequently received updates on the progress of these actions. As noted elsewhere in this report the Committee continues to monitor the progress of management in enhancing the Group's financial control framework and ongoing work to automate and improve processes within the Finance function. The Committee is satisfied that the Group's financial controls are effective.

Annual Report and financial reporting 2023

The Annual Report and Accounts provide shareholders with information necessary to enable an assessment of Beazley's position, performance, business model and strategy.

The Committee reviewed the Annual Report and Accounts for the year ended 31 December 2023, to recommend to the Board for approval. The Committee also considered the key risks around the financial results underpinning the full year reporting process. The 2023 full year results announcement and Annual Report were ultimately recommended to the Board for approval.

An important part of the review of financial reporting was to consider and agree the significant financial estimates and judgements in relation to the financial statements. The Committee received reports on these judgements for the full and half year reports and after seeking the views of the External Auditors (Ernst & Young LLP (EY)), determined that they were appropriate. The table on pages 110 to 111 sets out the key accounting estimates and judgements for 2023 and how these were addressed. Management present views on key accounting issues and judgments throughout the year, as part of the regular external financial reporting including the announcement of half year and quarterly results.

The Committee also assesses the appropriateness and presentation of any APMs used in financial reporting, and reviewed the change in reported APMs that occurred in the year.

The Committee continued to focus on the Group's close and estimation processes generally, and the related controls carried out by the business and specifically the finance team. The Audit Committee remained committed to ensuring that there were robust controls and oversight over the close process. During the year and at year end, the Committee received updates from management on the level of estimations used in the close process and the controls carried out to review these estimates retrospectively. The Committee continued to receive periodic reporting from both the finance and actuarial functions on our estimation process, and the related controls, in respect of claims reserves, the risk adjustment for non-financial risk and other key financial statement captions. As mentioned above, the Committee received additional reporting and a lessons learned around financial controls during the year, following the error in the NAVps in the 2022 Annual Report and Accounts. Based on reports received and reviewed during the last 12 months, the Audit Committee remains satisfied that the estimation and control processes deployed by the Group are appropriate.

The Committee also reviewed the half year results announcements and quarterly trading statements which are released. Particular attention was paid to the half-year results which represented the Company's first disclosure under IFRS 17. Further information is included below.

Going concern and viability

The assessment of the viability and going concern statements was a key activity of the Committee. During key reporting periods, management outlined to the Committee evidence for the basis of preparation adopted in the financial statements and any statements around the future viability of the Group. The Committee reviewed detailed projections of future cash flows, profit forecasts and capital requirements under various scenarios, including scenarios stressed in terms of claims frequency and liquidity.

The Committee also considered the appropriateness of management's viability statement and the period over which this analysis is performed. The Committee was satisfied by the level of analysis presented during the year and the related approach taken and statements made in the Group's key external reporting. The Viability Statement is on pages 73 to 74.

Fair, balanced, and understandable assessment

It is a key requirement that the Group's financial statements are fair, balanced, and understandable. The Audit Committee applied the same due diligence approach adopted in previous years to assess this requirement under the Code. The Annual Report is prepared following a well-documented internal process that is performed in parallel with the processes undertaken by the External Auditor. The process includes comprehensive review by senior management during the drafting process. The Audit Committee has reviewed management's assessment as a part of the formal annual report governance process. Following its review, the Audit Committee is satisfied that the 2023 annual report is fair, balanced and understandable, and provides the information necessary for shareholders and other stakeholders to assess the Company's position and performance, business model and strategy, and has advised the Board accordingly.

IFRS 17

A key activity in relation to the review of the half year results and the Annual Report for 2023 was the implementation of IFRS 17. Throughout the year, the Committee received detailed progress reports on the implementation of the IFRS 17 accounting standard, including key implications and judgments relating to assumptions impacting the Opening Balance Sheet ("OBS") (including risk adjustment, measurement model and discounting), and IFRS 17 and IFRS 9 disclosure requirements. Reports were received from EY in addition to those received from the finance team. Information shared included the updates in relation to EY's review of assumptions and data testing for the OBS, full year 2022 comparatives and transitional provisions for IFRS 9. Deep dive Board training sessions continued throughout the year as the practical application of the IFRS 17 standard became evident. Committee members also attended a briefing session which outlined the gross impact on equity on transition to the new standard in compliance with IAS 8 disclosure requirements. The Committee also oversaw the release to the market of financial information and presentation slides which provided indicative and unaudited comparative information for the six

months to 30 June 2022 and the year to 31 December 2022, restated for the adoption of IFRS 17. This information was provided to allow shareholders to understand the impact of implementing IFRS 17 on the Group's results and financial reporting.

Several ad hoc meetings were scheduled in relation to the delivery of IFRS 17 reporting, where the Committee received assurances from management as to the internal financial controls implemented and delivery of IFRS 17 reporting against stringent timelines.

The Group's interim report was subject to a limited scope review of the IFRS 17 disclosures as part of the FRC's thematic review "IFRS 17 'Insurance Contracts' Interim Disclosures in the First Year of Application". The FRC raised no questions or queries as a result of their review. The Group remains committed to ensuring that its disclosures are of the highest quality and comply with all relevant reporting standards. The FRC's review was based solely on the interim report and should provide no assurance that the interim report was correct in all material respects; the FRC's role is not to verify the information provided to it but to consider compliance with reporting requirements. The FRC's letters are written on the basis that the FRC (including its officers, employees and agents) accept no liability for reliance on them by the Company or any third party, including but not limited to investors and shareholders.

Dividends

In March 2024, the Audit Committee considered the full year result and the declaration of a dividend of 14.2p. In March 2023 the Audit Committee considered and recommended a dividend of 13.5p.

Other reporting

The Committee is also responsible for oversight of other external reporting such as the Company's ESG and Solvency II reporting.

During the year the Committee reviewed and approved the Group's 2022 solvency and financial condition report and regular supervisory summary report as well as approving the Solvency II policy documentation for the Group. The Committee considered and approved the proposal for a revised consolidation approach within the Group Solvency II balance sheet.

The quality of ESG reporting as contained in the Responsible Business and TCFD reports remained a key area of focus for the Committee during the year. The Committee were kept informed of key developments in reporting standards and climate change metrics and as to progress made with the embedding of Beazley's Responsible Business Strategy within the Group. The Committee received updates from EY on their findings and future considerations following their review of TCFD reporting, which is performed by their specialist sustainability reporting team. A gap analysis and action plan were implemented in response to the findings with the Responsible Business team working with the External Auditors throughout the year to enhance the ESG reporting process and address the recommendations.

Audit Committee continued

The Committee received updates in relation to the EU Corporate Sustainability Reporting Directive which came into force on 5 January 2023 and the Group's preparedness for reporting requirements under the new Directive, which applies to its principal regulated subsidiary in Ireland.

External environment

The Committee kept under review impacts on the financial performance of the business from the external environment such as:

- Conflict in Ukraine: the Committee received regular updates to ensure that the adequacy of loss estimates in connection with the Ukraine war remained constant against the continually changing landscape of the conflict;
- Inflation: the Committee continued to obtain assurance from management on the effectiveness of the process for monitoring reserve loadings for recession and excess economic and social inflation in response to the changing economic environment.

Monitoring forthcoming regulatory changes

In relation to its activities, the Committee kept under review several areas of potential corporate reform in both the UK and other jurisdictions where Beazley operates.

The Committee received updates on:

- the UK Government's proposed reforms to audit and corporate governance, including proposed changes to the Companies Act 2006 (which were later revoked) and the FRC's changes to the Code. The Committee received updates regarding the proposed changes and Beazley responded to the FRC consultation in September 2023, which was sent on behalf of the Chair of the Committee. Beazley also responded to other consultations such as the Department for Business and Trade's call for evidence on non-financial reporting over the summer. The 2024 UK Corporate Governance Code was published by the FRC in January 2024, along with guidance. The Company is reviewing the changes and guidance and does not anticipate any problems with complying with the new or amended principles and provisions. The Committee notes that management will continue with ongoing projects to enhance the Group's control environment, in readiness to be able to comply with the changes to the Code;
- the FRC publication of the 'Audit Committees and the External Audit: Minimum Standard' (the Standard). The Committee received a gap analysis which set out the new requirements of the Standard, outlining areas where the Group was currently compliant, together with actions to be taken to comply with reporting requirements against the Standard. Key areas of focus included the minimum requirements around audit tendering and the monitoring of ongoing contracts for non-audit services undertaken by other audit firms. The Committee's terms of reference were updated in November 2023 to reflect the Committee's remit in respect of the new Standard. The Committee is satisfied that Beazley already operates in accordance with the Standard and additional reporting will be provided in 2024 to ensure full compliance with the Standard; and
- monitoring of key reporting and regulatory updates, including updates on accounting standards, changes in tax legislation and changes in regulatory requirements.

Key financial judgements and estimates for the year ended 31 December 2023

Area of focus	How addressed by the committee
Assessing indicators of impairment of Goodwill	
As further explained in Note 16 to the financial statements, the Group considers annually whether its Goodwill and other indefinite useful life intangible assets require impairment. The recoverability assessment of these assets involves consideration of a number of judgmental assumptions such as future profitability and premium rates.	The Committee reviewed management's assumptions and inputs into the analysis of whether there were any indicators of impairment of the Group's Goodwill balance. The Audit Committee was satisfied with management's approach in determining the carrying value of the Group's intangible assets, and its conclusion that there was no requirement to impair the Group's intangible assets as at 31 December 2023.
Measurement of insurance contract liabilities – level of aggregation	
The Group's policy is to apply the IFRS 17 General Measurement Model when measuring its insurance contract liabilities. Under this model, contracts are aggregated into portfolios based on shared risk and management characteristics, then into groups based on the profitability of the underlying contracts both on initial recognition and subsequently. Further details are included in Note 3 to the financial statements.	The Committee reviewed management's basis for aggregating contracts into portfolios and groups and was satisfied that this approach was reasonable and in compliance with the requirements of the IFRS 17 General Measurement Model.
Measurement of insurance contract liabilities – future cash flows	
Groups of insurance contracts are measured by estimating the amount, timing and probability of future cash flows. Estimates are formed by applying assumptions about past events, current conditions and forecasts of future conditions. These have been outlined in Note 3 to the financial statements.	The assumptions applied by management in estimating future cash flows arising from groups of insurance contracts were reviewed by the Audit Committee. Overall, members were satisfied that the inputs applied were appropriate. In addition, information was presented to the Audit Committee on emerging uncertainty and risk in the reserve environment which might impact future cash flows. Discussions focused on uncertainty around geopolitical developments, rising inflation, macroeconomic uncertainty, and climate change. Accordingly, the potential that these factors might result in increased volatility, as well as greater estimation challenges in respect of insurance claims, remained a key consideration for 2023.

Area of focus	How addressed by the committee
Measurement of insurance contract liabilities – discount rates	
The Group applies discount rates to expected future cash flows in measuring insurance contract liabilities. Management has applied judgement in determining that the 'bottom-up' technique should be used in calculating these rates. This method relies on various estimates – it takes risk-free rates which are derived using government yield curves and adjusts for an illiquidity premium which reflects the characteristics of the Group's asset portfolio. Further details are included in Note 3 to the financial statements.	The Audit Committee received information on management's basis for applying the 'bottom-up' estimation technique. In addition, management presented to the Committee an overview of the calculation methodology and the final rates applied in determining the IFRS 17 result for the year ended 31 December 2023. The Committee was satisfied that both the underlying process and final output were reasonable.
Measurement of insurance contract liabilities – risk adjustment	
IFRS 17 requires that a risk adjustment for non-financial risk is considered in the measurement of insurance contract liabilities. The Group has applied judgement in determining that the Cost of Capital ("CoC") approach should be applied in calculating this risk adjustment.	The Committee has reviewed management's rationale for selecting the CoC approach in calculating the risk adjustment for non-financial risk and deemed this to be reasonable. The Audit Committee received regular reports throughout the year from the Group Chief Actuary and the External Audit team. Towards the end of the year, the Group Chief Actuary reported on the results of the third-quarter reserving review exercise which provided an indication of the reserve confidence level. The Committee also received a detailed paper in support of the level of margin held within technical reserves in the Group's statement of financial position as at 31 December 2023. As in prior years, the committee considered the report of the External Auditor following its re-projection of reserves using its own methodologies. Overall, the Committee was satisfied that there were no errors or inconsistencies that were material in the context of the financial statements.
Estimation of the risk adjustment for non-financial risk is based on various inputs and assumptions, particularly relating to the underwriting risk element of the Solvency II internal model which captures all material exposure elements for the Group. Further details are included in Note 3 to the financial statements.	
Measurement of insurance contract liabilities – expense allocation	
Under IFRS 17, the Group is required to include both acquisition and administrative expenses where they are directly attributable to the insurance contract. Judgement is required in determining the appropriate proportion of expenses to be included within the insurance result and reflected on the face of the statement of profit or loss. Refer to Note 3 for further details.	Information was presented to the Audit Committee on the judgements applied in determining which costs were 'directly attributable' and could therefore be included in the 'insurance service expense' line. Overall, the Committee was comfortable that the judgements applied were appropriate.
Valuation of level 3 financial assets	
The Board is responsible for setting the Group's investment strategy, defining the risk appetite and overseeing the internal and outsourced providers via the Chief Investment Officer. The Committee has oversight of the assumptions and techniques used to value the Group's investment portfolio. The valuation of our hard to value 'level 3' investments requires significant judgement. Further details are included in Note 18 to the financial statements.	The Committee noted that the overall investment strategy was broadly unchanged from prior periods. The Committee received updates from the Group Finance Director and reviewed reports that confirm that the investment portfolio was in line with the 2023 Board-approved risk appetite, that carrying values of the portfolio as at 31 December 2023 were appropriate and that the valuation methodologies applied to each hierarchy level were consistent with the accounting policies. Committee members were invited to and periodically attended the Investment Committee. No misstatements that were material in the context of the financial statements as a whole were identified and the Audit Committee was satisfied with the approach employed by management in valuing the financial assets at fair value on the balance sheet at 31 December 2023. Further details on the valuation of financial assets are given in Note 18.
Other financial reporting issues	
The Committee considered a number of other areas of judgement as part of their review of the Group's financial statements, which whilst less material still warranted review by the Committee:	<p>Materiality – The Committee considered how management determine and apply materiality in the context of preparing the financial statements.</p> <p>Accounting for employee share schemes – The Committee reviewed an overview of the assumptions and calculation methodology for determining the fair value of shares which are included as part of employee remuneration.</p> <p>Taxation – The Board and Committee receive regular updates from the Group Head of Tax with regard to taxation matters.</p> <p>Disclosures – The Committee reviewed the format and content of the Group's financial statements, including new IFRS 17/IFRS 9 disclosures and changes to the structure of the report.</p>

External audit

A key area of oversight for the Committee is the management of the external audit process and relationship with the Group's External Auditor, Ernst & Young LLP (EY) and on behalf of the Board. EY were re-appointed as the External Auditors at the 2023 AGM.

During the year and up to the date of this report, the Committee considered reports from EY and management related to the half-year results, the audit of the 2023 Annual Report and Accounts and the 2023 Solvency II related reporting. EY also shared insights and feedback with the Committee and management in relation to the audit and UK audit and corporate governance reforms.

Following the approval of the 2022 Annual Report and Accounts in early 2023, the process for 2023 begins with consideration of the observations from the 2022 audit and management letter points, which set out suggested improvements to controls and processes to further enhance the integrity of the financial reporting process. The Committee receives assurance from management regarding progress made on these points and agrees timeframes for completion of any required actions.

Audit Committee continued

The Committee reviewed and discussed EY's audit planning report for 2023, including work in relation to the half-year results and the year-end audit. A critical change this year was the implementation of IFRS 17. The Committee noted that the EY audit plan and scoping was consistent with previous audits and continued to align with the Group's increased size and complexity. However, EY also set out in their plan the establishment of an additional IFRS 17 team for the purposes of the 2023 audit. The key areas of audit focus are set out in the Auditor's Report on page 108.

The External Auditor provided a review of the Group's half year report in July 2023, as the Company prepared to release results under IFRS 17 for the first time. The report included information regarding EY's audit procedures over the IFRS 17 opening balance sheet, the 2022 comparatives, and the review procedures carried out over key disclosures. The Committee also considered a report from EY on their actuarial review of Beazley's reserving position. The actuarial review included EY's findings on management's treatment of reserving for excess economic and social inflation and key risks and uncertainties arising from market-wide issues, including social and economic inflation and global political uncertainty.

The Committee reviewed EY's findings from their interim audit work ahead of year-end, which was predominantly focused on testing of controls over processes from which financial information is derived.

Moving into year-end and early 2024, the Audit Committee was focused on the review of the 2023 Report and Accounts and the reporting provided by EY in relation to their audit findings.

The Committee regularly meets with EY without management present to facilitate open and transparent discussion, and the Audit Committee Chair and Committee members meet the lead audit partner outside of Committee meetings on a regular basis.

Assessing the effectiveness of the External Auditor

The Committee ensured that high standards of quality and effectiveness in the external audit process were maintained throughout the year.

Audit quality and effectiveness were assessed on an ongoing basis, with a focus on strong audit governance and the quality, experience, and appropriate skillsets of the team. This included the provision of technical and industry knowledge and the independence, objectivity and level of professional scepticism exercised by the External Auditor.

The Committee's activities in assessing the effectiveness of the external audit included:

- Reviewing the quality and scope of the audit planning and its responsiveness to changes in the business and identified risk.

- Considering an assessment and review of the audit team, where feedback from various stakeholders is conducted through survey and discussions.
- Reviewing the results of the annual survey on the effectiveness of the external audit process conducted by management. Feedback was requested in the form of a questionnaire circulated to Non-Executive Directors and management across the Group, including in the US, Ireland, and Singapore. In line with the previous year, the survey focused on five areas; Audit Quality, Forward Looking & Insightful; Efficiency & Audit Delivery; 'No surprises'; Service Quality; and Audit Team Engagement. A comparison of prior year scoring against for these areas had also been provided. The survey also included responses from management and Non-Executive Directors in relation to EY's professional scepticism and noted that Non-Executive Directors believed that a robust level of challenge was provided. The overall results of the survey were positive, concluding the external audit process to be effective. The survey also highlighted areas proposed by management where EY and management could work together to improve the audit process.
- Reviewing the summary of the FRC's Audit Quality Inspection and Supervision Report for EY published in July 2023. Overall, the FRC concluded that EY had made progress on previous findings raised, including improvement in the percentage of audits inspected graded 'good' or 'limited improvements.' EY also highlighted areas for ongoing improvement to address their key themes of "Rebalancing Work Intensity", "More Effective Coaching and Support" and "Greater Standardisation and Simplification", which included increased focus on project management, including training, and the allocation of equitable workloads.

After taking all the above into account, the Committee concluded that the External Auditor and the external audit process were effective.

Non-audit services and independence of the External Auditor

The policy for the provision of non-audit services by the External Auditor supports the Audit Committee's responsibility to monitor and review the objectivity and independence of the External Auditor. The Committee regards the independence of the External Auditor as of the utmost importance in safeguarding the integrity of the external audit process.

The non-audit services policy is reviewed annually by the Committee. The policy's aim is to ensure that the provision of such services does not impair the External Auditor's objectivity. Some activities are prohibited from being performed by the External Auditor under the policy, such as recording and reporting financial transactions, internal estimation of risks and liabilities, and setting executive pay levels. The policy requires consideration and pre-approval for all other material services. Permissible non-audit services are all closely related to the audit and/or required by law or regulation.

The Committee reviewed the terms of any proposed appointments to ensure they had been robustly justified. The Committee received a report from the External Auditors setting out all non-audit services undertaken, to enable them to monitor the types of services being provided and fees incurred for that work. Non-audit work approved by the Committee during the year included the appointment of EY to assist with

the 'Lloyd's Agency Circumstance Procedure' in relation to the Group's proposal to set up a new US Excess and Surplus Lines Carrier (Beazley Excess and Surplus Insurance Company Inc) which included discussions with the Lloyd's Names (Names)/Members' Agents and the collation and reporting of votes from the ballot of Names. None of the non-audit services provided are considered by the Audit Committee to affect the Auditor's independence or objectivity.

The Committee received an overview from EY of the policies and procedures in place to safeguard auditor objectivity and independence. These include annual confirmation by all EY professionals of compliance with independence policies and procedures and wider processes and systems to monitor potential threats to auditor independence throughout the year. The Committee received the yearly confirmation of EY's independence, verifying that no partners or staff held any financial interests in the Beazley Group and that their ethics and independence policies are aligned with the requirements of the FRC's ethical standard.

Having considered the following factors, the Committee concluded that EY was independent from the Group throughout the year and to the date of their audit report:

- non-audit services provided by EY complied with the Group's non-audit policy and the requirements of the FRC's ethical standard;
- EY had complied with the FRC's requirements around rotation of the audit partner and senior members of the audit team;
- the Group has not employed members of the EY audit team or any EY partners during the year; and
- EY have confirmed compliance of their staff and partners with EY's internal policies and processes around independence, and no partners or staff held financial interests in the Group.

Auditor tenure and audit partner

EY were appointed as the Group's auditor in 2019, following a comprehensive tender process and the 2023 year-end audit marks EY's fifth consecutive year end as the Group's auditor. The Group is required to put the audit to a competitive tender process at least every ten years. The recently published FRC Minimum Standard places greater emphasis on best practice for the audit tender process, including the management of non-audit relationships with other audit firms. This is to ensure there is a fair choice of suitable external auditors at the time of the tender. Management have recommended that a longer planning period should be adopted prior to the commencement of the next tender process, which must conclude before the commencement of the 2029 audit. Enhanced processes to monitor relationships with other audit firms are being developed, and further reporting will be provided to the Committee in 2024.

The Committee considered the rotation of the lead-audit partner in line with the requirements of the FRC Ethical Standard (2019). Following the conclusion of the 2023 year-end audit, Stuart Wilson, the current lead audit partner, will rotate from the role following the sign-off of the audit opinion and related work for the 2023 Annual Report and Accounts. To select the new lead audit partner, the Committee requested that EY provide a shortlist of candidates. Three candidates were put forward to meet with the Group Finance Director and senior management from the finance function. Management's recommended candidate subsequently met with the Chair of

the Committee. In discussing the appointment, the Committee noted the depth of experience of the candidates presented but also the lack of diversity. Robert Bruce, who has extensive insurance and financial services audit experience, has been appointed as the lead audit partner for Beazley plc Group's statutory audit effective from 1 January 2024.

Audit fees and reappointment

The Committee reviewed and agreed EY's audit fee for the 2023 year-end, including TCFD reporting work and the initial audit of IFRS 17 and IFRS 9. For 2023, fees for audit and audit related services were \$11.2m (2022: \$6.2m). Fees for non-audit and assurance services for the year were \$0.9m (2022: \$0.7m) and included work related to the accounts and regulatory reporting of the syndicates managed by Beazley, which would commonly be carried out by the External Auditor. Detailed papers were submitted by EY explaining their proposed increase in fees. The first-year audit of IFRS 17 which involved EY auditing the opening balance sheet and 2022 comparative alongside the 2023 result caused a significant increase in the audit fee of \$5.0m, of which we expect approximately \$1.5m to be a recurring additional cost.

The Group has complied with the UK Competition & Markets Authority's Statutory Audit Services for Large Companies Market Investigation (Mandatory Use of Competitive Tender Processes and Audit Committee Responsibilities) Order 2014 throughout the year. The external audit contract will be put out to tender at least every 10 years and will be conducted no later than 2029. There are no contractual obligations which restrict the Group's choice of auditor.

Given the assessments described above regarding EY's continued effectiveness and independence, and that EY have indicated their willingness to be reappointed as the Group's auditor, the Audit Committee has recommended to the Board that EY be reappointed for the financial year ending 31 December 2024.

Internal audit

During 2023, the Group's Internal Audit function reported directly, and was accountable, to the Committee and the Head of Internal Audit had direct access to the Committee Chair.

Internal Audit plays an important role in providing an independent view to management, the Committee, and the Board on Beazley's risk management, internal controls, and governance. The Internal Audit Charter sets out their purpose, responsibility, and authority, and is reviewed by the Committee on an annual basis. Internal Audit's purpose is to enhance and protect Beazley's organisational value by providing risk-based and objective assurance, advice and insight.

The Committee reviews reports from Internal Audit, covering an overview of the work undertaken and audits completed in that period. The report describes actions arising from completed audits and the tracking and completion of actions from previous audits. The Head of Internal Audit highlights any concerns or overdue audit actions to the Committee. During 2023, Internal Audit also presented the Internal Audit Change Assurance Plan. The report set out how the Internal Audit function would monitor and provide assurance over change related to the mid-term strategy, portfolio change, and other change projects across Beazley.

Audit Committee continued

A key document reviewed by the Committee is the Internal Audit plan and risk-based audit universe, which is discussed with the Committee annually. A consolidated assurance plan is also developed through co-ordination with other assurance functions to ensure that all assurance related work is aligned and focused on the key priorities. The Committee questions any topics that it thinks are missing and makes sure that there are enough resources to implement the plan. External providers are sometimes used to enhance delivery, where specific skills and expertise need to be co-sourced.

The Committee reviewed the areas to be included in the 2024 internal audit plan which included leadership change, including impact on culture and control effectiveness in the IFRS 17 environment. The plan had been divided into two parts, the primary plan showing key deliverables for 2024, and the secondary plan which would be reassessed based on resources available. During the review of the 2024 plan, the Committee challenged the frequency of audits in certain areas of the business as well as the balance between thematic reviews and full end-to-end audits.

At the end of each year, the Committee considers an annual report from Internal Audit which provides analysis of the delivery of the audit plan; significant findings and overdue actions; the control maturity framework (for control design, control operation and risk management and compliance); risk management framework; risk management culture; control environment; and whistleblowing.

The Committee also reviewed the suggested changes to the Institute of Internal Auditors (IIA) International Professional Practices Framework and the refresh of the Global Internal Audit Standards. An important aspect is the duties and functions of the Audit Committee that allow the Internal Audit function to fulfil its objective. Following the review, it was not expected that there would be any significant impact to the current approach, but the Committee agreed to carry out a full gap analysis when the new standards were published.

Overall, the Internal Audit function was able to report that, in the context of the agreed audit universe and plans, none of the work indicated that the Group was operating outside of its agreed risk appetite.

The Committee reviewed the effectiveness of the function and remained satisfied that the Internal Audit function had sufficient resources during the year to undertake its duties. The effectiveness of Internal Audit was monitored by the Audit Committee, through agreeing plans and performance monitoring. External Quality Assessment reviews are also undertaken every five years (unless it is agreed by the Committee that a review is required earlier). The last external review was completed in November 2019 and the process for the 2024 external assessment has commenced. The Committee was satisfied that the Internal Audit function remained effective.

Internal financial controls

The Board is responsible for the Group's risk management and systems of internal control and is required by the 2018 version of the Corporate Governance Code to review their effectiveness. As part of this process the Audit Committee was responsible for reviewing the effectiveness of internal financial controls. This included receiving information provided by the Financial Controls function relating to the internal control environment over financial reporting, including those controls in place expected to support the reporting obligations required under the newly implemented IFRS 17 accounting standard. The Committee also oversaw the ongoing enhancements to the Group's Financial Control Framework, receiving updates on the timeline for the implementation of the enhanced framework and recommended the Financial Control Framework policy for approval to the Board. The purpose of the framework is to set out the principles and processes required to provide management and Non-Executive Directors with objective assurance that the internal controls environment over financial reporting is effective. The framework will also further enhance the Board's ability to assess the effectiveness of these controls on an annual basis in line with the revisions to the Code in the UK and Model Audit Rule reporting requirements in the US. In relation to the half-year results, the Committee considered progress made on the implementation of the Financial Control Framework and additional information on control safeguard enhancements implemented by the Group with the support of the Financial Controls function.

The Committee also received detailed information and analysis from EY on UK Corporate Reform implications for the Group and providing industry benchmark analysis on internal control best practice.

Each year an independent and objective opinion is provided by the Internal Audit function regarding the design and operating effectiveness of the system of internal controls covering the integrity of the Group's financial statements and reports, compliance with laws and regulations, corporate policies and the effective management of risks faced by the Group in executing its strategic and tactical operating plans.

The review includes an assessment of the Control Maturity Grading framework, which enables Internal Audit to formulate a strategic view on the maturity of the Group's control environment. The review has concluded that the Group's overall systems of controls are designed appropriately and are operating effectively.

The Committee reviewed the report from Internal Audit and were satisfied that the Group's system of internal control and risk management framework remains effective.

Risk Committee



Fiona Muldoon
Risk Committee Chair

Dear shareholder,

I am pleased to present the Risk Committee (the Committee) report for the year ended 31 December 2023. In its first year since the Risk Committee was separated from the Audit Committee, we have supported the Board in overseeing the Company's internal control and risk management systems. This includes the effectiveness of material operational and compliance controls, and the Group's risk management framework and processes for monitoring compliance with laws and regulations.

Economic uncertainty

Throughout the year, the Committee has kept under review much uncertainty from developments in macro-economic and geopolitical environments and their possible impacts on Beazley's risk profile. The extraordinary combination of external headwinds in the insurance sector, softening market conditions in certain Specialty risk classes, continuing but stabilising economic inflation, and impacts from conflicts have been monitored closely. Climate change also remains a global concern requiring increasing focus both internally and externally. The Committee expects continued uncertainty and continues to monitor these risks given their evolving nature. The Committee will continue to monitor and scan for other emerging risks.

Simplification and de-risking

The multi-year programme to simplify and de-risk the business is being overseen by the Committee. This programme poses implementation risks albeit successful execution will provide further digitalisation and scalability opportunities to the Group. The Board has also charged the Committee with overseeing the assurance activities for the programme. Also, the Committee closely monitors the rate of change and totality of activity to ensure core elements of the business plan and control environment remain strong.

Continued enhancements to the risk management framework

I am pleased to note further enhancements to the risk management framework this year. The Committee oversaw a refreshed suite of Key Risk Indicators being fully embedded across the risks as part of the risk appetite framework. A simplified format makes content in the risk management framework more accessible to the business. The refreshed risk taxonomy provides a common language of risk to be used throughout the business. A more holistic view of key emerging risks is in place encompassing both macro and micro views across key risk categories with enhanced governance.

Internal Model

The Committee reviewed and recommended for Board approval a major change to the Internal Model during the year, including ensuring that the model remained appropriate given the current risk profile. The Committee assessed the impact of the changes on Solvency Capital Requirements of the Group. These were determined to be reasonable.

2024 priorities

In 2024, the Committee will be focused on oversight of successful execution of the previously mentioned programme to simplify and de-risk; risk implications arising from the Group's three-platform strategy being further embedded; key regulatory changes including Consumer Duty and UK corporate governance reforms; trends and changes with geo-political issues; market cycle risks with the hardening Property Reinsurance market and headwinds in Cyber and certain Specialty Risks; inflation and social inflation risk; Artificial Intelligence including the risk and opportunities both to Beazley's operations and insurance business. There are planned deep dives by the second line across key risks in 2024, which will be reported to the Committee. These are important as Beazley grows its business across the three underwriting platforms and keeps abreast of ever-evolving regulatory and legislative changes.

I was delighted to become Chair of the Committee on 29 September 2023, taking over from Robert Stuchbery, and I look forward to working diligently with the Committee, management, and the entire Risk Management function to place the Group in the optimal position to ensure success in the challenging macro-economic environment.

Fiona Muldoon
Risk Committee Chair

Responsibilities of the committee

The Committee's principal role is to support the Board of Directors in overseeing the Group's risk management framework and processes for monitoring compliance with laws and regulations.

The responsibilities of the Risk Committee are set out in its terms of reference, which are reviewed by the Committee and submitted to the Board for approval on an annual basis. The terms of reference are available on the Company's website: www.beazley.com

The Committee's key responsibilities include:

Internal control and risk management systems

- Reviewing the Company's internal control and risk management systems and the effectiveness of controls;
- Advising the Board on the risk management framework;
- Reviewing reports on the key risks and controls;
- Monitoring risk appetite;
- Reviewing and managing emerging risks;
- Ensuring the Risk Management function has adequate resources to perform effectively; and
- Reviewing statements to be included in the Annual Report regarding risk management and controls and assessment of principal and emerging risks.

Compliance and assurance

- Reviewing systems, procedures and controls for detecting and preventing fraud and bribery;
- Reviewing reports from the Compliance Officer; and
- Providing assurance to the Board regarding risks around group-wide transformational or strategic projects.

Committee membership and meetings

Since its establishment on 1 January 2023, the Committee comprises six independent Non-Executive Directors. Robert Stuchbery was Chair until 29 September, when Fiona Muldoon assumed the role. Pierre-Olivier Desaulle, Nicola Hodson, John Reizenstein, and Cecilia Reyes Leuzinger are the other members. There were no changes to Committee membership during 2023.

The gender and ethnic diversity of the Committee is shown in 'governance at a glance' on page 76.

The Risk Committee is required to meet at least quarterly, with meetings scheduled at appropriate intervals in the reporting cycles. During 2023, the Committee met six times, which included a sub-group of the Committee holding a meeting to review and recommend the annual Own Risk and Solvency Assessment (ORSA) and a joint meeting of the Beazley plc Risk Committee and those of its regulated subsidiaries to review the risk management framework and the assurance function plans for 2024. The attendance of the members at Risk Committee meetings is provided in the table on page 87.

Only the members of the Committee have the right to attend meetings; however, invitations are routinely extended to the Beazley plc Chair, Chief Risk Officer, Chief Executive, Group Finance Director, Head of Internal Audit and the External Auditors. The Company Secretary acted as secretary to the Committee. The Chair of the Committee meets with the Chief Risk Officer, Senior Risk Managers and the Company Secretary during the year to ensure the work of the Committee is focused on the right topics and the Committee is receiving valuable information.

The work of the Committee is also supported by the work undertaken by the Risk Committees of the Group's principal subsidiaries and by the Executive Risk and Regulatory Committee. The Chairs of the subsidiary Risk Committees attend the Beazley plc Risk Committee at least annually and the Chairs are in regular communication to ensure a consistent approach to risk management oversight across the Group. The joint meeting of the Risk Committees, where all members are invited, also helps with cohesiveness of approach to risk management across the Group.

Committee performance evaluation

The review of Committee effectiveness will take place annually as part of the Board evaluation process. As the Committee was newly formed in 2023, this was the first evaluation of the Committee's performance. The review determined that the Committee is operating effectively, however, the Committee is still in its formative stage, and the review acknowledged that improvements could be made in line with the longer-term strategic plan and governance changes. For more information on the Board evaluation and its outcomes please refer to pages 97 to 98.

Risk Committee continued

Areas of focus during 2023

Area of focus	How addressed by the Committee
Risk management framework	
Embedding and enhancing the risk management framework including risk registers, and the link between business strategy, risk strategy and risk appetite. For further information on the risk management framework see the Risk management report from page 69.	The Committee reviewed the ongoing maturity development of the risk management framework to ensure that the framework is aligned with the Group's risk profile, regulatory expectations, future growth plans, and strategic objectives. The Committee approved changes to the suite of core documentation and risk incident processes in June and November 2023, including a revised risk taxonomy, ORSA policy, refinements to risk appetite statements including key risk indicators, risk and control assessment templates and the risk framework document including risk opinions and emerging risks. The Committee will continue to oversee work into 2024 in embedding the risk management framework.
Operational risk	
The Board has delegated primary responsibility for oversight and assurance around the execution of strategic and operational projects to the Risk Committee, in addition to overseeing operational risk as part of the risk management framework.	The Committee received quarterly updates regarding the key strategic and operational projects across the Group, including internal and external assurance activities related to the projects. The Committee also received specific reporting on the operational risks as part of the evolving risk profile and framework of the Group. The Committee was satisfied that Beazley's approach to managing operational risk is appropriate to meet current business activities. The operational risk policy was reviewed and approved by the Committee in September 2023.
Cyber risk	
Cyber risks continue to evolve and increase due to the commercialisation of cyber-crime leading to a potential increase in the frequency and severity of incidents impacting underwriting and operational risks.	<p>Given the importance of Cyber Risk business to the Group, this line of business contributes significantly to the potential reputational risk of the Group. It is important therefore for the Group to be cyber-resilient. A combination of a large cyber outage of critical infrastructure impacting both the Group and its clients at the same time presents a remote but high-impact emerging risk.</p> <p>The Committee reviewed detailed scenario analysis during 2023 around cyber risk. The assumptions and methodology underlying the cyber realistic disaster scenarios were debated and challenged. The Committee reviewed the detailed annual operational resilience self-assessment in March 2023 including Beazley's incident response plan and operational resilience testing.</p>
Internal controls and systems	
Reviewing the effectiveness of internal controls as part of the risk management framework, in accordance with the UK Corporate Governance Code.	<p>The Board is responsible for the Group's risk management and system of internal controls and reviewing their effectiveness, however the Committee provides input into this assessment. The Committee assesses the internal control environment throughout the year through review of the risk management framework and regular risk management and second line assurance reporting. This includes regularly assessing key controls for operational effectiveness. Reports include commentary on the status of the control environment and risk incidents, and any issues arising out of risk reviews are reported to the Committee.</p> <p>The Committee has determined that the Group's systems of risk management and internal control continue to be effective in line with the Code and the FRC's Guidance on Risk Management, Internal Control and related Financial and Business Reporting. The Group will continue to carry out its medium-term plans to de-risk and simplify the business; including evolving current infrastructure, and automating processes to support a more robust internal control framework.</p> <p>The Internal Audit function separately reports independently to the Audit Committee on the design and operating effectiveness of the system of internal controls covering the integrity of the Group's financial statements and reports, compliance with laws and regulations, corporate policies and the effective management of risks faced by the Group in executing its strategic and tactical operating plans. For more information see the Audit Committee report from page 106.</p>
Internal Model	
Beazley sought to apply to make a major model change application to the Central Bank of Ireland during the year. The Committee reviewed the application and changes to the Group model.	The Committee reviewed a major change to the Group Internal Model during the year, including ensuring that the model remained appropriate given the current risk profile and assessing the impact on Solvency Capital Requirements of the proposed changes on the Group. The Committee also received and reviewed an independent external validation opinion in connection with the proposed changes, in line with the Internal Model Validation policy. Based on all of the information received, the Committee was satisfied that the Internal Model was appropriate and that the relevant policies had been correctly updated. The Committee recommended the changes to the Internal Model to the Board for approval and that the application be submitted to the Central Bank of Ireland. The changes were also approved by the Board of the Group's principal Irish regulated entity, Beazley Insurance dac, which was impacted by the proposed changes to the Internal Model.
Principal and emerging risks assessment	
The Committee is responsible for carrying out an assessment of the Group's principal and emerging risks in accordance with the Corporate Governance Code.	The Committee specifically considered areas of key risks to the business and emerging risk via reporting and through the ORSA. The process for identifying and managing emerging risks is set out in the risk management framework and they are identified through internal and external lenses. The principal risks to the business were identified as insurance risk, market risk, operational risk, liquidity risk, credit risk, group and strategic risks, and regulatory and legal risk. Further information regarding these risks is included in the Risk management report from page 69.

Other Committee activities during 2023

Internal control and risk management systems

- **Risk appetite:** The Committee has monitored the Group's actual risk profile against risk appetite throughout 2023 and can confirm that Beazley plc is operating within risk appetite as at 31 December 2023.
- **Risk assessment:** The Committee has performed a review of the Group's risk profile to assess its coverage of the universe of risk and ensure that major underlying risks are visible to the Board and are being monitored.
- **Reverse stress testing:** The Committee received the results of the reverse stress testing exercise, which explores the conditions necessary to render the Group unviable. The Committee has provided assurance to the Board that this work has been performed with the appropriate level of depth and expertise. The work covered four key scenarios including large operational, cyber catastrophe, natural catastrophe, and combined catastrophe events. The reverse stress tests carried out in 2023 concluded that the Group currently has significant capital surplus, especially following the capital injection in 2022, and the control environment is robust and unlikely to fail in such a way as to cause unviability to the Group. Further information is included in the viability statement on pages 73 to 74.
- **Heightened risk:** A risk is considered heightened if the likelihood or the impact of occurrence is higher than usual. The Committee considered the heightened risk report twice during 2023. Based on the business plan, the Risk Management function identified areas of heightened risk, which were discussed by the Committee. Management continues to be proactive in ensuring processes and capabilities continue to be fit for purpose and are scalable for the future.
- **Oversight of the Internal Model:** During 2023 the Committee approved the Group solvency capital requirement (SCR) and a major model change to the Group's Internal Model. The Committee and the Risk Committees of the subsidiary Boards spent significant effort in the oversight of the Group's Internal Model. This work has included oversight of a standing report on Internal Model output, and a validation report of model changes featuring both internal and independent validation and themed reviews – for example, on the approach used to aggregate risk in individual entities which consolidate up to the Group level. These assessments have supported the Boards' approval and use of the Internal Model.
- **ORSA:** The Committee received ORSA reports and reviewed them before recommending them to the Board. The Annual ORSA was reviewed and recommended to the Board in April 2023. An ad hoc ORSA pertaining to the major model change was presented and approved for recommendation to the Board in September 2023. The Committee also reviewed and approved enhancements to the ORSA process through the scenario analysis work undertaken in 2023 in line with the new stress and scenario testing framework;
- **Capital:** The Committee noted that scenarios across Cyber underwriting and high inflation have the most significant impact on solvency, however there are several capital contingency options in place to mitigate this risk.
- **Deep dives/assurance assessments/risk reviews:** During 2023, the Committee received focused risk assessments and assurance on key risks. These included IFRS 17, multi-year Group-wide operational projects, strategic project risk opinions, business plan risk opinions, reinsurance concentration, and outsourcing over delegated claims adjusting partners. The Committee also received risk reviews on areas such as talent management, finance, credit, legal and regulatory, reputation, conduct, environmental, social and governance (ESG), reinsurance operational, claims operational, third party intra-group services and working environment.
- **Risk function resources and plan:** The Committee oversaw and monitored the resourcing plan for the Risk function and reviewed its effectiveness, as well as reviewing the prioritisation of resource for key risk exposures, business changes, strategic project work in the move towards a three-platform model, strategic projects, and the 2024 business plan.
- **Culture:** The Committee received observations on risk culture as part of the various risk reports presented. An independent review of overall culture was also carried out and reported to the Committee. For more information, see page 91.
- **Third party and intra-group outsourcing:** Given the Group's structure and transition to a three-platform model, it is important that additional oversight is placed on all intra-group services. This is a recent area of regulatory focus and engagement, particularly seen in 2023. In addition, continued regulatory oversight over third parties continues to be a heightened risk. The Committee received a report in June 2023 around the de-risking activity of Beazley's procurement processes to address Internal Audit findings and third-party regulatory obligations as well as building an enhanced Group procurement capability.

Risk Committee continued

Compliance and Assurance

- **Legal risk framework:** Given Beazley's size, complexity and growth aspirations, the Committee reviewed the Group's legal framework to ensure Beazley has a consistent approach to managing legal matters. The Committee reviewed the recommendations around an enhanced legal risk framework and will continue to monitor and oversee legal risk and the implementation of an enhanced legal risk framework during 2024.
- **Annual compliance plans:** The Committee monitored the implementation of the 2023 compliance monitoring plan and reviewed and approved the annual compliance plan for 2024.
- **Compliance function resources and effectiveness:** The Committee received updates on the resourcing, structure and effectiveness of the Compliance function and Risk function. In reviewing the effectiveness of the Risk and Compliance functions the Risk Committee remained satisfied that the Risk and Compliance functions had sufficient resources during the year and into 2024 to undertake their duties.
- **Laws and regulations:** The Committee reviewed changes in the regulatory environment applicable to Beazley and received regular updates on relationships with key Group regulators and oversight of regulatory requests as well as providing oversight of responses to regulators in relation to corporate developments.
- **Money laundering officer reporting:** The Committee reviewed updates from the money laundering reporting officer on the adequacy and effectiveness of the Company's anti-money laundering systems and controls.
- **Financial Crime:** The Committee reviewed and approved the Group financial crime policies inclusive of anti-bribery and corruption and anti-fraud to ensure the Group has appropriate procedures in place to prevent bribery and corruption. The Committee also received updates on the new UK regulations that introduces the 'failure to prevent fraud' corporate offence and Beazley's steps to prepare for this legal and regulatory development. The Committee also received and reviewed the annual financial crime risk assessment report.

Remuneration Committee

Responsibilities of the Committee

The Board has delegated responsibility to the Remuneration Committee (the Committee) for oversight of remuneration policies to support our strategy and promote the long-term success of Beazley for our stakeholders. The Committee's role is to ensure that the remuneration policy is designed to retain and incentivise our talented people to deliver our strategy. The Committee ensures that remuneration is fair, culturally aligned with our values, promotes effective risk management and, for senior leadership, is aligned to the long-term success of Beazley and to shareholder interests.

The full responsibilities of the Committee are set out in its terms of reference, which are available on the Company's website.

The Committee's main responsibilities are to:

- Set the remuneration policy for the Group and present the policy for approval by shareholders at the annual general meeting every three years. The objective of the remuneration policy is to ensure that members of the executive management of the Company are provided with appropriate incentives to encourage enhanced performance whilst also promoting sound and effective risk management, and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Company.
- Recommend and where appropriate approve targets for performance related pay schemes and seek shareholder approval for any changes to existing or new long-term incentive arrangements.
- Recommend and approve the remuneration of the Chair of the Company.
- Recommend the remuneration of the Chief Executive, the other Executive Directors, the direct reports to the Chief Executive, the Company Secretary, and such other members of the Executive management as it is designated to consider. Setting executive remuneration includes taking into account workforce remuneration and related policies, and the alignment of incentives and rewards with culture. No Director or manager shall be involved in any decisions as to his or her own remuneration.
- Recommending the remuneration policy for all employees including for key functions and other staff whose professional activities have a material impact on the Group.
- Review of the design of all share incentive plans for approval by the Board, and where relevant, the shareholders.
- Obtain reliable, up-to-date information about remuneration in other companies.
- Appoint and review the performance of Remuneration Committee consultants, currently Deloitte LLP.

Committee meetings and attendance

The Committee was chaired by Nicola Hodson on an interim basis until 9 May 2023, when Nicola was appointed Chair on a permanent basis. Committee membership also comprises Raj Agrawal, Christine LaSala, Cecilia Reyes Leuzinger, and Robert Stuchbery.

In 2023, there were four scheduled meetings and two additional ad hoc meetings. The additional meetings were pertaining to remuneration arrangements for senior individuals within the firm and to discuss the impacts of the financial accounting change to IFRS 17 on remuneration. The activities of the committee during 2023 are set out below. Only members of the committee have the right to attend meetings; however, other individuals, such as the Chair, Chief People Officer and Head of ESG, representatives from other Boards or Committees, and external advisers, may be invited to attend for all or part of any meeting where this is beneficial to assist the Committee with fulfilling its responsibilities. The Company Secretary is the secretary to the Committee.

The attendance at meetings by Committee members is shown in the table on page 86.

The gender and ethnic diversity of the Committee is shown in 'governance at a glance' on page 76.

Board and Committee performance evaluation

The Committee reviewed its effectiveness during the year, as part of the annual board evaluation process. The Board confirmed that the Committee is effective in fulfilling its role.

Key Committee activities during 2023 and early 2024

	Activities	More information
Remuneration policy	<ul style="list-style-type: none"> Completed the implementation of the new remuneration policy that was approved by shareholders at the 2023 AGM, this included the inclusion of ESG related performance metrics in the Long-term Incentive Plan (LTIP). Shareholder engagement activities and outcomes in relation to the remuneration policy were explained in the 2022 Annual Report. 	Directors' remuneration report (page 124)
Remuneration of Chair, Executives and other senior management	<ul style="list-style-type: none"> Having assessed individual performance, approved the remuneration arrangements and bonus awards of the Executive Directors and the Executive leadership team. Ensured incentives continued to be appropriate to align the interests of Executives and senior management of the Company and shareholders. Considered and approved the salary and bonus awards for 2023 for heads of control functions, material risk takers, and the Company Secretary. Considered the potential for windfall gains in LTIP awards granted in 2021. 	Directors' remuneration report (page 140)
Remuneration of the workforce	<ul style="list-style-type: none"> Satisfied itself that the current remuneration structure is appropriate to attract and retain talented people and took any appropriate actions that were necessary throughout the year. Approved specific matters to support the retention of key employees. Considered the aggregate remuneration approach for the wider workforce and ensured that the approach to Executive and workforce remuneration and bonuses was explained to the workforce by the Chief Executive in an all-employee session. 	Directors' remuneration report (page 140)
Share plans	<ul style="list-style-type: none"> Approved the grant of share awards under the Group's deferred, and LTIP plans. Reviewed the methodology used to calculate NAVps growth for LTIP vesting, and introduced further controls, in conjunction with the work carried out by the Audit Committee. Reviewed and approved an updated LTIP shareholding requirement policy for senior management of the Company. 	Directors' remuneration report (page 144)
Governance	<ul style="list-style-type: none"> Considered the Chief Risk Officer's report which confirmed that the design of the remuneration policy promotes appropriate risk behaviour throughout the organisation. In addition, the analysis considered the performance of the control environment, profit related pay targets, calculation of the bonus pool, share awards, and review of risk metrics for Solvency II purposes. Approved the gender and race pay gap reports. Reviewed the remuneration landscape for FTSE 250 and FTSE 100 companies and guidance from proxy agencies and investors. Approved the Malus and Clawback policy. Reviewed and approved the Directors' Remuneration report. Engaged with more than 40 of the largest shareholders regarding the impact of the IFRS 17 financial report change on the incentive framework and took their views into account in agreeing the framework. 	Our gender pay gap report is available on the Company's website

Letter from the Chair of our Remuneration Committee



Nicola Hodson
Remuneration Committee Chair

Dear shareholder

On behalf of The Board, it is my pleasure to present Beazley's directors' remuneration report for the year ended 31 December 2023.

Beazley's performance in 2023

I am pleased to report that our company has achieved outstanding results in the past fiscal year. The Group returned record profits of \$1,254.4m and delivered record Return on Equity (ROE) of 30%. Insurance written premiums increased to \$5,601.4m and we realised a combined ratio figure of 71%.

This exceptional performance was accomplished through the disciplined management of our products and is a testament to our collective efforts in seizing developing underwriting opportunities and deploying capital strategically. Throughout the year, Beazley has demonstrated resilience, foresight, and agility in navigating the challenges posed by the ever-evolving market landscape, particularly the rising geopolitical tension, a maturing Cyber market and navigating the impact of AI on our risk environment. We are strongly capitalised and very well positioned to deploy it in the areas where we can make the most of market opportunities and achieve continued profitable growth.

We are also proud of the social impact we achieved in 2023. We met our gender target, and now 45% of our senior leadership team are women. We met our goal for racial representation, and now 27% of the organisation are People of Colour, with a quarter of that group specifically being Black people. Beazley employees also volunteered a total of 2,697 hours for our communities (up 59% on 2022). There was also an increase to the amount donated to charitable causes, with Beazley donating over \$600,000 (up 27% on 2022). We continued to enhance our approach to climate-related matters, through the targeting of a 50% reduction in in-scope greenhouse gas emissions by the end of 2025 (relative to the 2019 baseline), further developing our tools to assess climate risk, and the development of Beazley's first plan for the transition to net zero.

Incentive out-turns

2023 was an exceptional year in terms of both financial and strategic performance. Taking into account our record performance and the exemplary individual performance of the executive directors, the committee determined that they would receive maximum annual bonus in respect of 2023. This is the first year that annual bonuses have paid out at maximum and the committee considers it an appropriate reflection of an outstanding year. The Committee has applied a risk adjustment of 10% to the GFD's 2023 bonus. Further details are provided on page 133.

In-line with Beazley's long-term success the second tranche of the 2019 LTIP vested at 100% of maximum following NAV growth per annum of 18.3% and the first tranche of the 2021 LTIP also vested at 100% of maximum following NAV growth per annum of 26.3%.

The committee considers the incentive outturns to be appropriately aligned with Beazley's pay for performance culture and considers that the remuneration policy has operated as intended during 2023.

Impact of IFRS 17 on incentives

As discussed on page 129 in this Annual Report, the adoption of accounting standard IFRS 17, with effect from 1 January 2023, has had a significant impact on Beazley's financial reporting. One of the major impacts of the transition to IFRS 17 is a change in the timing of profit recognition relative to the previous accounting standards, which has a material impact on the performance assessment for both the bonus and LTIP. During the year the Committee has given this issue careful consideration and, guided by a principle of fairness, we have identified that it is necessary to make adjustments to the bonus and LTIP outcomes to ensure that participants do not unduly benefit nor are unduly penalised by the adoption of IFRS 17.

Recognising that adjustments to inflight incentives can be a sensitive topic the Committee consulted with our major shareholders to explain the rationale for the adjustments and to allow shareholder views to be taken into account when finalising our approach. The Committee greatly values the views of our shareholders, and we were pleased to find that all shareholders consulted were supportive of our approach. I would like to take this opportunity to thank those shareholders who took part in our consultation. Further details can be found on page 130.

Director changes

As announced during the year, Sally Lake is due to step down from the board and her role as Finance Director by August 2024. In recognition of her remarkable 18-year career with Beazley, and her commitment to an orderly succession, Sally will be treated as a 'good leaver' for the purposes of her incentives. She will remain eligible for a pro-rated annual bonus in respect of 2024 and her outstanding share awards will subsist to their normal release/vesting date subject to time and performance pro-rating where applicable. In accordance with the Remuneration Policy Sally will be subject to post-employment shareholding guidelines following her departure.

Remuneration Policy implementation for 2024

The committee considers that the current implementation of the policy continues to be appropriately aligned with the delivery of Beazley's long-term strategic priorities and in the best interest of shareholders. Therefore we are not proposing any material changes to the remuneration framework for 2024.

Chair and Non-Executive Director fees for 2024

During the year the Non-Executive Director Fee Committee undertook a detailed review of fee levels. The review took into account the increased expectations of the role given the growth in Beazley's scale and complexity over the last few years. The committee identified that fee levels were no longer reflective of the time commitment of Beazley's Non-Executive Directors. Therefore, it was agreed that fees would be increased to a more appropriate level to enable Beazley to continue to attract Non-Executives with the necessary skills and experience to effectively oversee Beazley's governance.

2024 AGM

At the forthcoming AGM there will be an advisory vote in respect of the directors' remuneration report. I look forward to your continued support of remuneration at Beazley.

Nicola Hodson

Remuneration Committee Chair

Directors' remuneration report

Remuneration in brief

Remuneration policy

The main aim of Beazley's remuneration policy is to ensure that management and staff are remunerated fairly and in such a manner as to facilitate the recruitment, retention and motivation of suitably qualified personnel. The Committee considers that the policy supports our strategy and promotes the long-term success of Beazley.

The following table summarises how the Committee addressed the factors set out in the UK Corporate Governance Code when determining the remuneration policy:

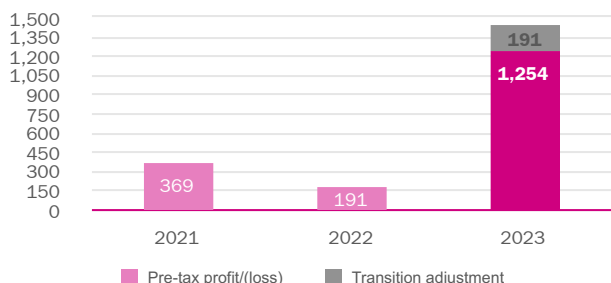
Factor	Details
<p>Clarity Remuneration arrangements should be transparent and promote effective engagement with shareholders and the workforce</p>	<p>At Beazley performance-related remuneration is an essential motivation to management and staff and is structured to ensure that Executives' interests are aligned with those of our shareholders.</p> <p>We operate a bonus structure that is based on Group profitability and long term performance. A key principle is that the committee exercises its judgement in determining individual bonus awards. In recent years we have expanded our disclosure to provide shareholders with further clarity on the way in which we determine awards.</p>
<p>Simplicity Remuneration structures should avoid complexity and their rationale and operation should be easy to understand</p>	<p>In determining our remuneration framework the Committee was mindful of avoiding complexity and making arrangements easy to understand for both participants and our shareholders.</p> <p>As part of last year's Policy review we simplified our approach to bonus deferral so that one-third of any bonus is deferred into shares for three years and we also simplified the LTIP performance period.</p>
<p>Risk Remuneration arrangements should ensure reputational and other risks from excessive rewards, and behavioural risks that can arise from target-based incentive plans, are identified and mitigated</p>	<p>We believe reward at Beazley is appropriately balanced in light of risk considerations. The Committee receives an annual report from the Chief Risk Officer to ensure that our wider remuneration policy is consistent with, and promotes, effective risk management.</p> <p>Our framework has a number of features which align remuneration out-turns with risk, including a five year time horizon on the LTIP, deferral of bonus into shares and personal shareholding requirements which extend post departure. Further details of the link between risk and remuneration are set out on page 137.</p>
<p>Predictability The range of possible values of rewards to individual directors and any other limits or discretions should be identified and explained at the time of approving the policy</p>	<p>Stated in the 2022 Directors Remuneration Report are four illustrations of the application of our remuneration policy including the key elements of remuneration: base salary, pension, benefits and incentives. Payments at Beazley are directly aligned to the Group's performance and the graph and table set out on page 134 demonstrates how historic annual bonus out-turns have reflected ROE performance.</p>
<p>Proportionality The link between individual awards, the delivery of strategy and the long-term performance of the company should be clear. Outcomes should not reward poor performance</p>	<p>Individual remuneration reflects Group objectives but is dependent on the profitability of the Group and is appropriately balanced against risk considerations. Potential rewards are market-competitive and the committee is comfortable that the range of potential out-turns are appropriate and reasonable.</p>
<p>Alignment to culture Incentive schemes should drive behaviours consistent with company purpose, values and strategy</p>	<p>The Remuneration Committee considers that the structure of remuneration packages supports meritocracy, which is an important part of Beazley's culture. All employees at Beazley are eligible to participate in a defined contribution pension plan and a bonus plan. Bonuses are funded by a pool approach which reflects our commitment to encourage teamwork at every level, which is one of our key cultural strengths.</p>

Directors' remuneration report

Performance in 2023

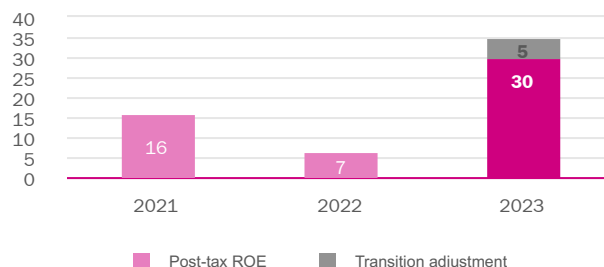
2023 was an exceptional year for Beazley. The Group achieved profit before tax of \$1,254.4m (prior to the IFRS 17 adjustment) and an impressive 71% combined ratio and strong investment results. Insurance written premiums were up by 7% to \$5,601.4m (2022: \$5,246.3m). The adjustment detailed on page 129 has no impact on bonus outcomes for 2023 as the unadjusted ROE exceeded the maximum target.

Profit before tax (\$) ¹



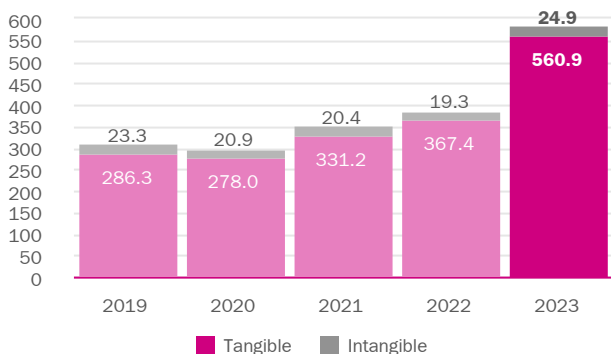
1 The PBT figures stated above are on an IFRS 4 basis for 2021 to 2022 and on an IFRS 17 basis for 2023 (including a transitional adjustment as explained on page 129).

Return on equity (%) ^{1 2}



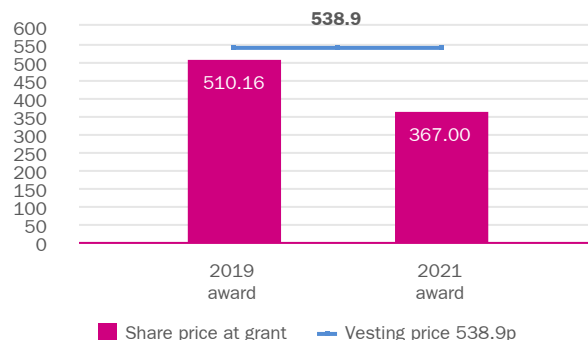
1 The ROE figures stated above are on an IFRS 4 basis for 2021 to 2022 and on an IFRS 17 basis for 2023 (including a transitional adjustment as explained on page 129).

Net assets per share (c) ¹

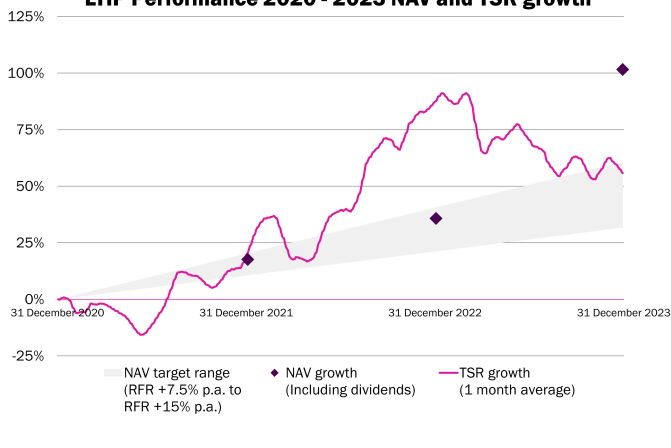


1 The net assets per share figures stated above are on an IFRS 4 basis for 2019 to 2022 and on an IFRS 17 basis for 2023 (excluding the adjustment as explained on page 129).

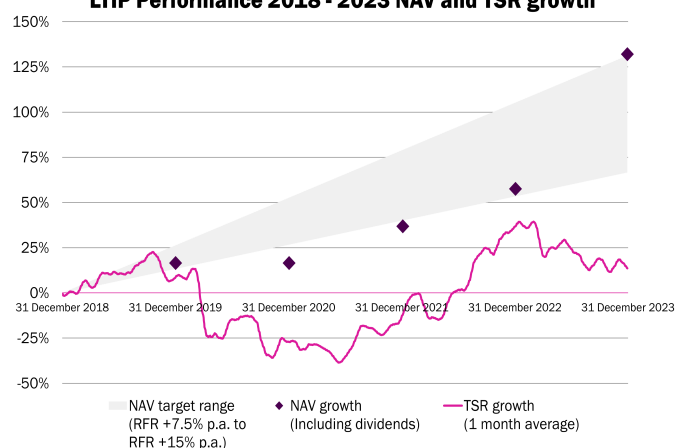
Share Price (p)



LTIP Performance 2020 - 2023 NAV and TSR growth



LTIP Performance 2018 - 2023 NAV and TSR growth



Outcomes for 2023 and implementation for 2024

Overview of Policy and Implementation for 2023	Overview of Implementation for 2024
Base salary	
Salaries are set at a level to appropriately recognise responsibilities and to be broadly market competitive. Salary increases generally reflect our standard approach to all-employee salary increases across the Group.	Salaries increased by 4%, below the average rate for the wider workforce.
Salaries for 2023 were as follows: <ul style="list-style-type: none"> A P Cox £625,000 S M Lake £434,700 	Salaries for 2024 are as follows: <ul style="list-style-type: none"> A P Cox £650,000 S M Lake £452,100
Benefits	
Benefits include private medical insurance, lifestyle allowance and company car or monthly car allowance.	No change to approach.
Pension	
Pension allowance of 12.5% of salary, in-line with the rate available to the wider UK workforce.	No change to approach.
Annual Bonus	
Discretionary annual bonus determined by reference to both financial and individual performance.	No change to approach.
<p>The maximum bonus opportunity for Executive Directors in 2023 was 300% of salary.</p> <p>Adjusted ROE for the year was 34.6% and profit before tax was \$1,445.2m. Both figures have been amended to take into account the transition to IFRS 17 as explained on page 129. Bonus outcomes for 2023 were:</p> <ul style="list-style-type: none"> A P Cox: 100% of maximum S M Lake: 90% of maximum¹ <p>33% of the award will be deferred into shares for three years. Further details are set out on page 134.</p> <p>1 The Committee has applied a risk adjustment of 10% to the GFD's 2023 bonus. Further details are provided on page 133.</p>	
Long-term Incentive Plan (LTIP)	
For awards made prior to 2023 50% is subject to NAVps performance over three years and 50% over five years. The first tranche is subject to a further two year holding period taking the total time frame for the entire award to five years.	No change to approach.
Awards vesting in respect of 2023 <ul style="list-style-type: none"> The first tranche of the 2021 LTIP award vested at 100% of maximum following three year NAVps performance of 26.3% p.a. The second tranche of the 2019 LTIP award vested at 100% of maximum following five year NAVps performance of 18.3% p.a. 	In 2024, Executive Directors will receive the following grant levels subject to NAVps and ESG performance conditions: <ul style="list-style-type: none"> A P Cox: 300% of salary Due to her forthcoming departure S M Lake is not eligible for a 2024 LTIP award
For awards made from 2023 the performance period was simplified so that performance for the entire award is measured over three years. A further two year holding period remains taking the total time frame for the entire award to five years.	
A portion of the LTIP is subject to measures linked to our ESG priorities. Further details of the LTIP structure and the performance targets are set out on pages 135 to 136.	
Awards granted during the year In 2023 Executive Directors received the following grant levels subject to NAVps and ESG performance conditions: <ul style="list-style-type: none"> A P Cox: 300% of salary S M Lake: 250% of salary 	
Shareholding guidelines	
Executive Directors are expected to build up and maintain a shareholding of 300% of salary for the CEO and 200% of salary for the GFD. As at 31 December 2023 A P Cox had exceeded the guideline and S M Lake fell short of the guideline.	No change to approach.
Executives are expected to maintain 100% of their shareholding requirement for two years post-departure.	

Directors' remuneration report

Annual remuneration report

This part of the report, the annual remuneration report, sets out the remuneration out-turns for 2023 (and how these relate to our performance in the year) and details of the operation of our policy for 2024.

The symbol • by a heading indicates that the information in that section has been audited.

Single total figure of remuneration •

The tables below set out the single figure of total remuneration for Executive Directors and Non-Executive Directors for the financial years ending 31 December 2023 and 31 December 2022.

Executive Directors

£		Fixed pay			Total fixed pay	Total annual bonus ¹	Pay for performance		Total remuneration	
		Salary	Benefits	Pension			Long term incentives (LTI) ²	Total variable pay		
	Adrian P Cox	2023	625,000	12,061	78,125	715,186	1,875,000	1,046,258	2,921,258	3,636,444
		2022	525,250	19,760	65,656	610,666	787,875	108,614	896,489	1,507,155
	Sally M Lake	2023	434,700	3,161	48,779	486,640	1,173,690	496,817	1,670,507	2,157,147
		2022	414,000	2,938	45,960	462,898	621,000	72,493	693,493	1,156,391

1 A portion of the 2022 and 2023 bonus awards shown in the table above is deferred into shares for three years. Details of the deferral in respect of 2023 awards can be found on page 134.

2 The LTI figures for 2023 have been calculated using the average share price in the last three months of 2023 of 538.9p. The share prices at the time LTI awards were granted were 510.16p for the 2019 award and 367.0p for the 2021 award. The 2023 LTI figures therefore include share appreciation of £253,762 for Adrian P Cox and £131,817 for Sally M Lake. See page 124 for further details. For 2022, the LTI figures have been restated to reflect the share price at the date of vesting of 642.27p. The Committee did not exercise any discretion in relation to share price changes.

Non-Executive Directors

	2023	2023 Subsidiary Board fees	2023 Total fees ^{1,2}	2022 Total Fees ³
Clive C R Bannister ⁴	289,583	0	289,583	0
Rajesh K Agrawal ⁵	81,200	2,888	84,088	77,547
Pierre-Olivier Desaulle	76,000	14,496	90,496	88,496
Nicola Hodson	94,100	0	94,100	81,648
Christine LaSala ⁶	146,695	28,539	175,234	157,016
Robert A Stuchbery ⁷	104,173	19,600	123,773	116,733
A John Reizenstein	98,500	19,600	118,100	107,100
Fiona M Muldoon ⁸	93,627	0	93,627	44,438
Cecilia Reyes Leuzinger	90,200	0	90,200	46,505

1 Other than for the Beazley plc Board Chair, total fees include Chairs and members of Beazley plc Committees, the role of Senior Independent Director and Employee Voice, as well as fees, where relevant, for members of the subsidiary boards Beazley Furlonge Limited, Beazley Insurance dac, Beazley Insurance Company, Inc. and the Chair of the Beazley Furlonge Limited Risk Committee.

2 The Beazley plc Audit and Risk Committee was bifurcated on 1 January 2023. Fees for the Chairs and members for both Committees have been amended accordingly to reflect roles and responsibilities of both separate Committees.

3 For Christine LaSala and Pierre-Olivier Desaulle the total 2022 fees have not changed but the representation has been amended in order to be consistent with 2023. Fees are paid in multiple currencies – 2022 fees have been restated using 2023 FX rates of GBP 1 : USD 1.25 and GBP 1 : EUR 1.17.

4 Clive C R Bannister was appointed a member of the Beazley plc Board from 8 February 2023 and Chair of the Beazley plc Board and Nomination Committee upon conclusion of the AGM 2023.

5 Rajesh K Agrawal joined as a Non-Executive Director of the Beazley Insurance Company, Inc Board with effect 5 September 2023.

6 Christine LaSala acted as interim Chair of the Beazley plc Board and Chair of the Nomination Committee until 30 April 2023, returning to Senior Independent Director and as a member of the Remuneration Committee from 1 May 2023. Christine LaSala also stepped down from the Beazley Furlonge Limited Board on 18 December 2023. Fees have been amended accordingly to reflect roles and responsibilities.

7 Robert A Stuchbery acted as interim Senior Independent Director until 30 April 2023, and stepped down as the Beazley plc Risk Committee Chair on 28 September 2023. Robert A Stuchbery was appointed Chair of the Beazley Furlonge Limited Board on 18 December 2023. Fees have been amended accordingly to reflect roles and responsibilities.

8 Fiona M Muldoon became Chair of the Beazley plc Risk Committee on 29 September 2023.

Salary •

The Committee reviews salaries annually taking into consideration any changes in role and responsibilities, development of the individual in the role and levels in comparable positions in similar financial service companies. It also considers the performance of the Group and the individual as well as the average salary increase for employees across the whole Group. Salary reviews take place annually, with new salaries effective from 1 January.

For 2024, the Executive Directors received a salary increase of 4% which is below the average salary increase across the Group.

The base salaries for the Executive Directors in 2023 and 2024 are as set out below:

	2023 base salary £	2024 base salary £	Increase %
Adrian P Cox	625,000	650,000	4.0
Sally M Lake	434,700	452,100	4.0

Benefits •

Benefits include private medical insurance for the Director and their immediate family, income protection insurance, death in service benefit at four times annual salary, lifestyle allowance, season ticket and the provision of either a company car or a monthly car allowance.

Pension •

Executive Directors receive a pension allowance of 12.5% of salary, in-line with the rate available to the majority of the UK workforce.

Prior to 31 March 2006 the Company provided pension entitlements to Directors that are defined benefit in nature, based on its legacy policy under the Beazley Furlonge Limited Final Salary Pension Scheme. Future service accruals ceased on 31 March 2006. Only base salary is pensionable, subject to an earnings cap. The normal retirement age for pension calculation purposes is 60 years. A spouse's pension is the equivalent of two-thirds of the member's pension (before any commutation) payable on the member's death after retirement.

Details of the defined benefit entitlements of those who served as Directors during the year are as follows:

	Accrued benefit at 31 December 2023 £	Increase in accrued benefit excluding inflation (A) £	Increase in accrued benefit including inflation £	Transfer value of (A) less directors contribution £	Transfer value of accrued benefits at 31 December 2023 £	Increase in transfer value less directors' contribution £	Normal retirement date
Adrian P Cox	16,431	(292)	(292)	(5,435)	305,848	12,785	12 Mar 2031

Under the Beazley Furlonge Limited Final Salary Pension Scheme, on early retirement the Director receives a pension which is reduced to reflect early payment in accordance with the rules of the scheme.

No other pension provisions are made.

Impact of IFRS 17 on incentives

IFRS 17 is a global accounting standard that governs the accounting treatment of insurance contracts. Its implementation has brought significant changes in the financial reporting landscape for insurance companies, including Beazley. One of the major impacts of the transition to IFRS 17 is a change in the timing of profit recognition. Beazley's incentive plans, the annual bonus and Long Term Incentive Plan (LTIP), both use performance measures linked to the Company's profit performance and therefore are materially impacted by the change in profit recognition.

The Remuneration Committee has given this issue careful consideration and in identifying a solution we have been guided by the principle of fairness and ensuring that participants are not unduly benefited nor penalised by the change. The underlying premise of the Committee's approach is to recognise profits broadly when they would have originally been recognised under the accounting standards that were in effect when the targets were set. The Committee considers this approach to be measured and appropriate, and was pleased to find that all shareholders consulted with during the year were supportive.

Annual bonus

As discussed on page 173, IFRS 17 brings in the concept of discounting insurance liabilities. As a result, profits of c. \$381.5m that would otherwise have been recognised in future years under the prior IFRS 4 accounting rules have been accelerated to 2022 under IFRS 17. As annual bonuses for 2022 were calculated on an IFRS 4 basis they did not take into account these accelerated profits. However, under IFRS 17, there will be a reduction to profit over the following years as a result of the unwinding of this position. If no action is taken, then participants could be unfairly impacted given that they have not benefited from the accelerated profits in 2022 but could be adversely impacted by the unwind in future years.

The Committee considered at length how best to address this. One alternative discussed was to allocate this profit to the bonus pool for 2022, given that this would be consistent with the treatment under IFRS 17. However, the Committee did not consider it appropriate to re-open the bonus pool for a prior year because bonus payments were aligned with the accounting standards in place at the time. Instead, the Committee has agreed that the profit which has been accelerated to 2022 will be apportioned over the respective three years (2023, 2024 and 2025) to align with how it would have been broadly recognised under IFRS 4 as follows:

- 2023: 50% of the profit (c. \$191m)
- 2024: 25% of the profit (c. \$95m)
- 2025: 25% of the profit (c. \$95m)

The bonus framework will otherwise continue to operate in broadly the normal way for 2023, 2024 and 2025 with the adjustment above used to determine the size of the bonus pool and individual awards. In-line with Beazley's collegiate approach to reward this change will apply to all relevant employees including Executive Directors. Awards for Executive Directors will continue to be subject to the limits of the shareholder-approved remuneration policy including the maximum cap of 300% of salary.

Details of the 2023 annual bonus awards are set out on page 134.

Note that due to Beazley's exceptional performance in 2023, the unadjusted ROE performance exceeded the maximum target and therefore the IFRS 17 adjustment had no impact on bonus outcomes.

LTIP

The primary measure for LTIP awards is growth in net asset value per share (NAVps). As a result of the transition to IFRS 17, there was an increase to equity as at 31 December 2022 of c.\$381.5m and a corresponding increase to NAVps of c.57.4c. This increase to NAVps inflates NAVps growth which would unduly benefit inflight LTIP awards and lead to a higher vesting outcome. The Committee has agreed to strip out the increased NAVps of 57.4c and spread it over the period that it would have been broadly recognised, mirroring the approach for the bonus as follows:

- 2023: 50% of the NAVps (c. 28.7c)
- 2024: 25% of the NAVps (c. 14.4c)
- 2025: 25% of the NAVps (c. 14.4c)

This adjustment results in a reduction to performance for awards with performance periods ending in 2023, 2024 and 2025. The Committee is comfortable that the adjustments are reasonable to ensure that participants are only rewarded for NAVps growth at the time it would have arisen under the accounting standards in place when the targets were set.

Details of the vesting of the second tranche of the 2019 LTIP and the first tranche of the 2021 LTIP can be found on page 135.

Annual bonus structure

The annual bonus plan is a discretionary plan in which all employees are eligible to participate. The annual bonus is funded by a bonus pool. The pool is calculated as a percentage of profit subject to a minimum group ROE. The size of the pool as a percentage of profit increases for higher levels of ROE. This ensures that outcomes are strongly aligned with shareholders' interests.

The operation of an annual bonus pool approach reflects Beazley's commitment to encourage teamwork at every level, which, culturally, is one of its key strengths. A broad senior management team, beyond Executive Directors, participate in the bonus pool, reinforcing the Company's collegiate culture.

Once the annual bonus pool has been calculated the Committee determines individual allocations taking into consideration corporate/strategic achievements and individual achievements. The bonus is discretionary and, rather than adopting a prescriptive formulaic framework, the Committee considers wider factors in its deliberations at the end of the year: for example quality of profit and risk considerations.

In determining awards, the Committee will not necessarily award the bonus pool in aggregate (i.e. the sum of the bonus awards may be less than the bonus pool).

The approach to the calculation of bonuses is aligned to shareholders' interests and ensures that bonuses are affordable, while the ROE targets increase the performance gearing. The Committee reviews the bonus pool framework each year to ensure it remains appropriate, taking into account the prevailing environment, interest rates and expected investment returns, headcount and any other relevant factors.

Annual bonus out-turn for 2023

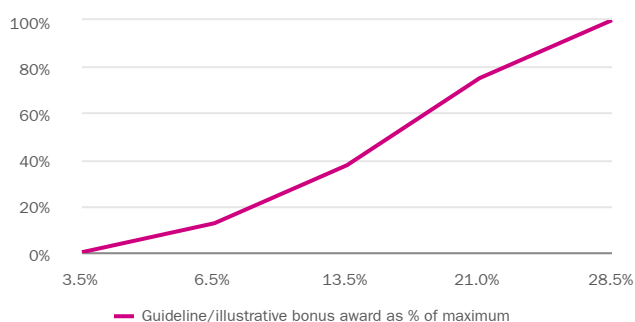
The process for determining 2023 bonuses is described below, including full details of the ROE targets underpinning our bonus approach along with the guideline levels which are used by the Committee in its determination for each Executive Director.

Annual bonus pool calculation for 2023

At the beginning of the financial year, the risk-free return (RFR) was set at 3.5% taking into account the yield on US treasuries of two to five year maturities. This resulted in the following ROE hurdles and guideline bonus awards:

ROE performance hurdles	Threshold					Maximum
ROE performance	3.5 %	6.5 %	13.5 %	21.0 %	28.5 %	
Guideline/illustrative bonus award as % of maximum	0%	12.5%	37.5%	75%	100%	

2023 ROE hurdles and guideline bonus awards



These percentages are indicative only and based on broad corporate results. Within the pool framework bonus out-turns may be higher or lower taking into account corporate achievements and individual performance (see next page).

ROE for 2023, adjusted to include the transitional impact of IFRS 17 as explained on page 129 was 34.6%. This adjustment had no impact on bonus outcomes for 2023 as the unadjusted ROE exceeded the maximum target.

When considering the annual bonus pool outcome, the Committee takes into account the outcome of the Group's ROE/profit. The framework is used by the Committee as a broad guideline rather than being formulaic and applies to a broader group of Executives than Board Directors. A key principle of the process is that the Committee exercises its judgement in determining individual awards taking into account the corporate/strategic objectives, individual's contribution and performance. In particular, there may be a diverse spread of returns earned across the various divisions within the business which will be reflected in bonus out-turns achieved. The table therefore provides full retrospective disclosure of all the Group financial targets and corporate/strategic performance which the Committee considers when determining the annual bonuses.

When determining annual bonuses an assessment against the expectation for each element is made with reference to the following grading system:

- ✓ Expectation achieved or exceeded
- = Reasonable outcome against expectation
- ✗ Expectation not met

Directors' remuneration report

Annual remuneration report continued

Assessment of achievements for 2023

In determining annual bonuses for 2023, the Committee took into account a range of (i) financial, (ii) strategic and (iii) individual elements as set out below.

(i) Financial performance

Element	Achievement	
Combined ratio	71%	✓
Insurance written premiums growth	Increased by 7%	✓
Expense management	Excluding remuneration, actual expenses were materially maintained at that budgeted for the year	=
Profit before tax	\$1,254.4m profit before tax (excluding IFRS 17 adjustment)	✓
Net assets per share growth	NAVps growth of 31.9%	✓
Investment performance (portfolio return)	4.9% portfolio return	✓

(ii) Strategic performance

Element	Expectation	Achievement	
Responsible business	Create and publish our net zero transition plan, ensuring our approach is in line with the Science Based Target initiative (SBTi) and NZIA Protocol.	Net zero strategy is complete and in line with the SBTi, awaiting Board sign off in March 2024. Due to legal reasons we pulled out of NZIA Protocol.	✓
	Incubate at least two new ESG related products or services.	Created two new environmental products; Arbol and Sola.	✓
	Embed data collection methods for sexuality, religion, and disability in possible locations.	A data capture process has been embedded into our employee engagement survey successfully, with a completion rate of 80%.	✓
	Enhance at least two existing products or services to better meet the ESG needs of our clients.	We piloted the Beazley better hub an ESG information website helping clients untangle the complex web that is ESG.	=
Medium term plan	Deliver medium term business plan.	Deliverables for 2023 achieved and on track.	✓
Wholesale platforms	Increase profitable growth across Wholesale platforms in London, Asia Pac and Miami.	Our Wholesale platform grew 2%.	✓
North American growth	Achieve profitable growth in the US and Canada.	Our North American platform grew 10%.	✓
European growth	Achieve profitable growth in Europe.	Our European platform grew 20%.	✓
Culture and people	Sustain high levels of employee engagement and inclusivity within the business.	Employee engagement score increased to 86% in 2023. Turnover has decreased to 9.5% compared to 10.3% at the end of 2021. Inclusivity targets met for 2023.	✓

(iii) Individual performance

While a number of the specific individual objectives of the Executive Directors are considered commercially sensitive, the following provides details of Executive Director achievements which the Committee took into account.

Executive	Objectives	Achievement	
Adrian Cox (Chief Executive)	Deliver 2023 underwriting business plan, GAAP budget and provide leadership for the modernisation programme.	<ul style="list-style-type: none"> • Premium growth of 7% and achieved rate change of 4%. • Combined ratio for 2023 of 71%. • Modernisation programme delivering improvements to the business and on track for further improvements. • Managed budgets and risk appetites proactively through the year to optimise short and long-term positions. 	✓
	Execute on medium term plan and developing into general business strategy.	<ul style="list-style-type: none"> • The 2023 element of the medium term plan achieved and well embedded into general business strategy. 	✓
	Develop/scope out a new cyber systemic scenario and compare/contrast at least one of our current ones to the other peer insurers & models in the market.	<ul style="list-style-type: none"> • Delivered new cyber systemic scenario and modelling in the market. • Built a functioning model producing outputs which are being evaluated by the technical experts. • Built a synthetic industry exposure database (“IED”) which allows us to run a sample portfolio through the model. We are reflecting on how best to present an industry loss. • Constructed three new malware scenarios. 	✓
	Define a plan for the continued development of climate scenario analysis in order to ensure climate risks form part of business.	<ul style="list-style-type: none"> • A program of works to further Beazley’s approach to climate-related matters was delivered in 2023 by the Climate Risk Working Group. 	✓
	Execute new governance across boards, executive and sub-committees.	<ul style="list-style-type: none"> • New governance structure for boards, executive and sub-committees agreed and being implemented. 	✓
	Deliver inclusion and diversity targets, focusing on rolling recruitment and promotion ratios.	<ul style="list-style-type: none"> • Our core public targets were achieved by the end of 2023; 45% women in senior leadership and at least 25% people of colour at a group level. 	✓

Directors' remuneration report

Annual remuneration report continued

Executive	Objectives	Achievement	
Sally Lake (Group Finance Director)	Execute IFRS 17 implementation.	<ul style="list-style-type: none"> IFRS 17 successfully implemented. 	✓
	Manage the financial projections of the long-term plan.	<ul style="list-style-type: none"> All aspects of the long term plan financial projections completed and included within the plan. 	✓
	Deliver capital management and tax implications for the organisational model/large projects.	<ul style="list-style-type: none"> Considerable work completed successfully on capital management and tax implications for large projects and organisational model. 	✓
	Chair the investment committee and build a strong committee that delivers above target investment return for 2023.	<ul style="list-style-type: none"> Investment committee chaired well and delivered above target investment return of 4.9% for 2023. 	✓
	Work to align the investment portfolio with a 1.5-degree pathway by 2028.	<ul style="list-style-type: none"> On track. 	=
	Co-sponsor the multi-year modernisation programme with Chief Operating Officer to deliver greater efficiencies including the implementation of the disclosure management tool.	<ul style="list-style-type: none"> Steady progress made in 2023 but further efficiencies to be achieved in 2024. 	=
	Execute target for development of women and people of colour into more senior positions.	<ul style="list-style-type: none"> Achieved the target of 45% for women in senior roles and the target of 26% for managers who are people of colour. 	✓

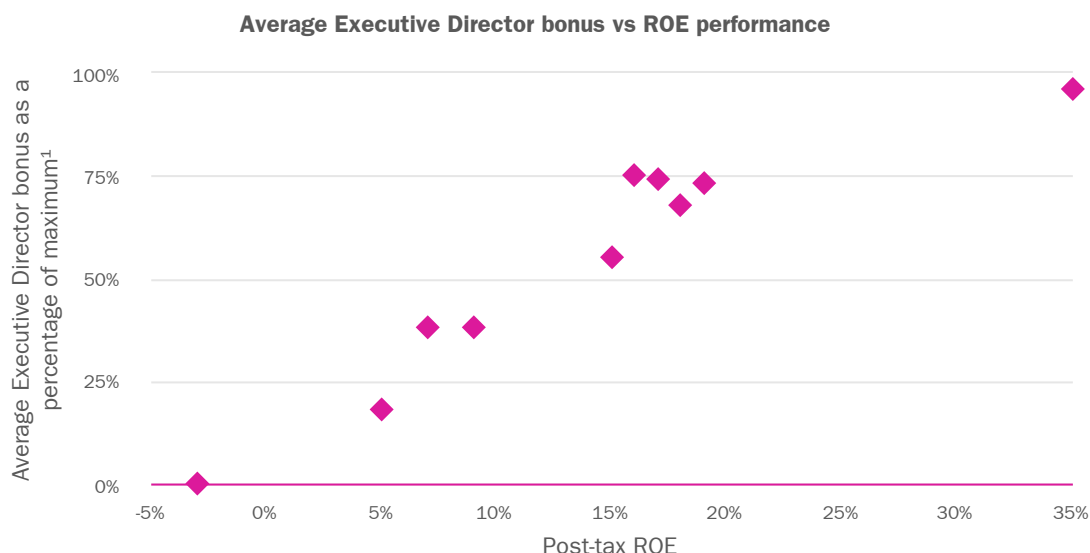
Annual bonus awards outcomes for 2023

Taking into account the financial, strategic and individual performance set out above, the Committee determined that Executive Directors would receive the following bonuses for 2023.

In its assessment of individual bonus out-turns the Remuneration Committee took into account an error in the 2022 annual report and accounts. As announced in March 2023 the Group's initial results announcement for 2022 contained an error relating to the number of shares used to calculate two of our alternative performance metrics used in the calculation of remuneration. The error was quickly rectified, however the Remuneration Committee determined this event warranted a risk adjustment. After careful consideration the Committee determined that the GFD's bonus would be reduced by 10% as a result.

	% of maximum	% of salary	Bonus value
Adrian P Cox	100%	300%	£1,875,000
Sally M Lake	90%	270%	£1,173,690

The following graph and table illustrates the way in which bonuses over time reflect profit and ROE performance.



1 The maximum bonus opportunity for Executive Directors was reduced from 400% to 300% of salary from 2023.

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023 ¹
Pre-tax profit/ (loss)	\$262m	\$284m	\$293m	\$168m	\$76m	\$268m	(\$50m)	\$369m	\$191m	\$1,445m
Post-tax ROE	17%	19%	18%	9%	5%	15%	(3%)	16%	7%	35%
Average Executive Director bonus as a percentage of salary	c.294%	c.291%	c.272%	c.150%	c.73%	c.212%	c.0%	c.300%	c.150%	c.288%

1 The 2023 profit and ROE figures have been calculated on an IFRS 17 basis including the transitional adjustment as explained on page 129.

Bonus deferral

A portion of the bonus will generally be deferred into shares for three years. From 2023 the deferral rate has been set at 33% of the bonus. Deferred shares are generally subject to continued employment.

A portion of bonus may also be deferred under the investment in underwriting plan, and this capital can be lost if underwriting performance is poor (see investment in underwriting section on page 137 for further details).

The following table sets out the deferred bonus awards made during 2023 in respect of the bonus for 2022:

Individual	Type of interest	Basis on which award is made	Number of shares awarded	Face value of shares (£) ¹	% vesting at threshold
Adrian P Cox	Deferred shares	Deferred bonus	32,307	£196,968	n/a
Sally M Lake	Deferred shares	Deferred bonus	25,464	£155,250	n/a

1 The face value of shares awarded was calculated using the three day average share price prior to grant, which was 609.67p.

Annual bonus approach for 2024

The annual bonus for 2024 will continue to operate within a broadly similar framework as in previous years, with awards dependent on a profit pool and minimum level of ROE performance and taking into account individual performance and achievements. During the year the Committee intends to undertake a fundamental review of the ROE framework to ensure that it continues to appropriately incentivise the delivery of our strategy in the context of the transition to IFRS 17 and the Group's increased scale and complexity. The details of any refinements will be presented and fully explained in next year's Directors' Remuneration Report.

As explained on page 129, the Committee's intention is that ROE for 2024 will be adjusted to include the transitional impact of IFRS 17. The overall bonus pool (in which Executive Directors as well as other senior employees participate) will be calculated based on this adjusted figure.

Directors' remuneration report

Annual remuneration report continued

Long term incentive plan (LTIP)

Under the LTIP Executive Directors, senior management and selected underwriters receive awards of shares subject to the achievement of stretching performance conditions.

LTIP structure for awards granted prior to 2023

For awards granted prior to 2023 vesting is based on growth in net asset value per share (NAVps), one of Beazley's key performance indicators. NAVps performance is assessed equally over a three year and five year period. In accordance with the UK Corporate Governance Code the first tranche of LTIP awards is subject to a further two year holding period, taking the total time frame for the entire award to five years.

The NAVps performance conditions for all outstanding awards are as follows:

NAVps performance	% of award vesting
NAVps growth < risk-free rate +7.5% p.a.	0 %
NAVps growth = risk-free rate +7.5% p.a.	10 %
NAVps growth = risk-free rate +10% p.a.	25 %
NAVps growth = risk-free rate +15% p.a.	100 %

Growth in NAVps is calculated taking into account any payment of dividends by the Company. In line with our reporting to shareholders, NAVps is denominated in US dollars.

LTIP outturns in respect of 2023

The LTIP awards shown in the single total figure of remuneration for 2023 include:

- the second tranche of awards granted on 12 February 2019. These will vest at 100%, based on the achievement of the NAVps growth performance condition over the five years ended 31 December 2023; and
- the first tranche of awards granted on 10 February 2021. These will vest at 100%, based on the achievement of the NAVps growth performance condition over the three years ended 31 December 2023.

The following table summarises the actual NAVps growth (including the transitional impact of IFRS 17 as explained on page 129) achieved over the two performance periods and the resultant vesting levels:

LTIP award	Performance period	NAVps growth	% of award vesting
Second tranche of the 2019 awards	Five years ended 31 December 2023	18.3% p.a.	100%
First tranche of the 2021 awards	Three years ended 31 December 2023	26.3% p.a.	100%

The results were independently calculated by Deloitte LLP. The Committee is comfortable that Executives have not unduly benefited from windfall gains in respect of their LTIP awards. In particular the Committee noted that the 2019 awards were granted prior to the fall in share price resulting from the outbreak of COVID-19 and the 2021 awards were granted a year after the outbreak of COVID-19 once the share price had stabilised.

LTIP structure for awards granted from 2023

The LTIP is an important tool in the remuneration framework for incentivising participants and aligning their interests with those of our shareholders. As explained last year, as part of the 2023 Remuneration Policy renewal the Committee made a number of refinements to improve the effectiveness of the LTIP structure and to reflect evolving market practice.

The key features of the plan for awards granted from 2023 are as follows:

- Performance is measured after three years.
- Awards are subject to a further two year holding period taking the total time frame to five years.
- Vesting is based on growth in net asset value per share (NAVps) and the delivery of our ESG priorities.

LTIP awards granted in 2023 •

During 2023, LTIP awards with a face value equal to 300% of salary for the CEO and 250% of salary for the GFD were granted. These awards are subject to NAVps (250% of salary and 200% of salary respectively) and ESG performance (50% of salary) as set out below:

Individual	Type of interest	Basis on which award is made	Number of shares awarded	Face value of shares (£) ¹	% vesting at threshold	Performance period end
Adrian P Cox	Nil cost option (LTIP)	300% of salary	307,543	1,875,000	10%	31/12/2025
Sally M Lake	Nil cost option (LTIP)	250% of salary	178,252	1,086,750	10%	31/12/2025

1 The face value of shares awarded was calculated using the three day average share price prior to grant, which was 609.67p.

NAVps performance	% of award vesting		
NAVps growth < risk-free rate +7.5%			0 %
NAVps growth = risk-free rate +7.5%			10 %
NAVps growth = risk-free rate +10%			25 %
NAVps growth = risk-free rate +15%			100 %

ESG target	Weighting (of ESG element)	Threshold (10% of max)	Max
Reduce carbon emissions (Scope 1, 2 & 3) relative to 2019 baseline	One third	45 %	50 %
Increase female representation at Board and Senior Manager level	One third	44 %	45 %
Increase People of Colour representation at Board and Senior Manager level	One third	13 %	15 %

LTIP awards to be granted in 2024 •

LTIP awards for 2024 will be operated on a similar basis as the 2023 awards. The CEO will be granted an LTIP award with a face value equal to 300% of salary. Due to her forthcoming departure S M Lake is not eligible for a 2024 LTIP award. 2024 LTIP awards will be subject to the NAVps and ESG performance conditions set out below.

NAVps performance	% of award vesting		
NAVps growth < risk-free rate +7.5%			0 %
NAVps growth = risk-free rate +7.5%			10 %
NAVps growth = risk-free rate +10%			25 %
NAVps growth = risk-free rate +15%			100 %

ESG target	Weighting (of ESG element)	Threshold (10% of max)	Max
Reduce carbon emissions (Scope 1 & 2) relative to 2022 baseline	One third	20 %	30 %
Maintain gender balance representation at Board and Senior Manager level	One third	45 %	45 %
Increase People of Colour representation at a group level	One third	30 %	32 %

We understand that we and the business world are on a complex journey. Whilst we believe that the above metrics are the most appropriate metrics for the LTIP at this time, we acknowledge that our ESG strategy will evolve over time, and we intend to employ alternative metrics in the future where appropriate and relevant given our priorities.

Dilution

The share plans permit 10% of the Company's issued share capital to be issued pursuant to awards under the LTIP, SAYE and option plan in a 10-year period. The Company adheres to a dilution limit of 5% in a 10 year period for executive schemes.

Directors' remuneration report

Annual remuneration report continued

Investment in underwriting

Traditionally, Lloyd's underwriters contributed their personal capital to syndicates in which they worked. With the move to corporate provision of capital, individual membership of Lloyd's has declined significantly. The Committee feels that having personal capital at risk in the syndicate is an important part of the remuneration policy and provides a healthy counterbalance to incentivisation through bonuses and long term incentive awards. The Company has operated the

Beazley staff underwriting plan for this purpose since 2004 and Executive Directors and other selected staff are invited to participate through bonus deferral with an element of their cash incentives 'at risk' as capital commitments. These capital commitments can be lost in full if underwriting performance is poor.

The Group funds the capital for the plan. The individual capital commitment is then funded through individual's bonus deferral. The aim is for individuals to fund their capital within three years.

To date over 340 employees of the Group have committed to put at risk £15.8m of bonuses to the underwriting results of syndicate 623. Of the total at risk, £13.4m has already been deferred from the bonuses awarded.

The following Executive Directors participated in syndicate 623 through Beazley Staff Underwriting Limited:

	Total bonuses deferred £	2022 year of accounting underwriting capacity	2023 year of accounting underwriting capacity	2024 year of accounting underwriting capacity
Adrian P Cox	188,400	400,000	400,000	400,000
Sally M Lake	105,000	100,000	250,000	0

Adrian P Cox and Sally M Lake have both fully funded the capital requirement.

Malus and clawback

Recovery provisions (malus and clawback) have applied to incentives for a number of years. Further detail on the recovery provisions, including the circumstances and timeframe for which they can be applied are set out in the remuneration policy.

Risk and reward at Beazley

The Committee regularly reviews developing remuneration governance in the context of Solvency II remuneration guidance, other corporate governance developments and institutional shareholders' guidance. The Chief Risk Officer reports annually to the Remuneration Committee on risk and remuneration as part of the regular agenda. The Committee believes the Group is adopting an approach which is consistent with, and takes account of, the risk profile of the Group.

We believe reward at Beazley is appropriately balanced in light of risk considerations, particularly taking into account the following features:

Features aligned with risk considerations	
Share deferral	33% of the bonus is normally deferred into shares for three years. These deferred shares, together with shares awarded under the LTIP, mean that a significant portion of total remuneration is delivered in the form of shares deferred for a period of years.
LTIP holding period	Outstanding LTIP awards vest over a five year period. From 2023 LTIP awards vest over a three-year period. Any awards which have a performance period of less than five years are subject to an additional holding period, following the date on which the award vests, up to the fifth year of the award.
Shareholding requirements	Executive Directors are expected to build up and maintain a shareholding of 300% of salary for the CEO and 200% of salary for the GFD. Executive Directors are also expected to maintain a shareholding post-departure.
Investment in underwriting	Management and underwriters may defer part of their bonuses into the Beazley staff underwriting plan, providing alignment with capital providers. Capital commitments can be lost if underwriting performance is poor.
Underwriters remuneration aligned with profit received	Under the profit related bonus plan payments are aligned with the timing of profits achieved on the account. For long tail accounts this may be in excess of six years. If the account deteriorates then payouts are 'clawed back' through adjustments to future payments. Since 2012 profit related pay plans may be at risk of forfeiture or reduction if, in the opinion of the Remuneration Committee, there has been a serious regulatory breach by the underwriter concerned, including in relation to the Group's policy on conduct risk.
Malus and clawback provisions	Malus and clawback provisions apply to all incentives that Executive Directors participate in.

Leaving arrangements for Sally Lake

Sally M Lake is due to step down from the Board and her role as GFD by August 2024. In recognition of her remarkable 18 year career with Beazley and her commitment to an orderly succession the Remuneration Committee has determined that Sally will be treated as a 'good leaver' for the purposes of her incentives. She will remain eligible for a pro-rated annual bonus in respect of 2024 and her outstanding LTIP and deferred bonus awards will subsist to their normal release/vesting date subject to time and performance pro-rating where applicable. Following her departure, Sally M Lake will be subject to our post-employment shareholding guidelines for a period of two years.

Service contracts and payments for loss of office

No loss of office payments have been made in the year.

There is no unexpired term as each of the Executive Directors' contracts is on a rolling basis.

Non-Executive Directors' fees

Clive C R Bannister took up the role of Chair of the Board following the AGM on 25 April 2023. Clive C R Bannister's fee as Chair of the Board has been set at £325,000 and his fee will not be eligible for an increase until 2026.

The fees of Non-Executive Directors are determined by the Board and are reviewed annually. When setting fee levels, consideration is given to levels in comparable companies for comparable services and also to the time commitment and responsibilities of the individual Non-Executive Director. No Non-Executive Director is involved in the determination of their fees.

As part of the annual review of Non-Executive Director fees, consideration was given to the increased expectations of the role given the growth in Beazley's scale and complexity over the last few years. The NED Fee Committee identified that the fees had fallen out of step with the time commitment of Beazley's Non-Executive Directors and determined that it would be in shareholders' interest to increase them to a more appropriate level.

Details of the Non-Executive Directors' fees payable for the plc Board responsibilities are set out below (the fee for the Chair of the Board is inclusive of subsidiary fees):

	2023 fee	2024 fee
Chair of Board fee	£325,000	£325,000
Basic fee	£67,000	£76,000
Senior Independent Director fee	£11,700	£17,000
Chair of Audit Committee	£22,500	£30,000
Chair of Risk Committee	£22,500	£30,000
Chair of Remuneration Committee fee	£18,100	£30,000
Membership fee for Non-Executive Directors on the Audit Committee	£9,000	£15,000
Membership fee for Non-Executive Directors on the Risk Committee	£9,000	£15,000
Membership fee for Non-Executive Directors on the Remuneration Committee	£5,200	£14,000
Fee for designated Non-Executive Director representing employee voice	£5,200	£15,000

Beazley operates across Lloyd's, Europe and the US markets through a variety of legal entities and structures. Non-Executive Directors, in addition to the plc Board, typically sit on either one of our key subsidiary Boards, namely Beazley Furlonge Ltd, our managing agency at Lloyd's, or Beazley Insurance dac, our Irish insurance company. Non-Executive Directors may receive additional fees for sitting on subsidiary Boards. As a result of developments in regulation, the degree of autonomy in the operation of each Board has increased in recent years, with a consequent increase in time commitment and scope of the role.

No Non-Executive Director participates in the Group's incentive arrangements or pension plan.

Non-Executive Directors are appointed for fixed terms, normally for three years, and may be reappointed for future terms.

Non-Executive Directors are typically appointed through a selection process that assesses whether the candidate brings the desired competencies and skills to the Group. The Board has identified several key competencies for Non-Executive Directors to complement the existing skill-set of the Executive Directors. These competencies may include:

- insurance sector expertise;
- asset management skills;
- public company and corporate governance experience;
- risk management skills;
- finance skills; and
- IT and operations skills.

Directors' remuneration report

Annual remuneration report continued

Non-Executive Directors' service contracts

Details of the Non-Executive Directors' terms of appointment are set out below:

	Commencement of employment	AGM expiry year
Clive C R Bannister	8 Feb 2023	2026
Christine LaSala	1 Jul 2016	2024
Robert A Stuchbery	11 Aug 2016	2024 ¹
A John Reizenstein	10 Apr 2019	2025
Nicola Hodson	10 Apr 2019	2025
Rajesh K Agrawal	1 Aug 2021	2024 ²
Pierre-Olivier Desaulle	1 Jan 2021	2024 ³
Fiona M Muldoon	31 May 2022	2025
Cecilia Reyes Leuzinger	31 May 2022	2025

¹ At the 2024 AGM it will be proposed to shareholders to extend to 2025 AGM.

² At the 2024 AGM it will be proposed to shareholders to extend to 2027 AGM.

³ At the 2024 AGM it will be proposed to shareholders to extend to 2025 AGM.

The standard approach for Non-Executive Director appointments is that the appointment expires at the AGM following the end of a three year term, notwithstanding the fact that each Non-Executive Director is subject to annual re-election at each AGM.

Approach to remuneration for employees other than directors

The Committee also has oversight of remuneration arrangements elsewhere in the Group. The following tables set out the additional incentive arrangements for other staff within the organisation.

Other incentive arrangements at Beazley (not applicable to Executive Directors):

Element	Objective	Summary
Profit related pay plan	To align underwriters' reward with the profitability of their account.	Profit on the relevant underwriting account as measured at three years and later.
Support bonus plan	To align staff bonuses with individual performance and achievement of objectives.	Participation is limited to staff members not on the executive or in receipt of profit related pay bonus. The support bonus pool may be enhanced by a contribution from the enterprise bonus pool.
Retention shares	To retain key staff	Used in certain circumstances. Full vesting dependent on continued employment over six years.

Underwriter bonus plan – profit related pay plan

Underwriters participate in a profit related pay plan based upon the profitability of their underwriting account. Executive Directors do not participate in this plan.

The objective of the plan is to align the interests of the Group and the individual through aligning an underwriter's reward to the long term profitability of their portfolio. Underwriters who have significant influence over a portfolio may be offered awards under the plan. There is no automatic eligibility. Profit related pay is awarded irrespective of the results of the Group. Awards are capped.

This bonus is awarded as cash and is based upon a fixed proportion of profit achieved on the relevant underwriting account as measured at three years and later. Any movements in prior years are reflected in future year payments as the account develops after three years. For long-tail accounts the class is still relatively immature at the three-year stage and therefore payments will be modest. Underwriters may receive further payouts in years four, five and six (and even later) as the account matures. Therefore each year they could be receiving payouts in relation to multiple underwriting years.

If the account deteriorates as it develops any payouts are 'clawed back' through reductions in future profit related pay bonuses. From 2012 onwards any new profit related pay plans may be at risk of forfeiture or reduction if, in the opinion of the

Remuneration Committee, there has been a serious regulatory breach by the underwriter concerned, including in relation to the Group's policy on conduct risk. The Remuneration Committee also have oversight for all material risk takers who participate in the profit related pay plan.

The fixed proportion is calculated based upon profit targets which are set through the business planning process and reviewed by a Committee formed of Executive Committee members and functional specialists including the Group actuary. Underwriting risk is taken into account when setting profit targets.

In addition to profit related pay, underwriters are also eligible to receive a discretionary bonus, based upon performance, from the enterprise bonus pool. A proportion of this bonus may be paid in deferred shares, which vest after three years subject to continued employment.

Support bonus plan

Employees who are not members of the Executive and who do not participate in the underwriters' profit related pay plan participate in a discretionary bonus pool. This pool provides employees with a discretionary award of an annual performance bonus that reflects overall individual performance including meeting annual objectives.

A proportion of this award may also be dependent on the Group's ROE and therefore allocated from the enterprise bonus pool. A proportion of this bonus may be paid in deferred shares, which vest after three years subject to continued employment.

UK SAYE

The Company operates an HMRC-approved SAYE scheme for the benefit of UK-based employees. The scheme offers a three-year savings contract period with options being offered at a 20% discount to the share price on grant. Monthly contributions are made through a payroll deduction on behalf of participating employees. The UK SAYE scheme has been extended to eligible employees in Singapore, Ireland, Canada, France, Germany and Spain. The Irish SAYE scheme has been approved by the Irish Revenue. However due to changes in Irish regulations in 2021 it was no longer possible to offer an Irish tax approved SAYE plan. Instead, eligible Irish employees were invited to participate in the international SAYE plan offering on a non-tax approved basis. The updated SAYE plan rules were approved at the 2022 AGM.

US SAYE

The Beazley plc savings-related share option plan for US employees permits all eligible US-based employees to purchase shares of Beazley plc at a discount of up to 15% to the shares' fair market value. Participants may exercise options after a two-year period. The plan is compliant with the terms of section 423 of the US Internal Revenue Code and is similar to the SAYE scheme operated for UK-based Beazley employees.

Retention shares

The retention plan may be used for recruitment or retention purposes. Any awards vest at 25% per annum over years three to six. In line with policy, existing Executive Directors do not participate in this plan and no Executive Directors have subsisting legacy awards outstanding.

Annual percentage change in remuneration of Directors and employees

		Executive Directors		
		All employees	Adrian P Cox ¹	Sally M Lake
2022 -2023	Salary	7.6	19.0	5.0
	Benefits	16.4	5.6	6.2
	Bonus	167.1	138.0	89.0
2021 -2022	Salary	4.5	3.5	3.5
	Benefits	11.3	8.8	5.8
	Bonus	-3.5	-45.4	-46.9
2020 -2021	Salary	3.2	23.2	11.4
	Benefits	11.1	22.1	9.5
	Bonus	119.3	n/a	n/a
2019 -2020	Salary	3.5	2.6	2.9
	Benefits	-12.8	-7.2	15.4
	Bonus	-30.5	-100	-100

Directors' remuneration report

Annual remuneration report continued

Non-Executive Directors

		Clive C R Bannister ²	Christine LaSala ³	Robert A Stuchbery ^{4,8}	A John Reizenstein	Nicola Hodson	Pierre-Olivier Desaulle	Rajesh K Agrawal ⁵	Cecilia Reyes Leuzinger ⁶	Fiona M Muldoon ^{7,8}
2022	Salary	-	-62.5	5.7	10.3	2.2	2.0	13.8	13.9	30.9
-2023	Benefits	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	Bonus	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2021	Salary	-	31.7	8.0	5.9	8.0	14.1	12.2	-	-
-2022	Benefits	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	Bonus	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2020	Salary	-	8.7	3.5	-	-	-	-	-	-
-2021	Benefits	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	Bonus	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2019	Salary	-	40.0	16.6	2.5	2.5	-	-	-	-
-2020	Benefits	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	Bonus	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Note: Salary and bonus are compared against all employees of the Group. Benefits and pension are compared against all UK employees, reflecting the Group's policy that benefits are provided by reference to local market levels.

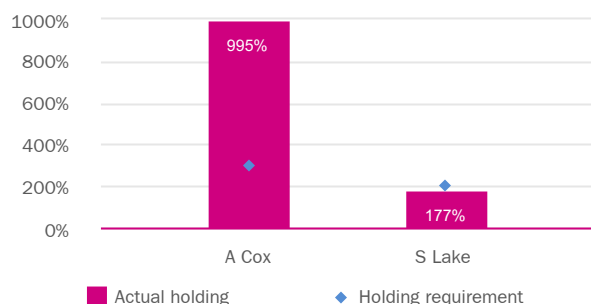
During 2022 and 2023 a number of the Non-Executive Directors joined additional Board Committees and took on interim responsibilities and therefore received additional fees. Therefore, for these Non-Executive Directors, the year-on-year comparisons reflect their additional responsibilities and corresponding fees.

- Adrian received a salary increase above the wider workforce with effect from 1 January 2023 to bring in line with comparator groups.
- Clive C R Bannister was appointed a member of the Beazley plc Board from 8 February 2023 and Chair of the Beazley plc Board and Nomination Committee upon conclusion of the AGM 2023.
- Christine LaSala acted as interim Chair of the Beazley plc Board and Chair of the Nomination Committee from 24 October 2022 until 30 April 2023, returning to Senior Independent Director and member of the Remuneration Committee from 1 May 2023. Christine LaSala also stepped down from the Beazley Furlonge Limited Board on 18 December 2023.
- Robert A Stuchbery acted as interim Senior Independent Director from 24 October 2022 until 30 April 2023, and stepped down as the Beazley plc Risk Chair on 28 September 2023. Robert A Stuchbery was appointed Chair of the Beazley Furlonge Limited Board on 18 December 2023.
- Rajesh K Agrawal joined as a Non-Executive Director of the Remuneration Committee with effect from 26 April 2022 and a Non-Executive Director of the Beazley Insurance Company, Inc Board with effect 5 September 2023.
- Cecilia Reyes Leuzinger joined as a Non-Executive Director of the Beazley plc Board, Audit & Risk Committee and Remuneration Committee with effect from 31 May 2022.
- Fiona M Muldoon joined as a Non-Executive Director of the Beazley plc Board and Audit & Risk Committee with effect from 31 May 2022, and became Chair of the Risk Committee on 29 September 2023.
- With effect from 24 October 2022 Robert A Stuchbery stepped down as employee voice of the Beazley plc Board and Fiona M Muldoon took on the role.

Statement of Directors' shareholdings and share interests

For the year ending 31 December 2023 the CEO had a shareholding requirement of 300% of salary and the GFD had a shareholding requirement of 200% of salary. The CEO has exceeded the shareholding guideline, the GFD has fallen short of the shareholding guideline (see chart below).

Shareholding versus holding requirement



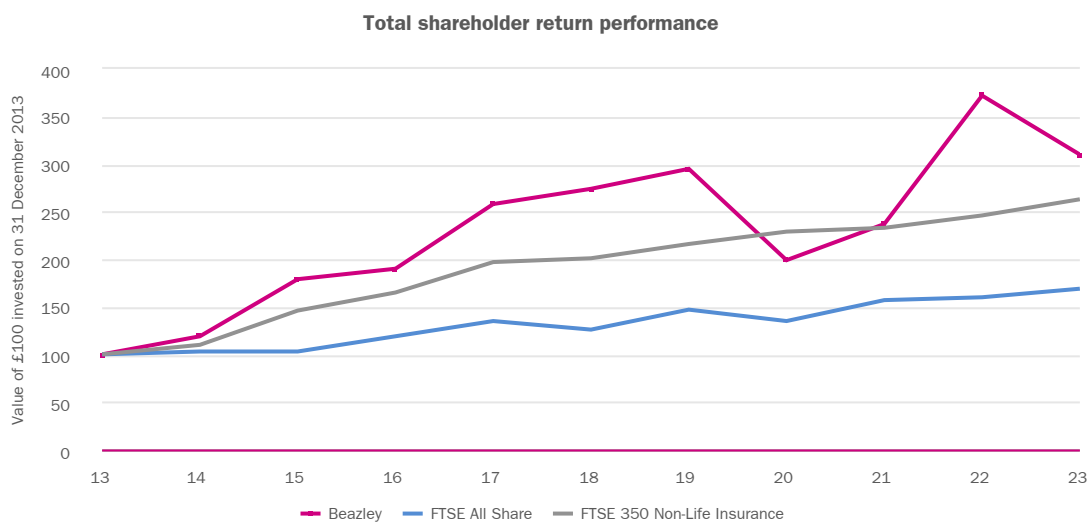
The table below shows the total number of Directors' interests in shares as at 31 December 2023 or date of cessation as a director. As at 4 March 2024, there have been no changes.

Name	Number of shares owned (including by connected persons)	Conditional shares not subject to performance conditions (deferred shares and retention shares)	Nil cost options subject to performance conditions (LTIP awards)	Options over shares subject to savings contracts (SAYE)	Unexercised nil cost options	Options exercised in the year
Adrian P Cox	1,154,248	121,439	915,379	0	9,823	52,428
Sally M Lake	142,818	97,790	524,871	6,250	8,816	23,881
Clive C R Bannister ¹	138,000	-	-	-	-	-
Rajesh K Agrawal	23,000	-	-	-	-	-
Pierre-Olivier Desaulle	27,464	-	-	-	-	-
Nicola Hodson	1,824	-	-	-	-	-
Christine LaSala	53,085	-	-	-	-	-
A John Reizenstein	16,251	-	-	-	-	-
Robert A Stuchbery	97,578	-	-	-	-	-
Fiona M Muldoon	0	-	-	-	-	-
Cecilia Reyes Leuzinger	26,086	-	-	-	-	-

1 Clive C R Bannister was appointed a member of the Beazley plc Board from 8 February 2023 and Chair of the Beazley plc Board and Nomination Committee upon conclusion of the AGM 2023.

CEO Pay versus performance

The following graph sets out Beazley's 10 year total shareholder return performance to 31 December 2023, compared with the FTSE All Share and FTSE 350 Non-Life Insurance indices. These indices were chosen as comparators as they comprise companies listed on the same exchange and, in the case of the Non-Life Insurance index, the same sector as Beazley.



Directors' remuneration report

Annual remuneration report continued

Year	CEO single figure of total remuneration	Annual variable award (% of maximum opportunity)	Long term incentives vesting (% of maximum opportunity)
2014	£3,745,989	74%	100%
2015	£3,711,647	73%	100%
2016	£3,715,146	70%	100%
2017	£3,140,145	38%	98%
2018	£1,524,600	19%	41%
2019	£2,157,018	57%	37%
2020	£631,890	–	6.6%
2021 (D A Horton) ¹	£145,896	–	–
2021 (A P Cox as CEO)	£2,100,534	75%	17.8%
2022	£1,507,155	38%	17.5%
2023	£3,636,444	100%	100%

1. D A Horton stepped down as CEO on 31 March 2021 and was succeeded by A P Cox. The figures for A P Cox relate to the whole of 2021, including the portion of the year when he was Chief Underwriting Officer.

Pay ratio data

The following table provides pay ratio data in respect of the CEO's total remuneration compared to the 25th, median and 75th percentile UK employees.

Financial year	Method	25th percentile pay ratio	Median pay ratio	75th percentile pay ratio
2023	Option A	48:1	29:1	19:1
2022	Option A	28:1	16:1	11:1
2021	Option A	39:1	21:1	14:1
2020	Option A	13:1	7:1	5:1
2019	Option A	42:1	25:1	15:1

The employees used for the purposes of the table above were identified on a full-time equivalent basis as at 31 December 2023. Option A was chosen as it is considered to be the most accurate way of identifying the relevant employees. This captures all relevant pay and benefits and aligns to how the single figure table is calculated.

The following table provides salary and total remuneration information in respect of the employees at each quartile for 2023.

Element of pay	25th percentile employee	Median employee	75th percentile employee
Salary	£47,726	£75,206	£110,000
Total remuneration	£75,585	£125,067	£191,227

Note: Salary and bonus are compared against all employees of the UK Group.

The pay ratios for 2023 have increased in-line with the Group's exceptional performance and are comparable with 2019. This is driven by strong underwriting, record incentive out-turns, significant share price growth and an upturn in investment performance.

In-line with our pay-for-performance culture a significant portion of the CEO's remuneration is variable and dependent on performance. Therefore there is a direct correlation between Company performance, the CEO's single figure and the pay ratios. The Committee is comfortable that the pay ratios for 2023 align to the pay and progression policies for employees and, that the link between individual awards, the delivery of strategy and the long-term performance of the Company through our incentive schemes drive behaviours consistent with company purpose, values and strategy and appropriately motivate and reward.

Relative importance of spend on pay

The following table shows the relative spend on pay compared to distributions to shareholders:

	Overall expenditure on pay	Shareholder distributions (dividends in respect of the year)
2023	\$449.3m	\$118m
2022	\$302.5m	\$110m

Directors' share plan interests -

Details of share plan interests of those Directors who served during the period are as follows:

	Outstanding options at 1 Jan 2023	Options granted	Options exercised	Lapsed unvested	Outstanding options at 31 Dec 2023
Adrian P Cox					
Deferred bonus:	134,472	32,307	45,340	0	121,439
LTIP (see notes):	694,707	307,543	7,088	79,783	915,379
SAYE:	0	0	0	0	0
Sally M Lake					
Deferred bonus:	93,736	25,464	21,410	0	97,790
LTIP (see notes):	398,473	178,252	2,471	49,383	524,871
SAYE:	6,250	0	0	0	6,250

Notes to share plan interests table

Deferred bonus	Deferred bonus awards are made in the form of conditional shares that normally vest three years after the date of award.
LTIP awards	Performance conditions: all awards are subject to NAVps performance, with 50% measured over a three year period and 50% measured over a five year period. NAVps < RFR+7.5% p.a. equates to 0% vesting, NAVps = RFR+7.5% p.a. equates to 10% vesting, NAVps = RFR+10% p.a. equates to 25% vesting, NAVps = or > RFR+15% p.a. equates to 100% vesting, with straight-line pro-rated vesting between these points.
LTIP 2017 – 3/5 year	Awards were made on 8 February 2017 at a mid-market share price of 434.33p. Awards expire in February 2027.
LTIP 2018 – 3/5 year	Awards were made on 13 February 2018 at a mid-market share price of 553.33p. Awards expire in February 2028.
LTIP 2019 – 3/5 year	Awards were made on 12 February 2019 at a mid-market share price of 510.16p. Awards expire in February 2029.
LTIP 2020 – 3/5 year	Awards were made on 11 February 2020 at a mid-market share price of 595.5p. Awards expire in February 2030.
LTIP 2021 – 3/5 year	Awards were made on 10 February 2021 at a mid-market share price of 367.0p. Awards expire in February 2031.
LTIP 2022 – 3/5 year	Awards were made on 15 February 2022 at a mid-market share price of 485.3p. Awards expire in February 2032.
LTIP 2023 – 3 year	Awards were made on 19 May 2023 at a mid-market share price of 609.67p. Awards expire in May 2033.

Share prices

The market price of Beazley ordinary shares at 29 December 2023 (the last trading day of the year) was 522.0p and the range during the year was 503.0p to 687.5p.

Remuneration Committee

The Committee consists of only Non-Executive Directors and during the year the members were; Christine LaSala, Nicola Hodson, Cecilia Reyes Leuzinger, Rajesh K Agrawal and Robert A Stuchbery. The Board views each of the Committee members as independent.

The Committee considers the individual remuneration packages of the CEO, Executive Directors and Executive Committee members. It also has oversight of the salary and bonus awards of individuals outside the Executive Committee who either directly report to Executive Committee members or who have basic salaries over £200,000, as well as the overall bonus pool and total incentives paid by the Group. The terms of reference of the Committee are available on the Company's website. The Committee met six times during the year. Further information on the key activities of the Committee for 2023 can be found within the Board Governance section on page 121.

Directors' remuneration report

Annual remuneration report continued

During the year the Committee was advised by remuneration consultants from Deloitte LLP. Total fees in relation to Executive remuneration consulting were £104,000. Deloitte LLP also provided advice in relation to share schemes, tax, internal audit and compliance support.

Deloitte LLP was appointed by the Committee. Deloitte LLP is a member of the remuneration consultants' Group and as such voluntarily operates under a code of conduct in relation to Executive remuneration consulting in the UK. The Committee agrees each year the protocols under which Deloitte LLP provides advice, to support independence. The Committee is satisfied that the advice received from Deloitte LLP has been objective and independent.

Input was also received by the Committee during the year from the CEO, Head of Culture & People, Company Secretary and Chief Risk Officer. However, no individual plays a part in the determination of their own remuneration.

Engagement with the workforce

As part of the regular cycle, the Committee is informed of pay and employment conditions of wider employees in the Group and takes these into account when determining the remuneration for Executive Directors.

Statement of shareholder voting

The voting outcomes for the 2022 remuneration policy and annual remuneration report were as follows:

	Votes for	% for	Votes against	% against	Total votes cast	Votes withheld (abstentions)
2022 remuneration policy	475,662,878	95.26%	23,682,695	4.74%	499,345,573	10,187,696
2022 annual remuneration report	449,211,909	91.16%	43,542,160	8.84%	492,754,069	16,779,200

Annual general meeting

At the forthcoming AGM to be held on 25 April 2024, a binding resolution will be proposed to approve the Directors' remuneration policy and an advisory resolution will be proposed to approve this annual remuneration report.

I am keen to encourage an ongoing dialogue with shareholders. Accordingly, if you would like to discuss any matter arising from this report or remuneration issues generally, please email Christine Oldridge at christine.oldridge@beazley.com.

By order of the Board

Nicola Hodson

Remuneration Committee Chair

6 March 2024

Statement of Directors' responsibilities in respect of the annual report and financial statements

The Directors are responsible for preparing the annual report and the Group financial statements in accordance with applicable United Kingdom law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the Group and parent company financial statements in accordance with UK adopted International Financial Reporting Standards (IFRSs) in conformity with the Companies Act 2006.

Under the Financial Conduct Authority's Disclosure Guidance and Transparency Rules, Group financial statements are required to be prepared in accordance with UK adopted IFRSs and the requirements of the Companies Act 2006.

Under company law the Directors must not approve the Group financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of the profit or loss of the Group and the Company for that period.

In preparing these financial statements the Directors are required to:

- select suitable accounting policies in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Group's financial position and financial performance;
- in respect of the Group financial statements, state whether UK adopted IFRSs and the requirements of the Companies Act 2006 have been followed, subject to any material departures disclosed and explained in the financial statements;
- in respect of the parent company financial statements, state whether IFRSs in conformity with the Companies Act have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is appropriate to presume that the Company and the Group will not continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's and Group's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and enable them to ensure that the Company and the Group financial statements comply with Section 403 of the Companies Act 2006. They are responsible for such internal control as they determine is

necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a strategic report, Directors' report, Directors' remuneration report and corporate governance statement that complies with that law and those regulations.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to auditor

Each of the Directors in office at the date of approval of this Directors' report confirms that, so far as they are aware, there is no relevant audit information of which the Company's Auditors are unaware; and each Director has taken all the steps that he or she ought to have taken as a Director to make himself or herself aware of any relevant audit information and to establish that the Company's Auditors are aware of that information.

Responsibility statement of the directors in respect of the annual financial report

Each of the Directors, whose details can be found on pages 80 to 82, to the best of their knowledge confirm:

- that the consolidated financial statements, prepared in accordance with UK adopted IFRSs and the requirements of the Companies Act 2006 give a true and fair view of the assets, liabilities, financial position and profit of the parent company and undertakings included in the consolidation taken as a whole;
- that the annual report, including the strategic report and the Directors' report, together includes a fair review of the development and performance of the business and the position of the Company and undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face; and
- that they consider the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy.

C Bannister
Chair

S M Lake
Group Finance Director

6 March 2024

Directors' report

“I have enjoyed supporting the Board through another busy year and engaging with shareholders on our AGM results and incentive arrangements. I look forward to welcoming the new Directors to our Board in 2024.”

Christine Oldridge
Company Secretary



Principal activity

Beazley plc (registered number 09763575) is the ultimate holding company for the Beazley Group, a global specialist risk insurance and reinsurance business operating through its managed syndicates at Lloyd's in the UK; Beazley Insurance Company, Inc., Beazley Excess and Surplus Insurance, Inc., and Beazley America Insurance Company, Inc., which are admitted insurance carriers in the US; and Beazley Insurance dac, a European insurance company in Ireland.

Management report

The Directors' report, together with the strategic report on pages 1 to 74, and the governance report on pages 76 to 151, serves as the management report for the purpose of Disclosure, Guidance and Transparency Rule 4.1.8R.

Directors' responsibilities

The statement of Directors' responsibilities in respect of the annual report and financial statements is set out on page 146.

Review of business

A more detailed review of the business for the year and a summary of future developments are included in the statement of the Chair, the Chief Executive's statement and the financial review.

Results and dividends

The consolidated profit before taxation for the year ended 31 December 2023 amounted to \$1,254.4m (2022: \$584.0m). The Directors have approved an interim dividend of 14.2p (2023: 13.5p) payable in April 2024.

Future business developments

Information relating to future business developments can be found in the strategic report.

Going concern and viability statement

The financial review from page 60 contains details of the financial position of the Group, its cash flows and its borrowing facilities.

After reviewing the Group's current and forecast solvency and liquidity positions, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence over a period of 12 months from the date of this report. For this reason, the Board considers it appropriate for the Group to continue to adopt the going concern basis in preparing its accounts.

Further information on the Board's assessment of the Group as a going concern is contained in Note 1e to the financial statements on page 172.

In accordance with the UK Corporate Governance Code (the Code), the Directors have assessed the viability of the Group. The viability statement, which supports the going concern basis mentioned above, is included in the Risk management report on pages 73 to 74.

Information to be disclosed under LR9.84R

	Location
Information on interest capitalised	Note 26 (page 214)
Details of long-term incentive schemes	Directors' Remuneration Report (page 126)

The trustees of the Employee Benefit Trust (EBT) waived its rights to receive dividends on shares it holds for Beazley's employees.

Research and development

In the ordinary course of business, the Group develops new products and services in each of its business divisions and develops IT solutions to support business requirements.

Auditor

Ernst & Young LLP (EY) has indicated its willingness to continue in office. Resolutions to reappoint EY as auditor of the Company and authorise the Audit Committee to determine their remuneration will be proposed at the 2024 AGM.

Directors

The Directors of the Company who served during 2023 and/or to the date of this report were as follows:

Adrian Cox	Chief Executive
Anthony (John) Reizenstein	Non-Executive Director
Cecilia Reyes Leuzinger	Non-Executive Director
Christine LaSala	Non-Executive Director (interim Non-Executive Chair until 25/04/2023)
Clive Bannister	Non-Executive Director (appointed 08/02/2023)/Chair (appointed 25/04/2023)
Fiona Muldoon	Non-Executive Director
Nicola Hodson	Non-Executive Director
Pierre-Oliver Desaulle	Non-Executive Director
Rajesh Agrawal	Non-Executive Director
Robert Stuchbery	Non-Executive Director
Sally Lake	Group Finance Director

The Board is complying with the provision on annual re-election of all Directors in accordance with the Code. The appointment and replacement of Directors is governed by the Company's Articles of Association (the Articles), the Code, Companies Act 2006 and related legislation. Directors may be appointed by ordinary resolution of the Company or by the Directors. Each Director shall retire and be eligible for election or re-election at each annual general meeting. Directors appointed may be appointed to hold any employment or executive office with the Company. Directors may be removed from office by special resolution of the Company. The Articles may be amended by a special resolution of the shareholders. Subject to the Articles, Companies Act 2006 and any directions given by special resolution, the business of the Company will be managed by the Board which may exercise all the powers of the Company.

Directors' interests

The Directors' interests in shares of the Company, for those Directors in office at the end of the year, including any interests of a connected person (as defined in the Disclosure, Guidance and Transparency Rules of the UK's Financial Conduct Authority), can be found in the Directors' remuneration report on page 124. Details of Directors' service contracts are given in the Directors' remuneration report. The Directors' biographies are set out in the 'Board of Directors' section of the annual report on pages 80 to 82.

Directors' indemnities

The Company maintains Directors' and Officers' Liability insurance which gives cover for legal action taken against its Directors, subject to its terms. The Company has also granted indemnities to each of its Directors to the extent permitted by law in respect of costs of defending claims against them and third-party liabilities. A copy of the indemnity is available for inspection at the Company's registered office during normal business hours. These provisions, deemed to be 'qualifying third-party indemnity provisions' pursuant to section 234 of the Companies Act 2006, were in force during the year ended 31 December 2023 for the benefit of the then Directors of the Company and remain in force as at the date of this report for the current Directors of the Company. Indemnities have also been granted to directors of three of the Company's wholly owned subsidiaries. There is also Directors' and Officers' Liability insurance in place which covers directors on all direct and indirect subsidiaries of the Beazley Group.

Conflicts of interest

The Board has established procedures for the management of potential and actual conflicts of interest of the Directors in accordance with the Companies Act 2006 and the Articles of Association. All Directors are responsible for notifying the Company Secretary and declaring at each Board meeting any new actual or potential conflicts of interest. The Directors are also responsible for declaring any existing conflicts of interest which are relevant to transactions to be discussed at the Board meeting. None of the Directors had any significant contract with the Company or with any Group undertaking during the year.

Substantial shareholdings

As at 31 December 2023, the Board had been notified of the following shareholdings of 3% or more of the Company's issued ordinary share capital, in accordance with Disclosure and Transparency Rule (DTR) 5. The information provided below was correct at the date of notification. The Company has only disclosed those interests of which it has been notified. It should be noted that these holdings are likely to have changed since being notified to the Company. However, notification of any change is not required until the next applicable threshold is crossed.

	Number of ordinary shares	%
Fidelity Management & Research	44,225,198	6.6
Wellington Management	34,357,006	5.1
BlackRock	33,587,793	5.0
MFS Investment Management	26,529,103	5.0
Invesco	16,181,198	3.0

The Company has not been notified of any changes to these shareholdings between 1 January 2024 and 5 March 2024.

Note: All percentages are calculated at the date of notification. All interests disclosed to the Company in accordance with DTR 5 can be found in the news and alerts section of our corporate website: www.beazley.com

Directors' report continued

Share capital

As at 31 December 2023, the Company's issued share capital comprised 672,542,440 representing 100% of the total issued share capital. Details of the movement in ordinary share capital during the year can be found in Note 22 on page 209. The Company also has two deferred shares of £1 in issue. The rights attached to the shares are set out on the Company's Articles. There are no restrictions on the transfer of shares in the Company other than as set out in the Articles and certain restrictions which may from time to time be imposed by law and regulations.

Authority to purchase own shares

On 25 April 2023 shareholders approved an authority, which will expire on 25 July 2024 or, if earlier, at the conclusion of the 2024 Annual General Meeting (AGM), for the Company to repurchase up to a maximum of 67,120,402 ordinary shares (representing approximately 10% of the Company's issued ordinary share capital at that time).

The Board continues to regard the ability to repurchase issued shares in suitable circumstances as an important part of the financial management of the Company. As noted in the Chair's Statement on page 8, the Company intends to use the authority this year to commence a share buyback programme. More detail about this proposal will be given in an announcement to the market and in the notice of the AGM. A resolution will also be proposed at the 2024 AGM to renew the authority for the Company to purchase its own share capital up to the specified limits for a further year.

Employee Benefit Trust

The Company has an EBT. Details of the shares held by the EBT as at 31 December 2023 are set out in Note 23. During the year shares have been released from the EBT in respect of shares schemes for employees. The trustee of the EBT does not vote the shares it holds on behalf of employees at the AGM and waives its right to dividends on the shares.

Significant agreements – change of control

Details of an agreement to which the Company is party that alters on change of control of the Company following a takeover bid are as follows.

In 2023, we renewed the \$450m multi-currency standby letter of credit and revolving credit facility. Key terms remain unchanged. The agreement, which is between the Company, other members of the Group and various banks, provides that if any person or groups of persons acting in concert gains control of the Company or another Group obligor, then: (a) the banks are thereafter not obliged to participate in any new revolving advances or issue any letter of credit; and (b) the facility agent may:

- (i) require the Group obligors to repay outstanding revolving advances made to them together with accrued interest; and
- (ii) ensure that the liabilities under letters of credit are reduced to zero or otherwise secured by providing cash collateral in an amount equal to the maximum actual and contingent liabilities under such letters of credit.

Furthermore, the facility agreement includes a covenant that no Group obligor (other than a wholly owned subsidiary) will, without prior consent of the banks, amalgamate, merge (within the meaning of generally accepted accounting principles in the UK), consolidate or combine by scheme of arrangement or otherwise with any other corporation or person. If this covenant should be breached without prior consent, then the facility agent may: (a) require the Group obligors to repay outstanding revolving advances made to them together with accrued interest; (b) ensure that the liabilities under letters of credit are reduced to zero or otherwise secured by providing cash collateral in an amount equal to the maximum actual and contingent liabilities under such letters of credit; (c) declare that any unutilised portion of the facility is cancelled; and (d) give a notice of non-extension to Lloyd's in respect of any letter of credit.

Annual general meeting

The AGM of the Company will be held on 25 April 2024 at 14:30. The notice of the AGM details the business to be put to shareholders.

Corporate, social and environmental responsibility and charitable donations

The Company's corporate, social and environmental activities are set out in the statement of the Chair on page 8, the Responsible Business report on pages 17 to 21, and in the TCFD statement from pages 22 to 44. During 2023, Beazley and employees donated \$602,932 to charities.

Employee engagement

We are committed to employee involvement across the business. We place great emphasis on open and regular communication, to ensure employees are well informed of Beazley's performance and strategy. Active employee engagement has always been a priority and has become increasingly important due to our activity-based working policies which allow colleagues to work flexibly and as many of our teams are based across different locations.

During 2023, all employees were invited to participate in surveys on the business and its culture, and on Beazley's leadership. An independent culture review was also carried out. The key findings from these surveys and actions to address these findings were discussed by the Board. Insight gained through various employee networks and via the day-to-day engagement of senior management with the workforce was also shared with the Board. In addition, employee views have been obtained by the Non-Executive Director nominated by the Board, Fiona Muldoon. Throughout the year, Fiona has attended a variety of forums with employees to get direct feedback.

Information on our employee engagement activities and how feedback has informed decisions can be found in the Stakeholder Engagement report on pages 50 to 51.

Employees are able to share financially in Beazley's success. Annual bonus payments may be awarded and relate to the performance of the Company, as well as an individual's own performance. Some of the bonus payment may be deferred into shares. The Company operates a Save As You Earn

scheme to support share ownership amongst employees, and a long-term incentive plan is offered to senior employees. A share incentive plan is also set to be launched in 2024, to provide an additional mechanism for employees to share in Beazley's success.

Inclusion & diversity and equal opportunity

Information concerning inclusion and diversity, including statistics on the number of women in senior leadership roles, can be found in the Responsible Business section on pages 17 to 21 and in the Nomination Committee report on pages 100 to 105.

A key part of Beazley's strategy is to attract and nurture talented colleagues who champion diversity of thought. We are committed to providing equal opportunities irrespective of age, disability, gender reassignment, marital status, pregnancy and maternity, race, nationality or ethnic origin, religion or religious beliefs, sexuality, socio-economic group or working pattern. We hire people with wide perspectives leading to a more dynamic, innovative, and responsive organisation in touch with the changing world and marketplace. All applications for employment are objectively assessed on the basis of the skills and aptitudes of the applicant in light of the requirements of the role.

It is the policy of the Group that full and fair consideration is given to all job applications from disabled people. The policy also requires that the training, career development and promotion of disabled persons should, so far as possible, be identical to that of other employees. In the event an employee becomes disabled, every effort is made to ensure that their employment with the Group continues, and that appropriate support is arranged.

Political donations policy

It is the policy of the Beazley Group that no political donations are made by and on behalf of the Company and its subsidiaries.

Financial instruments

Derivatives are used to manage the Group's capital position, details of these derivatives are contained in Note 19 to the financial statements. Disclosure with respect to financial risk is included in the Risk management and compliance report from page 69 and in Note 30 to the financial statements.

Carbon emissions

The following data is set out to demonstrate compliance with the Streamlined Energy and Carbon Reporting (SECR) requirements set out by HM UK Government in the Companies Act 2006 (strategic report and Directors' report) Regulations 2013 and the Companies (Directors' report) and Limited Liability Partnerships (energy and carbon report) Regulations 2018.

Methodology

The scope of this reporting differs from the carbon emissions reported in the metrics section of the TCFD report, in that it

only covers UK-based operations. Global comparisons for overall energy consumption are also provided for reference. Data has been collated from a number of sources. For all travel including car hire, hotels, rail, air and taxi use data has been provided from our booking agent partners, or through invoices on our accountancy system. Energy data and company car details have been sourced from utility bills and lease agreements, respectively.

Company cars

There were eight company cars used across 2023 of which five are current at the end of 2023. All five cars are either hybrids or electric.

Electricity for utilities

The scope of reporting for SECR covers Beazley's UK operations in London and Birmingham. Global reporting covers: Dublin (Ireland), Munich (Germany), Paris (France), Barcelona (Spain), Singapore (Asia), Atlanta (US), Boston (US), Chicago (US), Dallas (US), Farmington (US), New York (US), San Francisco (US), Philadelphia (US), Denver (US), Houston (US), Los Angeles (US), Miami (US), Vancouver (Canada), Toronto (Canada), and Montreal (Canada). Beazley's Hamburg office, as well as US subsidiaries, Lodestone (Lewisville) & BHI Digital (Miami), are excluded.

Exclusions

Energy consumption from business travel, with the exception of company cars and hire cars, has not been included as Beazley does not operate the transport in question.

Energy report

Beazley has a total of 2457.58 FTE staff (including contractors) as at 1 January 2024, of which are considered in scope for the global energy consumption reported in the tables below. Within the UK, Beazley has 1269.78 FTE (including contractors). This is equivalent of 51.66% of our global workforce.

Company cars

The total estimated kWh equivalent for fuel consumption in 2023 is 31,071.12 kWh.

Energy for heating, cooling and small power

There was no direct gas use within Beazley operations in 2023, with landlords providing heating to our offices.

Electricity	Energy consumption kWh	
	2022	2023
UK	758,294	771,063
Europe	223,294	176,516
USA	1,607,857	1,480,816
Rest of World	222,642	128,016
Total	2,812,088	2,556,411

Directors' report continued

We were able to procure energy from certified renewable sources for the following locations in 2023:

Office location	Energy consumption (kWh)
London	628,432
Dublin	61,258
San Francisco	53,732

Car hire

The energy use from UK car hire was estimated to be 110.61kWh. Globally energy use from car hire was estimated to be 42,030.55kWh.

Overall energy consumption

Within the scope of the SECR, total energy consumption within the UK was 802,244.41kWh. This equates to 631.80kWh/ FTE in 2023, down from 759.82 kWh/ FTE in 2022. This reduction is primarily due to reduction in office space Beazley held in 2023, when compared to 2022.

For carbon emissions associated with Beazley's operations in the UK, please see page 42 of this report for Scope 1 and Scope 2 emissions.

Target for 2024

Beazley is currently in the process of setting new targets for the reduction of GHG emissions. These will be published in Beazley's new ESG strategy, later in 2024.

Matters disclosed in the strategic report

The Directors consider the following matters of strategic importance and have chosen to disclose these in the strategic report to the accounts as permitted by section 414C (11) of the Companies Act 2006:

Future business developments	Chief Executive's statement (pages 10 to 11) Chief Underwriting Officer's report (page 12 to 14)
Employee engagement	Stakeholder engagement report (pages 50 to 51)
How the Directors have had regard to the need to foster business relationships with suppliers, customers and others, and the impact of this regard on decision making	Stakeholder engagement report (pages 50 to 56) Section 172 statement (page 57)
Corporate governance report	Pages 83 to 99
Directors' service contracts	Directors' Remuneration Report (pages 138 to 139)

Matters disclosed elsewhere within the annual report

The following matters are disclosed in the notes to the financial statements:

Financial risk management objectives and policies including credit risk, liquidity risk	Note 30 (pages 228 to 241)
Details of hedge accounting and derivative financial instruments	Note 3 (page 183)
Details of any overseas branches	Note 31 (page 242)
Recent developments and post balance sheet events	Note 34 (page 245)

C P Oldridge

Company Secretary

22 Bishopsgate
London
EC2N 4BQ

6 March 2024

Independent auditor's report to the members of Beazley plc

Opinion

In our opinion:

- Beazley plc's Group financial statements and parent company financial statements (the "financial statements") give a true and fair view of the state of the Group's and of the parent company's affairs as at 31 December 2023 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with UK adopted international accounting standards as applied in accordance with section 408 of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Beazley plc (the 'parent company') and its subsidiaries (the 'Group') for the year ended 31 December 2023 which comprise:

Group	Parent company
Consolidated statement of profit or loss for the year ended 31 December 2023	Company statement of financial position as at 31 December 2023
Consolidated statement of comprehensive income for the year ended 31 December 2023	Company statement of changes in equity for the year ended 31 December 2023
Consolidated statement of changes in equity for the year ended 31 December 2023	Company statement of cash flows for the year ended 31 December 2023
Consolidated statement of financial position as at 31 December 2023	Related notes 1 to 9 to the financial statements, including material accounting policy information
Consolidated statement of cash flows for the year ended 31 December 2023	
Related notes 1 to 34 to the financial statements, including material accounting policy information	

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards and as regards the parent company financial statements, as applied in accordance with section 408 of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group and parent in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Group or the parent company and we remain independent of the Group and the parent company in conducting the audit.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the Group and parent company's ability to continue to adopt the going concern basis of accounting involved evaluating the reasonableness of the Group's going concern assessment. Beazley's going concern assessment period used was 12 months from the date the financial statements were authorised for issue. We verified that the Board approved the forecasts used in management's analysis and determined whether management's going concern period was appropriate. We challenged and independently stressed the assumptions used by Beazley to develop their forecast, which included liquidity projections and reviewed the clerical accuracy of Beazley's base case, as well as assessed the accuracy of management's historic forecasts to actual performance. Furthermore, management assessed the Group's solvency and liquidity position if a natural catastrophe or cyber catastrophe occurred, including potential mitigation actions that management could take to maintain viability. We evaluated the reasonableness and timeliness of these mitigating actions that management could put in place.

Auditors' report continued

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and parent company's ability to continue as a going concern for a period of twelve months from the date the financial statements are authorised for issue.

In relation to the Group and parent company's reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Group's ability to continue as a going concern.

Overview of our audit approach

Audit scope	<ul style="list-style-type: none">• We performed an audit of the complete financial information of two components (UK fully-aligned Syndicates and Beazley Insurance Company Inc ('BICI')) and audit procedures on specific balances for a further five components (Beazley Insurance Designated Activity Company ('BIDAC'), Beazley Furlonge Limited ('BFL'), Beazley Management Limited ('BML'), Beazley plc and Beazley Services USA Inc. ('BUSA')).• The components where we performed full or specific audit procedures accounted for 92% of Profit before tax, 100% of Insurance Revenue and 95% of Total assets.
Key Audit Matters	<ul style="list-style-type: none">• Revenue recognition (CSM release and experience adjustments)• Valuation of (re)insurance contract assets/liabilities• Valuation of level 3 financial investments
Materiality	<ul style="list-style-type: none">• Overall Group materiality of \$27m (2022: \$11.3m) which represents 5% of pre-tax profits on a 5-year average adjusted for Covid-19 losses in 2020 and the gain on sale of the Beazley Benefit business in 2021. (2022: 5% of pre-tax profits on a 5-year average adjusted for Covid-19 losses in 2020 and the gain on sale of the Beazley Benefit business in 2021).

An overview of the scope of the parent company and Group audits

Tailoring the scope

Our assessment of audit risk, our evaluation of materiality and our allocation of performance materiality determine our audit scope for each company within the Group. Taken together, this enables us to form an opinion on the consolidated financial statements. We take into account size, risk profile, the organisation of the Group and effectiveness of group-wide controls, changes in the business environment, the potential impact of climate change and other factors when assessing the level of work to be performed at each company.

In assessing the risk of material misstatement to the Group financial statements, and to ensure we had adequate quantitative coverage of significant accounts in the financial statements, of the 34 legal entities within the Group, we selected seven components covering entities within UK, Ireland and US, which represent the principal business units within the Group.

Of the seven components selected, we performed an audit of the complete financial information of two components ("full scope components") which were selected based on their size or risk characteristics. For the remaining five components ("specific scope components"), we performed audit procedures on specific accounts within that component that we considered had the potential for the greatest impact on the significant accounts in the financial statements either because of the size of these accounts or their risk profile. For group-wide processes we performed audit procedures over the specific accounts which consist of all IFRS 17 related adjustments, Taxation, Cash and cash equivalents, Share based payments, Right of use assets, Lease liabilities, Financial assets and Intangible assets.

Details of the seven reporting components are set out below:

Component	Scope	Auditor
UK fully-aligned Syndicates (Syndicates 2623, 3623 & 3622)	Full	EY Component Team (UK)
Beazley Insurance Company Inc. ('BICI')	Full	EY Component Team (New York)
Beazley Services USA Inc. (BUSA)	Specific	EY Component Team (New York)
Beazley Insurance Designated Activity Company ('BIDAC')	Specific	EY Primary Team
Beazley Furlonge Limited (BFL)	Specific	EY Primary Team
Beazley Management Limited (BML)	Specific	EY Primary Team & EY Component Team (New York)
Beazley Plc	Specific	EY Primary Team

The reporting components where we performed audit procedures accounted for 92% (2022: 95%) of the Group's Profit before tax, 100% of the Group's Insurance Revenue (2022: 96% of the Group's Revenue) and 95% (2022: 98%) of the Group's Total assets. For the current year, the full scope components contributed 79% (2022: 87%) of the Group's Profit before tax, 93% of the Group's Insurance Revenue (2022: 89% of the Group's Revenue) and 18% (2022: 7%) of the Group's Total assets. The specific scope component contributed 13% (2022: 8%) of the Group's Profit before tax, 7% of the Group's Insurance Revenue (2022: 7% of the Group's Revenue) and 77% (2022: 91%) of the Group's Total assets. The audit scope of these components may not have included testing of all significant accounts of the component but will have contributed to the coverage of significant accounts tested for the Group.

Of the remaining 27 legal entities that together represent 8% (2022: 5%) of the Group's Profit before tax, none are individually greater than 3% of the Group's Profit before tax. For these components, we performed other procedures, including analytical review, testing of significant balances, review of consolidation journals and intercompany eliminations to respond to any potential risks of material misstatement to the Group financial statements.

Changes from the prior year

In the prior year we determined scoping based on individual Syndicates, which meant that Syndicate 2623 was designated a full scope component and Syndicate 3623 was specific scope. For the 2023 audit, in light of how the Syndicates report on IFRS 17 internally, we have reassessed this approach and have concluded that the fully-aligned Syndicates are treated as one component due to these being managed together with the same support function and finance team.

Furthermore, the EY Primary Team have audited all the IFRS 17 adjustments for the Group as these are booked centrally.

Involvement with component teams

In establishing our overall approach to the Group audit, we determined the type of work that needed to be undertaken at each of the components by us, as the primary audit engagement team, or by component auditors from EY UK and other global network firms operating under our instruction.

The primary audit team provided detailed audit instructions to the component teams which included guidance on areas of focus, including the relevant risks of material misstatement detailed above, and set out the information required to be reported to the primary audit team.

For three specific scope components (BIDAC, BFL and Beazley plc) and all group-wide processes, all audit procedures were performed directly by the primary audit team whilst for BML (specific scope), the audit procedures were performed by the primary audit team and the component audit team in the United States of America. UK fully-aligned Syndicates (full scope component) was audited by a component audit team in the United Kingdom, and the full scope component BICI and the specific scope component BUSA were audited by a component audit team in the United States of America. For the companies where the work was performed by component auditors, we determined the appropriate level of involvement to enable us to determine that sufficient audit evidence had been obtained as a basis for our opinion on the Group as a whole.

The Senior Statutory Auditor, Stuart Wilson, maintained oversight of the UK and US component teams through a programme of meetings (both in person and virtual) with management of each significant component and held regular team interactions with the component teams during various stages of the audit.

The work performed on the components, together with the additional procedures performed at Group level, gave us appropriate evidence for our opinion on the Group financial statements.

Auditors' report continued

Climate change

Stakeholders are increasingly interested in how climate change will impact Beazley. The Group has determined that the most significant future impacts from climate change on their operations will be from underwriting portfolio management, exposure risk appetite management and investment portfolio management. These are explained on pages 22 to 44 in the required Task Force for Climate related Financial Disclosures. These disclosures form part of the "Other information," rather than the audited financial statements. Our procedures on these unaudited disclosures therefore consisted solely of considering whether they are materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appear to be materially misstated, in line with our responsibilities on "Other information".

In planning and performing our audit we assessed the potential impacts of climate change on the Group's business and any consequential material impact on its financial statements.

The Group has explained in the Statement of accounting policies how they have reflected the impact of climate change in their financial statements. Significant judgements and estimates relating to climate change are included in note 3a. In note 30 to the financial statements supplementary sensitivity disclosures of the impact of the frequency and severity of natural catastrophes has been provided.

Our audit effort in considering the impact of climate change on the financial statements was focused on evaluating management's assessment of the impact of climate risk, physical and transition, and the significant judgements and estimates disclosed in note 3a and whether these have been appropriately reflected in asset values and associated disclosures where values are determined through modelling future cash flows. As part of this evaluation, we performed our own risk assessment, supported by our climate change internal specialists, to determine the risks of material misstatement in the financial statements from climate change which needed to be considered in our audit.

We also challenged the directors' considerations of climate change risks in their assessment of going concern and viability and associated disclosures. Where considerations of climate change were relevant to our assessment of going concern, these are described above.

Based on our work we have not identified the impact of climate change on the financial statements to be a key audit matter or to impact a key audit matter.

Whilst the Group have stated their commitment to the aspirations of the Paris Agreement to achieve net zero emissions by 2050, the Group is currently unable to determine the full future economic impact on its business model, operational plans and customers to achieve this. Therefore as set out above the potential impacts are not fully incorporated in these financial statements.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in our opinion thereon, and we do not provide a separate opinion on these matters.

Risk	Our response to the risk	Key observations communicated to the Audit Committee
<p>Revenue recognition (Contractual Service Margin ('CSM') release (\$691.4m, PY comparative \$565.2m) and experience adjustments (\$503.7m, PY comparative (\$434.6m))</p> <p><i>Refer to Accounting policies (page 182) and Note 5 of the Consolidated Financial Statements (page 189).</i></p> <p>At initial recognition, the CSM relates to the unearned profit under (re)insurance contracts issued. As services are provided under the terms of these (re)insurance contracts, the CSM is released to the Consolidated statement of profit or loss, reflecting the profit relating to services performed in the period.</p> <p>There is a high degree of complexity and estimation involved in deriving the release patterns. Experience adjustments within revenue represent the difference between the estimate of future cashflows and the actual cashflows received. As such, experience adjustments reflect a write-up or down of estimates to known quantities once cash has been received.</p> <p>Although the adjustment is to a known quantity, this balance is susceptible to a higher degree of judgement and uncertainty as a result of having to allocate the experience adjustments to revenue or to the CSM. Given this potential to manipulate the timing of the recognition of revenue, for similar reasons to the CSM release above this represents a higher risk of material misstatement.</p>	<p>We engaged our actuaries as part of our audit team and performed the following procedures:</p> <ul style="list-style-type: none"> • Performed walkthroughs of the IFRS 17 model including the determination of the CSM release and experience adjustment. We tested the design effectiveness of key controls. • We compared the appropriateness of Beazley's methodology for the release of the CSM to profit or loss to the requirements of IFRS 17. We identified unusual release patterns and challenged management on these to understand the appropriateness of the release patterns selected. • We recalculated the experience adjustment and compared this to the amount recognised in the consolidated statement of profit or loss. • We tested all out of model adjustments posted by management and compared to supporting documentation. • The measurement of the experience adjustment depends on complete and accurate data to be used in the IFRS 17 Calculation Engine, the most significant data source being ultimate premium. With support from our EY actuarial team, we performed independent re-projections of ultimate premium per underwriting year for the 2022 and prior underwriting years, applying our own assumptions and comparing these to the Group's booked ultimate premium on a class of business including distribution channel basis. Where there were significant variances, we challenged management's assumptions used for bias and consistency in approach from prior year. • For a sample of policy estimates in respect of the 2023 underwriting year, we corroborated the estimated premium for policies such as binders and inward reinsurance to supporting evidence such as signed slips. Additionally, to corroborate estimates, including for coverholder business, where similar policies and binders have been written previously, we performed back testing of historical estimated premium income compared to actual premium signed. 	<p>Based on our procedures performed we are satisfied that revenue has been recognised in-line with the requirements of IFRS 17.</p>

Auditors' report continued

Key observations
communicated to the Audit
Committee

Risk	Our response to the risk	Key observations communicated to the Audit Committee
Valuation of (re)insurance contract assets and liabilities (Insurance Contract Assets: \$101.5m, PY comparative (\$84.1m); Insurance Contract Liabilities: \$7,992.2m, PY comparative (\$7,349.8m; Reinsurance Contract Assets: \$2,426.7m, PY comparative (\$2,175.3)m; Reinsurance Contract Liabilities: \$333.5m, PY comparative (\$161.2m)		

Refer to the Audit Committee Report (pages 110 to 111); Accounting policies (pages 178 to 183) and Note 28 of the Consolidated Financial Statements (pages 216 to 226)

One of the most significant financial statement risk areas from both a business and an audit perspective is the valuation of the insurance and reinsurance contract assets and liabilities held by the Group. These accounts contain the present value for future cash flows and risk adjustment for non-financial risk which builds up the Contractual Service Margin ('CSM'). This involves highly complex calculations and data inputs that are susceptible to a higher degree of estimation i.e., estimated premium income. These balances are inherently uncertain and subjective by nature and therefore are more susceptible to fraud or error than other financial statement balances.

We have split the risk relating to the valuation of insurance liabilities into the following component parts:

- Actuarial Assumptions used and the method of calculation of the (re)insurance contract assets/liabilities.
- Data used in the calculation of the (re)insurance contract assets/liabilities.

Actuarial Assumptions used and the method of the calculation of the (re)insurance contract assets and liabilities	To obtain sufficient audit evidence to conclude on the appropriateness of the actuarial assumptions used in the calculation of the (re)insurance contract assets and liabilities, with support from our actuaries as part of the audit team, we performed the following procedures:	Based on our procedures performed we are satisfied that the assumptions used in the valuations of the insurance and reinsurance contract assets and liabilities are reasonable.
<p>The actuarial assumptions used to develop the (re)insurance contract assets / liabilities involve a significant degree of judgement and estimation uncertainty. The most significant assumptions being:</p> <ul style="list-style-type: none"> • Discount Rates; • Risk Adjustment; and • Gross and Reinsurance Initial Expected Loss Ratios ('IELRs') and Ultimate Loss Ratios ('ULRs'). 	<ul style="list-style-type: none"> • Obtained an understanding of the calculation performed by the IFRS 17 model, using data from underlying source systems e.g., policy administration and claims systems and tested the design effectiveness of key controls. <p><i>Discount rates:</i></p> <ul style="list-style-type: none"> • Compared the approach to calculating the illiquidity premium for consistency across periods; whilst comparing against industry benchmarks. • Compared the changes in yield curves against our expectations which consists of comparison to the movement in the Bank of England risk free rates. <p><i>Risk Adjustment:</i></p> <ul style="list-style-type: none"> • Read the latest internal model validation reports and considered the effects of model changes. • To validate key components of the Group's Solvency II internal capital model, which are key input into the risk adjustment calculation, we compared the model outputs against industry benchmarks. • Tested the application of the methodology used to calculate the risk adjustment and compared the consistency of the methodology across periods. <p><i>Gross and Reinsurance Initial Expected Loss Ratios ('IELRs') and Ultimate Loss Ratios ('ULRs'):</i></p> <ul style="list-style-type: none"> • Assessed the reserving methodology on a gross and net of reinsurance basis. This also involved comparing the group's reserving methodology with industry practice. • Performed independent re-projections of ULRs and IELRs by applying our own assumptions, across all attritional classes of business and comparing these to management's results. Assessed whether the assumptions, such as inflation, applied to key areas of uncertainty were appropriate based on our knowledge of the Group, industry practice and regulatory and financial reporting requirements. As part of our re-projections we have formed an independent view of the additional claims cost arising from the current economic inflationary environment; and • Benchmarked catastrophe and large losses and assumptions used in inherently uncertain classes and new growing classes against other comparable industry participants. 	

Risk	Our response to the risk	Key observations communicated to the Audit Committee
<p>Data used in the calculation of the (re)insurance contract assets and liabilities</p> <p>The valuation of (re)insurance contract assets and liabilities depends on complete and accurate data to be used in the IFRS 17 Calculation Engine. This data is often highly subjective and subject to a higher degree of estimation uncertainty and includes:</p> <ul style="list-style-type: none"> • Estimated Premium Income ('EPI') source data • Claims paid and outstanding source data; and • Reinsurance data. 	<p>To obtain sufficient audit evidence to conclude on the appropriateness of data used in the calculation of the (re)insurance contract assets and liabilities, we performed the following procedures:</p> <ul style="list-style-type: none"> • Obtained an understanding of the process and tested the design and operating effectiveness of key controls over management's source data collection, extraction, and validation process. • For a sample of policy estimates in respect of the youngest underwriting year, we corroborated the estimated premium to supporting evidence such as signed slips. Additionally, to corroborate estimates, we performed back testing of historical estimated premium income compared to actual premium signed. • We compared a sample of paid and outstanding claims, used in determining management's loss ratios, to underlying supporting evidence. For paid claims this included authorisation requests and bank statements. • Compared material cashflows which are input into the model to source information. • For a sample of outstanding claims, we held discussions with claims handlers to further understand the background of the claims and assess the reasonableness of the assumptions made in setting the reserve. We also obtained supporting evidence, where relevant, including third-party reports to corroborate the year end balances. • Tested the completeness and accuracy of the claims, reinsurance data and premium data used within the reserving process by reconciling the data used in the actuarial projections to the underlying policy administration, reinsurance, and finance systems. 	<p>Based on our procedures performed we are satisfied that the data used in the valuations of the insurance and reinsurance contract assets and liabilities are reasonable.</p>

Auditors' report continued

Risk	Our response to the risk	Key observations communicated to the Audit Committee
<p>Transition to IFRS 17</p> <p><i>Refer to the IFRS 17 transition disclosures included in Note 2a of the Consolidated Financial Statements (pages 173 to 175)</i></p> <p>The transition to IFRS 17, the new insurance accounting standard, effective for annual reporting periods beginning on or after 1 January 2023, has resulted in significant change to the reporting processes and to the consolidated financial statements. This transition, which includes a number of key judgements, has required substantial focus during our audit, however these areas are not considered to be significant risks.</p> <p>We have focused on a number of transition areas, with the following being key areas of focus:</p> <ul style="list-style-type: none"> i) Methodology - The risk of management's methodology being out of line with the standard. ii) Financial statement disclosures – The risk of disclosures in relation to the application of IFRS 17 being insufficient or inappropriate. 	<p>To obtain sufficient audit evidence to conclude on the appropriateness of the initial application of the new IFRS 17 accounting standard, we have performed the following procedures:</p> <ul style="list-style-type: none"> • Obtained and challenged management's methodology papers for compliance with the IFRS 17 accounting standard and subsequently assessed management's implementation of their methodology. • Tested management's IFRS 17 disclosures in the consolidated financial statements in relation to transition and restated comparative periods. • Tested the IFRS 4 to IFRS 17 bridging of equity and profit before tax. 	<p>Through the procedures performed, we have determined that management have appropriately implemented the IFRS 17 insurance accounting standard within their financial reporting and this is reflected within the consolidated financial statements in all material respects.</p>

Risk	Our response to the risk	Key observations communicated to the Audit Committee
<p>Valuation of level 3 investments (\$254.2m, PY comparative \$255.4m)</p> <p>Refer to the Audit Committee Report (page 111); Accounting policies (page 183) and Note 18 of the Consolidated Financial Statements (pages 201 to 207).</p> <p>Investments in level 3 assets predominately comprise illiquid credit asset funds managed by third party managers (generally closed end limited partnerships or open-ended funds). The investments themselves are in many cases private and unquoted. These assets are inherently harder to value due to the inability to obtain a market price of these assets as at the balance sheet date. Therefore, there is judgement in both deriving the price and the timeliness of receiving the information from the third-party managers, either of which could result in misstatements of the value recognised in the financial statements. Additionally, Beazley holds syndicate loans which are funds provided by Beazley's Syndicates to the Central Funds at Lloyd's in respect of the 2019 and 2020 underwriting years. Observable inputs are not readily available for the valuation of Syndicate loans and so management use models with other inputs to estimate their value.</p>	<p>To obtain sufficient audit evidence to conclude on the appropriateness of valuation of level 3 investments, we performed the following procedures for a sample of investments:</p> <ul style="list-style-type: none"> • Obtained an understanding of the valuation process and tested the design effectiveness of key controls. • Obtained net assets valuation ('NAV') statements provided by third party administrators in respect of all investments and compared these to management's valuations. • Assessed management's valuations by performing independent back testing of recent realisations, to confirm that NAV is an appropriate proxy for fair value. • Obtained the most recent audited financial statements for each fund and inspected liquidity and going concern disclosures for indication of impairment. Furthermore, we inspected the relevant accounting policies to confirm that the underlying investments are being held at fair value to support the NAV being a suitable proxy for fair value. • Performed retrospective testing to establish the accuracy of management's estimation process by comparing the booked and final audited valuation positions in the underlying funds from the previous year. • Assessed investment carrying values for possible material movements since the latest asset valuation by obtaining confirmation of the investment managers latest percentage change NAV estimates, where available, and performed procedures to establish if there were any indicators of impairment since the latest valuation date. • With support from our EY valuation specialists, we performed an independent valuation of the syndicate loans. 	<p>Based on our procedures performed we were satisfied that the valuations of illiquid credit asset funds were reasonable.</p> <p>In respect of the syndicate loans, we were satisfied the carrying value was not materially different to our own valuation.</p>

In the prior year, our auditor's report included a key audit matter in relation to valuation of gross insurance claims liabilities and reinsurers' share of Incurred but not reported ('IBNR') and measurement of estimated premium income. In the current year, the key audit matters have been revised in order to align to our assessment of risks of material misstatement under IFRS 17.

Auditors' report continued

Our application of materiality

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

Materiality

The magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

We determined materiality for the Group to be \$27 million (2022: \$11 million), which is 5% of pre-tax profits on a 5-year average adjusted for Covid-19 losses (\$340.0m) and the gain on sale of the Beazley Benefit business (\$54.4m) (2022: 5% of pre-tax profits on a 5-year average adjusted for Covid-19 losses and the gain on sale of the Beazley Benefit business). This materiality basis is in line with our approach taken in the prior year, albeit using 2023 and 2022 pre-tax profits on an IFRS 17 basis. We considered that adjusted pre-tax profits is the most relevant performance measure used by investors, regulators and other stakeholders when assessing the Group. Given the nature of risks underwritten by Beazley, we believe the use of a five-year average profit is appropriate, as the profitability of the Group is expected to fluctuate from period to period. Despite this we believe that an additional adjustment for COVID losses is also appropriate given its unprecedented nature, which would not normally be expected in such a five-year time horizon.

We determined materiality for the Parent Company to be \$15 million (2022: \$16 million), which is 1% (2022: 1%) of equity. The Parent company primarily holds the investment in Group entities and, therefore, net assets is considered to be the key focus for users of the financial statements.

During the course of our audit, we reassessed initial materiality and updated for the actual pre-tax profit for 2023 in our calculation of the 5-year average.

Performance materiality

The application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.

On the basis of our risk assessments, together with our assessment of the Group's overall control environment, our judgement was that performance materiality was 50% (2022: 50%) of our planning materiality, namely \$13.5m (2022: \$5.6m).

Audit work at component locations for the purpose of obtaining audit coverage over significant financial statement accounts is undertaken based on a percentage of total performance materiality. The performance materiality set for each component is based on the relative scale and risk of the component to the Group as a whole and our assessment of the risk of misstatement at that component. In the current year, the range of performance materiality allocated to components was \$4.2m to \$12.2m (2022: \$1.2m to \$5.6m).

Reporting threshold

An amount below which identified misstatements are considered as being clearly trivial.

We agreed with the Audit Committee that we would report to them all uncorrected audit differences in excess of \$1.25m (2022: \$0.6m), which is set at 5% of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.

Other information

The other information comprises the information included in the annual report set out on pages 1 to 255, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, the part of the directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

Corporate Governance Statement

We have reviewed the directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Group and company's compliance with the provisions of the UK Corporate Governance Code specified for our review by the Listing Rules.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements or our knowledge obtained during the audit:

- Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 147;
- Directors' explanation as to its assessment of the Company's prospects, the period this assessment covers and why the period is appropriate set out on page 73 to 74;
- Director's statement on whether it has a reasonable expectation that the Group will be able to continue in operation and meets its liabilities set out on pages 73 to 74;
- Directors' statement on fair, balanced and understandable set out on page 109;
- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 117;
- The section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on page 114; and;
- The section describing the work of the audit committee set out on pages 106 to 114.

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement set out on page 146, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Auditors' report continued

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the company and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Group and determined that the most significant are permissions and supervisory requirements of the Central Bank of Ireland ('CBI'), the Corporation of Lloyd's, the Prudential Regulation Authority ('PRA'), the Financial Conduct Authority ('FCA'), the State of Connecticut Insurance Department and the UK Listing Authority ('UKLA').
- We understood how Beazley plc is complying with those frameworks by making enquiries of management, internal audit and those responsible for legal and compliance matters. We also reviewed correspondence between the Group and regulatory bodies, reviewed minutes of the Executive Committee, Risk Committee and attended the Audit Committees and gained an understanding of the Group's approach to governance demonstrated by The Board's approval of the Group's governance framework.
- We assessed the susceptibility of the Group's financial statements to material misstatement, including how fraud might occur by considering the controls that the Group has established to address risks identified by the entity, or that otherwise seek to prevent, deter or detect fraud. We also considered areas of significant judgement, including complex transactions, performance targets, external pressures and the impact these have on the control environment and their potential to influence management to manage earnings or influence the perceptions of investors and stakeholders. Where this risk was considered to be higher, within Revenue recognition (CSM release and experience adjustments), valuation of (re)insurance contract assets/liabilities and valuation of level 3 financial investments we performed audit procedures to address the identified fraud risk as detailed in the respective key audit matters above. We made enquiries with management in person and via the use of video conferencing and performed analytical review procedures to assess for unusual movements throughout the year. Our procedures to address the risk identified also incorporated unpredictability into the nature, timing and/or extent of our testing; challenging assumptions, significant judgements and estimates made by management. Additionally, we tested year-end manual journals to provide reasonable assurance that the financial statements were free from fraud or error.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved making enquiry of those charged with governance and senior management for their awareness of any non-compliance of laws or regulations; inquiring about the policies that have been established to prevent non-compliance with laws and regulations by officers and employees both at a Group and component level; inquiring about the Group's methods of enforcing and monitoring compliance with such policies; and inspecting significant correspondence with the CBI, the Corporation of Lloyd's, the FCA, the PRA, the State of Connecticut Insurance Department and the UKLA.
- The Group operates in the insurance industry which is a highly regulated environment. As such the Senior Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities, which included the use of specialists where appropriate.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters we are required to address

- Following the recommendation from the audit committee, we were appointed by the company on 23 May 2019 to audit the financial statements for the year ending 31 December 2019 and subsequent financial periods.
- The period of total uninterrupted engagement including previous renewals and reappointments is five years, covering the years ending 31 December 2019 to 31 December 2023.
- The audit opinion is consistent with the additional report to the audit committee.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Stuart Wilson (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London
6 March 2024