UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 20-F

☐ **REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR 12(g) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2024

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

☐ **SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission file number 001-31909

ASPEN INSURANCE HOLDINGS LIMITED

(Exact name of registrant as specified in its charter)

Bermuda

(Jurisdiction of incorporation or organization)

141 Front Street, Hamilton, HM19, Bermuda

(Address of principal executive offices)

Mark Cloutier

Executive Chairman and Chief Executive Officer

141 Front Street, Hamilton, HM19, Bermuda Telephone: +1 441-295-8201, Email: mark.cloutier@aspen.co

(Name, Telephone, E-mail and/or Facsimile Number and Address of Company Contact Person)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol	Name of Each Exchange on Which Registered
5.625% Perpetual Non-Cumulative Preference Shares	AHL PRD	New York Stock Exchange
Depositary Shares, each representing a 1/1000th interest in a share of 5.625% Perpetual Non-Cumulative Preference Shares	AHL PRE	New York Stock Exchange
Depositary Shares, each representing a 1/1000th interest in a share of 7.00% Perpetual Non-Cumulative Preference Shares	AHL PRF	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None.

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act: None.

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report: 60,395,839 ordinary shares.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act: Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act of 1934 during the preceding 12 months (or for such shorter periods that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer" and "emerging growth company" in Rule 12b-2 of the Exchange Act.:

Large accelerated filer ☐ Accelerated filer ☐ Non-accelerated filer ☒ Emerging growth company ☐

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP ☒ International Financial Reporting Standards as issued by the International Accounting Standards Board ☐ Other ☐

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

ASPEN INSURANCE HOLDINGS LIMITED

FORM 20-F

TABLE OF CONTENTS

		Page
Explanatory Note		2
PART I		
Item 1.	Identity of Directors, Senior Management and Advisors	3
Item 2.	Offer Statistics and Expected Timetable	3
Item 3.	Key Information	3
Item 4.	Information on the Company	43
Item 4A.	Unresolved Staff Comments	80
Item 5.	Operating and Financial Review and Prospects	81
Item 6.	Directors, Senior Management and Employees	118
Item 7.	Major Shareholders and Related Party Transactions	125
Item 8.	Financial Information	125
Item 9.	The Offer and Listing	126
Item 10.	Additional Information	127
Item 11.	Quantitative and Qualitative Disclosures about Market Risk	137
Item 12.	Description of Securities Other than Equity Securities	139
PART II		
Item 13.	Defaults, Dividend Arrearages and Delinquencies	140
Item 14.	Material Modifications to the Rights of Security Holders and Use of Proceeds	140
Item 15.	Controls and Procedures	140
Item 16A.	Audit Committee Financial Expert	142
Item 16B.	Code of Conduct	142
Item 16C.	Principal Accountant Fees and Services	142
Item 16D.	Exemptions from the Listing Standards for Audit Committees	142
Item 16E.	Purchases of Equity Securities by the Issuer and Affiliated Purchasers	142
Item 16F.	Change in Registrant's Certifying Account	142
Item 16G.	Corporate Governance	143
Item 16H.	Mine Safety Disclosure	143
Item 16I.	Disclosure Regarding Foreign Jurisdictions that Prevent Inspections	144
Item 16J.	Insider Trading Policies	144
Item 16K.	Cybersecurity	144
PART III		
Item 17.	Financial Statements	146
Item 18.	Financial Statements	F-1
Item 19.	Exhibits	i

EXPLANATORY NOTE

References in this Annual Report on Form 20-F (this "report") to the "Company," "Aspen," the "Aspen Group," "we," "us" or "our" or similar refer to Aspen Insurance Holdings Limited ("Aspen Holdings") or Aspen Holdings and its consolidated subsidiaries, as the context requires. Our principal operating subsidiaries are: Aspen Bermuda Limited ("Aspen Bermuda"), Aspen Specialty Insurance Company ("Aspen Specialty"), Aspen American Insurance Company ("AAIC"), Aspen Insurance UK Limited ("Aspen UK") and Aspen Underwriting Limited ("AUL") (as the sole corporate member of our Lloyd's operations, Lloyd's Syndicate 4711, which is managed by Aspen Managing Agency Limited ("AMAL") (together, "Aspen Lloyd's")), each referred to herein as an "Operating Subsidiary" and collectively referred to as the "Operating Subsidiaries". References to "Aspen Capital Markets" or "ACM" means our products offered to third-party investors that participate in alternative reinsurance markets, including through Peregrine Reinsurance Ltd ("Peregrine"), and related management entities, including Aspen Capital Management, Ltd. ("ACML"). ACM forms part of the Aspen Capital Partners ("ACP") platform, in recognition of the synergies between ACM and the Company's outwards reinsurance teams.

We manage our underwriting operations as two distinct business segments, insurance and reinsurance. References in this report to our "Insurance segment" or "Aspen Insurance" refer to our insurance segment and references to the "Reinsurance segment" or "Aspen Re" refer to our reinsurance segment.

Under Bermuda law there is no concept of "outstanding" share capital, however, to align with U.S. share capital terminology and for the avoidance of doubt, references to "outstanding" with respect to our share capital refer to our "issued" share capital under Bermuda law.

References in this report to "U.S. Dollars," "dollars," "$" or "¢" are to the lawful currency of the United States of America, references to "British Pounds," "pounds," "GBP" or "£" are to the lawful currency of the United Kingdom (sometimes referred to herein as the "U.K.") and references to "euros" or "€" are to the lawful currency adopted by certain member states of the European Union (the "E.U."), unless the context otherwise requires.

Since February 2019, the Company has been a wholly-owned subsidiary of Highlands Bermuda Holdco, Ltd. ("Parent"), which holds all of the Company's ordinary shares. Parent, a Bermuda exempted company, is an affiliate of certain investment funds managed by affiliates of Apollo Global Management, Inc., a leading global investment manager (collectively with its subsidiaries, "Apollo"). The Company's preference shares and depositary shares, as at the issuing of this report, are listed on the New York Stock Exchange ("NYSE") under the following symbols: AHL PRD, AHL PRE and AHL PRF.

PART I

Item 1. Identity of Directors, Senior Management and Advisors

Not applicable.

Item 2. Offer Statistics and Expected Timetable

Not applicable.

Item 3. Key Information

A. [Reserved]

B. Capitalization and Indebtedness

Not applicable.

C. Reasons for the Offer and Use of Proceeds

Not applicable.

D. Risk Factors

You should carefully consider the following risk factors and all other information set forth in this report, including our consolidated financial statements and the notes thereto. Any of the risks described below could materially and adversely affect our business, operating results or financial condition. The risk factors described below could also cause our actual results to differ materially from those in the forward-looking and other statements contained in this report and other documents that we file with the U.S. Securities and Exchange Commission ("SEC"). The risks and uncertainties described below are not the only ones we face. However, these are the risks we believe to be material as of the date of this report. Additional risks not presently known to us or that we currently deem immaterial may also impair our future business, financial condition or operating results.

Introduction

As with any company which may have certain or all of its securities listed and publicly traded, investing in our securities carries risks. Our risk management strategy is designed to identify, measure, monitor and manage material risks which could adversely affect our financial condition and operating results. We have invested significant resources to develop and maintain appropriate risk management policies and procedures to implement this strategy. Nonetheless, the future business environment is intrinsically uncertain and difficult to forecast and, as a result, our risk management methods may not be successful. For more information on our risk management strategy, refer to Item 4, "*Business Overview - Risk Management - Risk Management Strategy*."

Risks Related to Our Business

(Re)insurance Risks

We may be adversely affected by the occurrence of natural disasters, severe weather events and other catastrophe events, as well as outbreaks of pandemic or contagious diseases, and we could face unanticipated losses from war, terrorism and political unrest, cyber attacks, government action that is hostile to commercial interests and from sovereign, sub-sovereign and corporate defaults. These or other unanticipated losses could have a material adverse effect on our financial condition or operating results.

As part of our insurance and reinsurance operations, we assume substantial exposure to losses resulting from weather-related natural catastrophes, other natural disasters, severe weather events and other catastrophe events. Catastrophes can be caused by various unpredictable events, including, but not limited to, tropical storms, cyclones, hurricanes, winter storms, tornadoes, hailstorms, floods, wildfires, drought, pandemic or contagious disease, volcanic eruptions, earthquakes and tsunamis. For example, we have experienced exposure to Hurricane Helene, Hurricane Milton and the Dubai and German floods in 2024, the California wildfires in early 2025 and other weather-related events.

In particular, on October 10, 2024, a large storm system (Hurricane Milton) made landfall in Florida and caused substantial wind damage over a wide area. Based solely on our modeled loss projections, industry loss estimates and exposure analysis as of the date of this filing, our preliminary assessment of pre-tax losses associated with Hurricane Milton is expected to be between $40 million and $60 million, net of outwards reinsurance and reinstatement premiums. Our actual losses from Hurricane Milton may differ materially from this preliminary estimate due to limitations in one or more of the models and because, as a recent large storm event, this preliminary estimate is not based on actual terms and conditions of individual treaties and policies expected to be impacted, future loss information expected to follow from clients and brokers, further market intelligence, or any loss reports. The final settlement of claims associated with Hurricane Milton is likely to take place over a considerable period of time and there can be no assurance that our actual losses will not exceed our estimates.

Additionally, the California wildfires that commenced in January 2025 have led to a range of publicly available industry insured loss estimates in the range of $35 billion to $45 billion. Based solely on our modeled loss projections, industry loss estimates and exposure analysis as of the date of this filing, our preliminary assessment of pre-tax losses associated with the California wildfires is expected to be between $50 million and $75 million, net of outwards reinsurance and reinstatement premiums. Our actual losses from the California wildfires may differ materially from this preliminary estimate due to limitations in one or more of the models and because, as a recent large catastrophe event, this preliminary estimate is not based on actual terms and conditions of individual treaties and policies expected to be impacted, future loss information expected to follow from clients and brokers, further market intelligence, or any loss reports. The final settlement of claims associated with the California wildfires is likely to take place over a considerable period of time and there can be no assurance that our actual losses will not exceed our estimates.

Catastrophes can also be man-made such as acts of war, acts of terrorism and other intentionally destructive acts, including those involving nuclear, biological, chemical or radiological events, cyber-attacks, explosions, infrastructure failures and losses resulting from political instability, government action that is hostile to commercial interests and sovereign, sub-sovereign and corporate defaults. For example, we have experienced exposure to the Russia/Ukraine war and the collapse of the Francis Scott Key Bridge. In addition, though the current and ongoing conflict in Israel and Gaza has not materially impacted our business to date, it, or a similar conflict in the future, has the potential to escalate into an event which could impact our cash flows and results of operations, as well as the insurance and reinsurance industry generally.

Terrorist events could generate greater awareness of the risks multinational corporations face in conflict-prone regions. We closely monitor the amount and types of coverage we provide for terrorism risk under insurance policies and reinsurance treaties. Even in cases where we have deliberately sought to exclude such coverage, there can be no assurance that a court or arbitration panel will interpret policy language or issue a ruling favorable to us. Accordingly, we may not be able to eliminate our exposure to terrorist events and there remains a risk that our reserves will not be adequate to cover such losses should they materialize. Notably, the Terrorism Risk Insurance Program Reauthorization Act of 2019 (the "TRIA Reauthorization") does not provide coverage for reinsurance losses. In addition, we have limited terrorism coverage for exposure to catastrophe losses related to acts of terrorism in the reinsurance that we purchase. Although the TRIA Reauthorization provides benefits in the event of certain acts of terrorism occurring in the United States, those benefits are subject to a deductible and other limitations.

Our credit and political risk insurance line of business protects insureds with interests in foreign jurisdictions in the event governmental action prevents them from exercising their contractual rights and may also protect their assets against physical damage perils. The insurance provided may include cover for loss arising from expropriation, forced abandonment, license cancellation, trade embargo, contract frustration, non-payment, war on land or political violence (including terrorism, revolution, insurrection and civil unrest).

Our credit and political risk line of business also provides non-payment coverage on specific loan obligations. We insure sovereign non-payment and corporate non-payment as a result of commercial as well as political risk events. The vast majority of the corporate non-payment credit insurance provided is for single-named illiquid risks, primarily in the form of senior bank loans that can be individually analyzed and underwritten. We also aim to avoid terms in our credit insurance contracts which introduce liquidity risk, most notably, in the form of a collateralization requirement upon a ratings downgrade. We also attempt to manage our exposure, by among other things, setting credit limits by country, region, industry and individual counterparty and regularly reviewing our aggregate exposures. However, due to globalization, political instability in one region can spread to other regions. Geopolitical uncertainty regarding a variety of domestic and international matters, such as the U.S. political and regulatory environment, could lead to the potential default by one or more European sovereign debt issuers.

The incidence, severity and magnitude of catastrophes are inherently unpredictable and our losses from such catastrophes have been and can be substantial, and it may be difficult to estimate the amount of loss such an occurrence may generate, including as against preliminary loss estimates. Actual losses from catastrophes may differ materially from preliminary estimates due to limitations in one or more of the applicable models, or because preliminary estimates may not be based on actual terms and conditions of individual treaties and policies expected to be impacted, future loss information expected to follow from clients and brokers, further market intelligence, or any loss reports. In addition, claim payments for catastrophes may take place over a considerable period of time and there can be no assurance that actual losses will not exceed our estimates.

In addition, we expect that increases in the values and concentrations of insured property will increase the severity of such occurrences in the future and that global climate change may increase the frequency and severity of severe weather events, wildfires and flooding. Similarly, changes in global political and economic conditions may increase both the frequency and severity of man-made catastrophe events in the future.

Although we attempt to manage our exposure, including the accumulation of risk exposures, to such events through a multitude of approaches (including geographic diversification, geographic limits, individual policy limits, exclusions or limitations from coverage, purchase of reinsurance, modelling techniques, expansion of supportive collateralized capacity and adherence to Group-level risk tolerance criteria and key risk limits), the availability of these management tools may be dependent on market factors and, to the extent available, may not respond in the way that we expect. In addition, a single catastrophic event could affect multiple geographic zones or the frequency or severity of catastrophic events could exceed our estimates. As a result, the occurrence of one or more catastrophic events or an unusual frequency of smaller events has resulted in, and may in the future result in, substantial volatility in, and may materially adversely affect, our business, financial condition or operating results.

As of January 1, 2025, Aspen's worldwide estimated net Probable Maximum Losses ("PML") exposures (net of retrocession and reinstatement premiums) with modelled 1 in 100 year and 1 in 250 year occurrence were $242.2 million and $329.9 million, respectively.

Global climate change, as well as increasing laws, regulation and litigation in the area of climate change, may have an adverse effect on our results of operations, financial condition or liquidity.

There is widespread consensus in the scientific community that there is a long-term upward trend in global air and sea temperatures that, along with shifting demographic trends in catastrophe exposed regions, has increased the severity and frequency of severe weather events and other natural catastrophes, and is likely to further increase the average economic value of expected losses in the future. Rising sea levels are also expected to increase the risk of coastal flooding in many geographical areas. Extreme weather events can disrupt business continuity by negatively impacting our infrastructure, systems and processes including, but not limited to, outsourcing arrangements in geographical locations exposed to severe weather events.

A substantial portion of our property coverages may be adversely impacted by climate change. Large-scale climate change could also increase both the frequency and severity of natural catastrophes and our loss costs associated with property damage and business interruption due to storms, floods, wildfires and other weather-related events. In addition, global climate change could impair our ability to predict the costs associated with future weather events. We cannot predict with certainty the frequency or severity of hurricanes, tropical cyclones, wildfires or other natural catastrophes, and our risk assessments may not accurately reflect shifting environmental and climate related risks. Unanticipated factors could lead to additional insured losses that exceed our current estimates, resulting in disruptions to or adverse impacts on our business, the market, or our clients. Further, some of our investments or other managed investment portfolios, could also be adversely impacted by climate change and may ultimately impact our asset-liability management practices.

While we have invested heavily and introduced procedures to understand the influence of climate change, such as scenario analysis and the ongoing review of assumptions in pricing models and risk selection, given the scientific uncertainty of predicting the effect of climate cycles and global climate change on the frequency and severity of natural catastrophes and the lack of adequate predictive tools, we may not be able to adequately model the associated exposures and potential losses in connection with such catastrophes, or the accumulation, aggregation or causation of such events, which could have a material adverse effect on our business, financial condition or operating results.

We may also be exposed to liability risks. Liability risks relate to losses or damages suffered by our insureds from physical or transition risks, such as losses stemming from climate-related litigation in liability lines. These risks could arise from management and boards of directors not fully considering or responding to the impacts of climate change, or not appropriately disclosing current and future risks.

In addition, global climate change could give rise to new environmental liability claims in the energy, manufacturing and other industries we serve. For example, a single catastrophic event could affect multiple geographic zones in unprecedented ways or the frequency or severity of such events could exceed our estimates, driving loss costs higher than we could have predicted.

In addition to exposure to the physical risks of climate change, there are transition risks associated with climate change that could impact our business and investment portfolio. Transition risks arise from the process of adjustment towards a low-carbon economy, including from the proliferation of governmental and regulatory scrutiny related to climate change and greenhouse gases and other factors, including international, federal, state, and local regulations, scrutiny, and enforcement and societal changes. A range of factors influence this adjustment, including climate-related developments in policy and regulation, the emergence of disruptive technology or business models, shifting sentiment and societal preferences, or evolving evidence, frameworks and legal interpretations. Climate change could also give rise to new environmental liability claims in the energy, manufacturing and other industries we insure, as those that have suffered losses seek compensation.

Additionally, demand and supply of insurance and reinsurance coverage could be negatively impacted to the extent that carbon-intensive businesses are impacted by this transition, and certain claims and losses related to those industries could increase, either of which could have a material negative effect on our business and results of operations.

More broadly, ESG and sustainability matters have become major topics that encompass a wide range of issues, including climate change and other environmental risks, and the potential negative impacts of climate change have led and will continue to lead to new regulatory responses. We are subject to complex and changing laws, regulations and increasingly divided / or polarizing public policy debates relating to climate change, including differences, and increasingly, potential conflicts in policy perspective across the jurisdictions within which we operate, which are difficult to predict and quantify, and may have an adverse impact on our business. Changes in regulations relating to climate change (including the slowing, stopping, changing or reversal of such regulations), or our own leadership decisions implemented as a result of assessing the impact of climate change (or associated regulatory obligations) on our business may result in an increase in the cost of doing business or a decrease in premiums. For further information, see "—Strategic Risks—Increasing scrutiny and evolving expectations from investors, customers, regulators, policymakers and other stakeholders regarding environmental, social and governance matters may adversely affect our reputation or otherwise adversely impact our business and results of operations."

The effects of emerging claim and coverage issues in our business and social inflation are uncertain.

As industry practices and legislative, regulatory, judicial, socio-economic, financial, technological and other environmental conditions change, unexpected and unintended issues related to claims liabilities and coverage may emerge. These issues may adversely affect our business by either extending coverage beyond our underwriting intent or by increasing the frequency and severity of claims. Moreover, legislative, regulatory, judicial or social influences may impose new obligations on insurers or reinsurers in connection with climate change that extend coverage beyond the intended contractual obligations, or result in an increase in the frequency or severity of claims beyond expected levels, as described in "—Global climate change, as well as increasing laws, regulation and litigation in the area of climate change, may have an adverse effect on our results of operations, financial condition or liquidity."

In addition, increasing fraud and abuses at the primary claims level, as well as social inflation, including increased litigation, expanded theories of liability and rising settlement amounts and jury awards, have affected our reserving practices and loss exposures, and these trends may continue. In some instances, these changes may not become apparent until after we have issued insurance or reinsurance contracts that are affected by the changes. We regularly review the impact of these trends on loss reserves for notified claims to ensure our reserved position aligns to the latest information. In addition, actual losses may vary materially from the current estimate of losses based on a number of factors, as described elsewhere in these risk factors. As a result, the full extent of liability under our insurance or reinsurance contracts may not be known for many years after issuance.

Our results may fluctuate as a result of many factors, including cyclical changes in the reinsurance and insurance industries.

Historically, the performance of the property and casualty reinsurance and insurance industries has tended to fluctuate in cyclical periods of price competition and excess underwriting capacity, followed by periods of high premium rates and shortages of underwriting capacity. Although an individual reinsurance and insurance company's performance is dependent on its own specific business characteristics, the profitability of most property and casualty reinsurance and insurance companies tends to follow this market cycle. Further, this cyclical market pattern can be more pronounced in the reinsurance market in which Aspen Re competes and in the excess and surplus market in which Aspen Insurance primarily competes than in the standard insurance market. In addition, compared with historical cyclical periods, a cycle of increased price competition and excess underwriting capacity may continue for a prolonged period of time as new and existing reinsurance and insurance market participants and products continue to enter the reinsurance and insurance markets. Unfavorable market conditions may affect the ability of our reinsurance and insurance subsidiaries to write business at rates they consider appropriate relative to the risk assumed. If we cannot write business at appropriate rates, our business would be significantly and adversely affected. We are currently in a hard market cycle that has impacted a number of lines of business that we write, and we cannot predict whether or for how long such market cycle will continue in the future. This hard market cycle has been supported by the increased frequency and severity of natural catastrophe events, inflation and geopolitical tensions. Our business may be significantly and adversely affected if these conditions do not persist.

When premium rates are high and there is a shortage of capacity in the standard insurance market, growth in the excess and surplus market can be significantly more rapid than growth in the standard insurance market. Similarly, when there is price competition and excess underwriting capacity in the standard insurance market, many customers that were previously driven into the excess and surplus market may return to the standard insurance market, exacerbating the effects of price competition.

Demand for reinsurance is influenced significantly by underwriting and investment results in both the standard insurance and the excess and surplus markets and market conditions. The supply of reinsurance is related to prevailing prices, the levels of insured losses and the levels of reinsurance industry surplus, among other factors. These in turn may fluctuate in response to changes in rates of return on investments being earned in the reinsurance industry. In addition, the supply of reinsurance is affected by a reinsurer's confidence in its ability to accurately assess the probability of expected underwriting outcomes, particularly with respect to catastrophe losses.

Since cyclicality is due in large part to the collective actions of insurers and reinsurers, general economic conditions and the occurrence of unpredictable events, we cannot predict the timing or duration of changes in the market cycle. These cyclical patterns cause our revenues and net earnings to fluctuate, which could have a material adverse effect on our financial condition or operating results.

Our reinsurers may not reimburse us for claims on a timely basis, or at all, which may materially and adversely affect our business, results of operations and financial condition.

The reinsurance contracts that we enter into to help manage our risks require us to pay premiums to the reinsurance carriers who will in turn reimburse us for a portion of covered policy claims. In many cases, a reinsurer will be called upon to reimburse us for policy claims many years after we have paid reinsurance premiums to the reinsurer. Although reinsurance makes the reinsurer liable to us to the extent the risk is transferred or ceded to the reinsurer, it does not relieve us (the ceding insurer) of our primary liability to our policyholders. Our current reinsurance program is designed to limit our financial risk. However, our reinsurers may not pay claims we incur on a timely basis, or they may not pay some or any of these claims at all. For example, reinsurers may default in their financial obligations to us in the event of insolvency, insufficient liquidity, operational failure, political and/or regulatory prohibitions, fraud (including in relation to any collateral fraudulently provided), asserted defenses based on agreement wordings or the principle of utmost good faith, asserted deficiencies in the documentation of agreements or other reasons. Any disputes with reinsurers regarding coverage under reinsurance contracts could be time-consuming, costly and may not be resolved successfully. These risks could cause us to incur increased net losses, and, therefore, adversely affect our business, results of operations and financial condition.

A material proportion of our business relies on the assessment and pricing of individual risks by third parties.

We authorize managing general agents, general agents and other producers to write business or deal with claims on our behalf within underwriting authorities we prescribe. We rely on the underwriting controls of these agents and producers to write business within the underwriting authorities we provide. While we perform due diligence prior to entering into these arrangements, if we do not perform the appropriate level of due diligence or if we fail to confirm that the agents have adequate knowledge of the underwriting process and relevant regulations, we could face significant losses, which could have an adverse effect on our business, financial condition and operating results. In addition, although we monitor our underwriting on an ongoing basis, our monitoring efforts may not be adequate and our agents and producers may exceed their underwriting authorities or otherwise breach obligations owed to us. There is also the risk that we may be held responsible for obligations that arise from the acts or omissions of third parties if they are deemed to have acted on our behalf. In addition, our agents, producers, insureds or other third parties may commit fraud or otherwise breach their obligation to us. To the extent that our agents, producers, insureds or other third parties exceed their authorities, commit fraud, breach obligations owed to us or otherwise fail to comply with applicable laws and regulations (including but not limited to economic and trade sanctions, anti-bribery and anti-corruption laws and anti-money laundering laws), our regulatory standing, our operating results and financial condition may be materially adversely affected.

Our reliance on third-party assessment and pricing of individual risk extends to our reinsurance treaty and subscription-based business. Similar to other reinsurers, we do not separately evaluate each of the individual risks assumed under most reinsurance treaties. We are therefore largely dependent on the original underwriting decisions made by ceding companies. We are subject to the risk that the ceding companies may not have adequately evaluated the risks to be reinsured and that the premiums ceded to us may not adequately compensate us for the risks we assume and the losses we may incur. As a result of this reliance on ceding companies and "lead" markets for subscription business (where pricing and terms may be set by other insurance or reinsurance participants where Aspen adopts a "follow" position), our operating results and financial condition may be materially adversely affected.

The failure of any risk management and loss limitation methods we employ could have a material adverse effect on our financial condition and operating results.

We employ various risk management and loss limitation methods. We seek to manage our loss exposure by maintaining disciplined underwriting processes designed to guide the pricing, terms and acceptance of risk. These processes, which may include the use of pricing models, are intended to ensure that premiums received are sufficient to cover the expected levels of attritional losses and a contribution to the cost of catastrophes and large losses, where necessary. We also seek to mitigate our loss exposure by writing a number of our insurance and reinsurance contracts on an excess of loss basis, such that we only pay losses that exceed a specified retention. We also seek to limit certain risks, such as catastrophes and political risks, by geographic diversification. Geographic zone limitations involve significant underwriting judgments, including the determination of zone boundaries and the allocation of policy limits to zones. In the case of proportional (also known as pro rata) property reinsurance treaties, we often seek per occurrence limitations or loss and loss expense ratio caps to limit the impact of losses from any one event, although we may not be able to obtain such limits in certain markets. Various provisions in our policies intended to limit our risks, such as limitations or exclusions from certain coverage and choice of forum, may not always be enforceable. Purchasing reinsurance is another loss limitation method we employ which may not always respond in the way intended due to disputes relating to coverage terms, exclusions or counterparty credit risk.

There are inherent limitations in all of these actions and it is possible that an event or series of events could result in loss levels that could have an adverse effect on our financial condition and results of operations. It is also possible that our controls and monitoring efforts may be ineffective, permitting one or more underwriters to exceed their underwriting authority and cause us to (re)insure risks outside the agreed upon guidelines or that losses could manifest themselves in ways that we do not anticipate and that our risk mitigation strategies are not designed to address. Additionally, various provisions in our policies, such as limitations or exclusions from coverage or choice of forum negotiated to limit our risk may not be enforceable in the manner we intend. As a result, one or more natural catastrophes and/or terrorism or other events could result in claims that substantially exceed our expectations, which could have a material adverse effect on our financial condition or operating results.

In January 2022, Aspen Holdings and certain of its subsidiaries entered into the LPT with a subsidiary of Enstar. See "Additional Information—Material Contracts——Loss Portfolio Transfer ("LPT") Agreement" for additional information. The LPT represents a repositioning of the adverse development cover previously entered into between the Company and Enstar in March 2020. The LPT transaction successfully closed in May 2022. The nature and structure of the LPT present certain risks to us, including risks related to claims, marketing, credit and reserving, as well as general management risks and the risk of differences in interpretation between the parties of the availability, scope and terms of coverage, all or any of which may have an uncertain impact across multiple operational functions and on our business generally.

The reinsurance that we purchase may not always be available on favorable terms or we may choose to retain a higher proportion of particular risks compared to previous years.

From time to time, market conditions have limited, and in some cases prevented, insurers and reinsurers from obtaining the types and amounts of reinsurance that they consider adequate for their business needs. Accordingly, we may not be able to obtain our desired amount of reinsurance or retrocession protection on terms that are acceptable to us from entities with a satisfactory credit rating or which is collateralized. Even if such capacity is available, we may also choose to retain a higher proportion of particular risks than in previous years due to pricing, terms and conditions or strategic emphasis. We may also seek alternative means of transferring risk, including expanded participation via our ACM platform in alternative reinsurance structures. These solutions may not provide commensurate levels of protection compared to traditional retrocession. Our inability to obtain adequate reinsurance or other protection for our own account at favorable prices and on acceptable terms could have a material adverse effect on our business, operating results and financial condition.

Our financial condition and operating results may be adversely affected if actual claims exceed our loss reserves.

Our operating results and financial condition depend on our ability to accurately assess the potential losses associated with the risks that we (re)insure. While we believe that our loss reserves as of December 31, 2024 are adequate, establishing an appropriate level of loss reserves is an inherently uncertain process and requires a considerable amount of judgment. There are many factors that would cause our reserves to increase or decrease, which include, but are not limited to, changes in claim severity, changes in the expected level of reported claims, judicial action changing the scope and/or liability of coverage, changes in the legislative, regulatory, social and economic environment and unexpected changes in loss inflation. To the extent actual claims exceed our expectations, we will be required to recognize the less favorable experience immediately which could cause a material increase in our provisions for liabilities and a reduction in our profitability, including operating losses and reduction of capital.

We cannot estimate losses from widespread catastrophic events, such as hurricanes, earthquakes or pandemic events like COVID-19, using traditional actuarial methods. The magnitude and complexity of losses associated with certain of these events inherently increase the level of uncertainty and, therefore, there is a significant level of management judgment involved in arriving at loss reserve estimates. Similarly, our estimate of ultimate losses related to the COVID-19 pandemic continues to be subject to significant uncertainty, as such claims may emerge over time as the full impact of the pandemic and its effects on the global economy are realized. As a result, actual losses for these events may ultimately differ materially from current estimates.

While we believe that our historical experience is capable of providing us with meaningful actuarial indications, estimates and judgments for new (re)insurance lines of business are more difficult to make than those made for more mature lines of business because we have more limited historical information through December 31, 2024. A significant portion of our current loss reserves is in respect of incurred but not reported ("IBNR") reserves. This IBNR reserve is based almost entirely on estimates involving actuarial and statistical projections of our expectations of the ultimate loss and claims handling expenses. In addition to limited historical information for certain lines of business, we utilize actuarial models as well as historical insurance industry loss development patterns to establish loss reserves. Accordingly, actual claims and claim expenses paid may deviate, perhaps substantially, from our reserve estimates, which could materially adversely affect our financial results.

Only reserves applicable to losses and loss adjustment expenses incurred up to the reporting date may be set aside in our financial statements, with no allowance for future losses. Our estimates of reserves for losses and loss expenses also include assumptions about future payments for settlement of claims and claims-handling expenses, such as medical treatment, awards for pain and suffering and litigation costs. We write casualty business in certain jurisdictions and other territories where claims inflation has for many years run at higher rates than general inflation. To the extent economic or social inflation, such as through outsized court awards, particularly in the United States, causes these costs to increase above reserves established for these claims, we will be required to increase our loss reserves with a corresponding reduction in our net income in the period in which the deficiency is identified, which could materially adversely affect our financial results.

We may be adversely impacted by economic or social inflation.

Our underwriting results, loss reserves and investment income, like those of other (re)insurers, are susceptible to the effects of economic inflation because premiums are established before the ultimate amounts of losses and loss expenses are known. Although we consider the potential effects of economic inflation when setting premium rates, premiums may not properly contemplate the effects of inflation and thereby essentially result in underpricing the risks we insure and reinsure. Loss reserves include assumptions about future payments for settlement of claims and claims-handling expenses, such as the cost of replacing property, associated labor costs and litigation costs for the property business we write. To the extent inflation causes costs to increase above loss reserves established for claims, we will be required to increase loss reserves with a corresponding reduction in net income in the period in which the deficiency is identified, which may have a material adverse effect on our underwriting results or financial condition. Unanticipated higher inflation could also lead to higher interest rates, which would negatively impact the value of our fixed income securities and potentially other investments.

Since 2022, economic inflation reached and has remained unusually high in many parts of the world, and central banks in the United States and other countries aggressively raised interest rates to counter inflation by slowing economic activity; however, the U.S. Federal Open Market Committee lowered its benchmark overnight borrowing rate over the course of 2024 and there have been signs of easing economic inflation. The long-term impact of ongoing monetary policy actions on financial markets and the real economy is still uncertain. Uncertainty and market turmoil has affected and may in the future affect, among other aspects of our business, the demand for and claims made under our products, the ability of customers, counterparties and others to establish or maintain their relationships with us, our ability to access and efficiently use internal and external capital resources and our investment performance and portfolio.

In addition, steps taken by central banks to control inflation and/or governments to stabilize financial markets and improve economic conditions may be ineffective, and actual or anticipated efforts to continue to unwind some of such steps could disrupt financial markets and/or could adversely impact the value of our investment portfolio. Any further increases in interest rates could decrease unrealized gains or increase unrealized losses on our debt securities portfolio. Higher inflation could lead to even higher interest rates, which would negatively impact the value of our existing fixed income or other investments.

We monitor the risk that the principal markets in which we operate could continue to experience increased inflationary conditions, which would, among other things, cause policyholder loss costs to increase, and negatively impact the performance of our investment portfolio. Inflation related to medical costs, wage costs, construction costs and tort issues in particular have impacted and continue to impact the property and casualty industry, and broader market inflation has increased and may continue to increase overall loss costs. The impact of inflation on loss costs could be more pronounced for those lines of business that are considered to be long-tail in nature, as they require a relatively long period of time to finalize and settle claims. We also provide coverage to the mortgage industry through insurance and reinsurance of mortgage insurance companies and U.S. government sponsored entity credit risk sharing transactions, and deteriorating economic conditions could cause mortgage insurance losses to increase and adversely affect our results of operations or financial condition.

In response to these inflationary impacts, we continue to assess and, where appropriate, initiate new or enhanced modeling and monitoring approaches to forecast and manage our results; however, there can be no assurance these approaches will shield us from the negative effects of rising inflation, which could materially and adversely impact our results of operations or financial condition.

Increases in the frequency and severity of cyber-attacks on our policyholders could adversely affect our financial condition and operating results.

The cybersecurity threat landscape is evolving, and there is a risk that increases in the frequency and severity of cyber-attacks on our policyholders could adversely affect our financial condition and operating results. This risk is also dependent on our policyholders' cybersecurity defenses, and our issuance of policy terms which respond to the evolving threat landscape. In addition, our exposure to cyber-attacks includes exposure to silent cyber risks, meaning risks and potential losses associated with policies where cyber risk is not specifically included nor excluded in the policies. Even in cases where we attempt to exclude losses from cyber-related risks, there can be no assurance that a court or arbitration panel will interpret policy language, or otherwise issue a ruling, favorable to us.

Market and Liquidity Risks

Our investments are subject to interest rate, credit, and real estate related risks, which may adversely affect our net income and may adversely affect the adequacy of our capital.

We invest the net premiums we receive until such time as we pay out losses and/or until they are made available for distribution to ordinary and preferred shareholders, pay interest on or redeem debt and preferred shares, or otherwise use such net premiums for general corporate purposes. Investment income comprises a substantial portion of our Group income. We therefore are exposed to significant financial and capital market risks, including changes in interest rates, credit spreads, credit defaults, foreign exchange rates, market volatility impacting the valuation of our investments, the performance of the economy in general, and other factors outside our control. The impact of geopolitical tension, such as a deterioration in the bilateral relationship between the United States and China or an escalated or prolonged conflict between Russia and Ukraine, or within the Middle East, including any resulting sanctions, export controls or other restrictive actions that may be imposed by the United States and/or other countries against governmental or other entities in, for example, Russia, also could lead to disruption, instability and volatility in the global markets, which may have an impact on our investments across negatively impacted sectors or geographies.

A significant portion of our investments could be influenced by changes in interest rates across a number of geographies. Interest rates are highly sensitive to many factors, including fiscal and monetary policies of major economies, inflation, economic and political conditions and other factors outside our control. Changes in interest rates can negatively affect net investment income in that, in a declining interest rate environment, investments in fixed maturities and short-term investments (fixed maturity portfolio) would earn interest income at lower rates. In a declining interest rate environment, the market value of our fixed income portfolio would increase. However, in a rising interest rate environment, the market value of our fixed income portfolio will decline, which we experienced in 2022 and 2023. Furthermore, depending on our liquidity needs and investment strategy, we may liquidate investments prior to maturity at a loss in order to cover liabilities as they become due or to invest in other investment opportunities that have better expected longer term profitability.

Our fixed maturity portfolio is primarily invested in high quality, investment grade securities, including collateralized loan obligations ("CLOs"). However, we invest a portion of the portfolio in securities that are below investment grade. We also invest a portion of our portfolio in other investments such as unrated private fixed and floating rate investments, and other specialty asset classes. These securities generally pay a higher rate of interest or return and may have a higher degree of credit or default risk. These securities may also be less liquid in times of economic weakness or market disruptions. Within these investments, we invest directly and indirectly in private loans and real estate assets, which, as described more fully below, are subject to additional risks.

Our business may be negatively impacted by adverse developments affecting the financial services industry, such as actual events or concerns involving liquidity, defaults or non-performance by financial institutions and the potential contagion impact to, and resulting stress on, the financial services sector generally.

Actual events involving limited liquidity, defaults, non-performance or other adverse developments that affect financial institutions or other companies in the financial services industry or the financial services industry generally, or concerns or rumors about any events of these kinds or other similar risks, have in the past and may in the future lead to market-wide liquidity problems. Such events could include the failure of financial institutions or adverse developments affecting the Lloyd's market.

Although we assess our banking relationships as we believe necessary or appropriate, we cannot guarantee that the banks or other financial institutions that hold our funds will not experience liquidity issues or failures in the future. We cannot predict whether such events may occur in the future, or what impact such events would have on the financial services sector and any heightened macroeconomic or political instability that may follow, including any regulatory changes. This could include impacts on the availability of our existing cash and cash equivalents or market value of our investments, or those of our trading partners such as regional program managers. In addition, we could be exposed to losses through our underwriting segments, including, but not limited to, within our financial and professional insurance portfolio.

In addition, widespread investor concerns regarding the U.S. or international financial systems could result in less favorable commercial financing terms, including higher interest rates or costs and tighter financial and operating covenants, or systemic limitations on access to credit and liquidity sources, thereby making it more difficult for us to acquire financing on acceptable terms or at all. Any decline in available funding or access to our cash and liquidity resources could, among other risks, adversely impact our ability to meet our operating expenses, financial obligations or fulfill our other obligations, or result in breaches of our financial and/or contractual obligations. Any of these impacts, or any other impacts resulting from the factors described above or other related or similar factors not described above, could have material adverse impacts on our liquidity and our current and/or projected business operations and financial condition and results of operations.

Our business may be adversely impacted by these developments in ways that we cannot predict at this time, and we cannot guarantee that we will be able to avoid negative consequences directly or indirectly from any failure of one or more banks or other financial institutions. Any of the foregoing could have a material adverse effect on our business, financial condition, liquidity and results of operations. In addition, the foregoing may have the effect of triggering or intensifying many of the risks described elsewhere in this "Risk Factors" section.

Our investments in private, secured commercial mortgage loans ("CML") and private, secured middle market loans ("MML") are subject to credit risk, market risk, servicing risk, loss from catastrophic events and other risks, which could diminish the value that we obtain from such investments.

As of December 31, 2024, $140.7 million of our total invested assets were invested in private, secured CMLs, and in private, secured MMLs and other private debt. Defaults by borrowers in the payment or performance of their obligations underlying these assets could reduce our investment income and realized investment gains or result in the recognition of investment losses. For example, the value of our real estate-related loans depends in part on the financial condition of the borrowers, the value of the real properties underlying the mortgages and, for commercial properties, the financial condition of the tenants of the properties underlying those mortgages, as well as general and specific economic trends affecting the overall default rate. Certain of these borrowers have in the past, and may in the future, experience financial difficulties or such investments could require workouts or restructurings, which, in either case, could: (1) impact the value of our investments in such CMLs or MMLs, which impact could be significant; or (2) adversely affect our business, operating results or financial condition. An unexpectedly high rate of default on CMLs and/or MMLs may limit substantially the ability of the borrower or issuer of such securities to make payments to the loan holders, reducing the value of those loans or securities. As with all investments, such CMLs or MMLs may be subject also to third-party litigation risk, to which a member of the Aspen Group may be named as a party from time to time.

The CML and MML portfolios that we hold face both default and delinquency risk. An increase in the delinquency or default rate of our CML/MML portfolios or geographic or sector concentration within our CML/MML portfolios could materially and adversely impact our financial condition and results of operations. Any failure to manage these risks effectively could materially and adversely affect our financial condition and results of operations. In general, any significant weakness in the broader macro economy or significant problems in a particular real estate market or corporate market may cause a decline in the value of the real estate market and corporate assets securing the loans in that market, thereby increasing the risk of delinquency, default and foreclosure. This could, in turn, have a material adverse effect on our credit loss experience.

For more information on our CML and MML investments, which we also refer to as "privately-held investments," refer to "Note 4—Investments" to our audited consolidated financial statements.

A portion of our invested assets are relatively illiquid and we may fail to realize profits from these assets for a considerable period of time, or lose some or all of the principal amount we invest in these assets if we are required to sell our invested assets at a loss to meet our insurance, reinsurance or other obligations.

We seek to configure our investment portfolio to provide and maintain sufficient liquidity to support our insurance, reinsurance and other obligations. However, in order to provide necessary long-term returns and to achieve our strategic goals, at times a portion of our assets may be relatively illiquid. A portion of our investments are in securities that are not publicly traded or that otherwise lack liquidity, such as our privately-held fixed maturity and floating rate securities, below investment grade securities, and alternative investments.

We record our relatively illiquid types of investments at fair value. If we were forced to sell some or all of these assets, there can be no assurance that we would be able to sell them for the values at which such assets are recorded and we might consequently sell these assets at significantly lower values to the recorded value. When we hold a security or position, it is vulnerable to price and value fluctuations and may experience losses if we are unable to sell or hedge the position. Thus, it may be impossible or costly for us to liquidate positions rapidly in order to meet unexpected obligations. This potential mismatch between the liquidity of our assets and liabilities could have a material and adverse effect on our business, financial condition, results of operations and cash flows.

We also invest in CLOs and control over the CLOs in which we invest is exercised through collateral managers, who may take actions that could adversely affect our interests, and we may not have the right to direct collateral management. There may also be less information available to us regarding the underlying debt instruments held by CLOs than if we had invested directly in the debt of the underlying companies. Our investments in CLOs are also subject to liquidity risk as there is a less liquid market for CLOs (when compared, by way of illustration, to U.S. Government Treasuries). Accordingly, we may suffer unrealized depreciation and could incur realized losses in connection with the sale of our CLO investments.

Volatility and uncertainty in general economic conditions and in financial and mortgage markets could adversely impact our business prospects, operating results, financial position and liquidity.

Since 2022, due to significant inflation, the rapid and strong rise in interest rates, and ongoing uncertainty with respect thereto, the possibility of a recession, ongoing uncertainty as to the emergence of potential new COVID-19 variants and other global macroeconomic and geopolitical tensions, global financial markets have been characterized by volatility and uncertainty. Unfavorable economic conditions could increase our funding costs, limit our access to the capital markets or make credit harder to obtain. Uncertainties in the financial and mortgage markets may also affect our counterparties which could adversely affect their ability to meet their obligations to us.

Deterioration or volatility in the financial markets or general economic and political conditions could result in a prolonged economic downturn or trigger another recession and our operating results, financial position and liquidity could be materially and adversely affected. Further, unfavorable economic conditions could have a material adverse effect on certain or any of the lines of business we write, including, but not limited to, credit and political risks and professional liability risks.

We provide credit reinsurance to mortgage guaranty insurers and commercial credit insurers. We are exposed to the risk that losses from mortgage insurance materially exceed the net premiums that are received to cover such risks, which may, subject to liability caps, result in operating and economic losses to us. Mortgage insurance underwriting losses that have the potential to exceed our risk appetite are associated with the systemic impacts of severe mortgage defaults, driven by large scale economic downturns and high unemployment.

Such matters may have the effect of triggering or intensifying many of the risks described elsewhere in this "Risk Factors" section.

The determination of the amount of allowances and impairments taken on our investments is highly subjective and could materially impact our operating results or financial position.

We perform a detailed analysis each reporting period end to assess movements in the fair values of available for sale debt securities in accordance with applicable accounting guidance regarding the recognition and presentation of current expected losses. The process of determining an allowance for available for sale securities requires judgment and involves analyzing many factors. For additional information regarding this process, and the changes to the applicable accounting policies, refer to "Note 2(c)—"Basis of Presentation and Significant Accounting Policies —Accounting for Investments, Cash and Cash Equivalents", and "Note 2(m) —"Basis of Presentation and Significant Accounting Policies —Accounting Pronouncements" to our audited consolidated financial statements. Assessing the accuracy of the allowances reflected in our financial statements is inherently uncertain given the subjective nature of the process. Furthermore, additional impairments may need to be taken or allowances provided in the future with respect to events that may impact specific investments. While our current allowance is not material, the current allowance may not be indicative of future impairments or allowances. Thus, future material impairments themselves or any error in accurately accounting for them may have a material adverse effect on our financial condition or results of operations.

Our financial condition or operating results may be adversely affected by currency fluctuations that we may not be effective at mitigating.

Our reporting currency is the U.S. dollar. However, a significant portion of our operations is conducted outside the United States in a variety of foreign (non-U.S.) currencies. Accordingly, we are subject to legal, economic and market risks associated with devaluations and fluctuations in currency exchange rates. Our assets and liabilities denominated in foreign currencies are therefore exposed to changes in currency exchange rates, which may be material. The principal currencies creating foreign exchange risk are the British Pound, the Euro, the Swiss Franc, the Australian Dollar, the Canadian Dollar and the Singapore Dollar. At December 31, 2024, 25.2% of gross written premiums were denominated in non-U.S. currencies. We employ various strategies, including the use of foreign exchange forward contracts and other derivative financial instruments, to manage our exposure to foreign currency exchange risk. To the extent that these exposures are not fully offset or hedged, or the hedges are ineffective at mitigating adverse effects, our financial results and condition may be negatively impacted by fluctuations in foreign currency exchange rates.

Credit Risks

Our operating results may be adversely affected by the failure of policyholders, brokers or other intermediaries or reinsurers to honor their payment obligations.

In accordance with industry practice, we generally pay amounts owed on claims under our insurance and reinsurance contracts to brokers, coverholders, agents or other third parties and these parties, in turn, pay these amounts to the policyholders that purchased insurance and reinsurance from us. In some jurisdictions where we write a significant amount of business, if such a third party fails to make such a payment it is highly likely that we will be liable to the policyholder for the deficiency because of local laws or contractual obligations. Likewise, when the policyholder pays premiums for policies to such third parties for payment to us, these premiums are generally considered to have been paid and, in most cases, the policyholder will no longer be liable to us for those amounts whether or not we have actually received the premiums. Consequently, we assume a degree of credit risk associated with brokers and other agents or representatives with respect to most of our (re)insurance business.

In addition, bankruptcy, liquidity problems, distressed financial conditions, sanctions or the general effects of economic recession may increase the risk that policyholders may not pay a part of, or the full amount of, premiums owed to us despite an obligation to do so. The terms of our contracts or local law may not permit us to cancel our insurance even if we have not received payment. If non-payment becomes widespread, whether as a result of bankruptcy, lack of liquidity, adverse economic conditions, operational failure, delay due to litigation, bad faith and fraud or other events, it could have a material adverse impact on our business and operating results.

We purchase reinsurance for our own account in order to mitigate the effect of certain large and multiple losses upon our financial condition. Our reinsurers or capital market counterparts are dependent on their ratings in order to continue to write business and some have suffered downgrades in ratings in the past as a result of their exposures. Our reinsurers or capital market counterparties may also be affected by adverse developments in the financial markets, which could adversely affect their ability to meet their obligations to us. Insolvency of these counterparties, their inability to continue to write business or reluctance to make timely payments under the terms of their agreements with us could have a material adverse effect on us because we remain liable to our insureds or cedants in respect of the reinsured risks.

During periods of economic uncertainty, such as the current environment, our consolidated credit risk to these parties may materially increase.

Strategic Risks

Competition and consolidation in the (re)insurance industry could reduce our growth and profitability.

Insurance and reinsurance markets are highly competitive. We compete on an international and regional basis with major U.S., Bermuda, European and other international (re)insurers and underwriting consortia and syndicates, including syndicates at Lloyd's, some of which have greater financial, marketing and management resources than we do. We also compete with new companies that continue to be formed to enter the (re)insurance markets. In addition, capital market participants have created alternative products that are intended to compete with reinsurance products. Until recently, new and alternative capital inflows in the (re)insurance market and the retention by cedants of more business had caused an excess supply of (re)insurance capital and may again in the future. We have sought to address this risk by developing our own capital markets capability through ACM. See further information on associated risks described elsewhere in this "Risk Factors" section, including "—We are exposed to risks in connection with our management of alternative reinsurance platforms on behalf of investors in any entities ACM manages or could manage in the future."

There has also been a large volume of merger and acquisition activity in the (re)insurance sector in recent years which may continue and we may experience increased competition as a result of that consolidation with consolidated entities having enhanced market power. As the (re)insurance industry consolidates, competition for customers will become more intense and the importance of acquiring and properly servicing each customer will become greater.

Increased competition could result in fewer submissions, lower premium rates, less favorable policy terms and conditions and greater expenses relating to customer acquisition and retention, which could have a material adverse impact on our operating results or financial condition.

Our Operating Subsidiaries are rated and our Lloyd's business benefits from a rating by one or more of A.M. Best and S&P and a decline in any of these ratings could adversely affect our standing among brokers and customers and cause our premiums and earnings to decrease, or may otherwise result in an adverse effect on our business, financial condition and operating results.

Ratings have become an increasingly important factor in establishing the competitive position of insurance and reinsurance companies and will also impact the cost and availability of capital to an insurance company. Rating agencies represent independent opinions of the financial strength of insurers and reinsurers and their ability to meet policyholder obligations. Our existing ratings by A.M. Best and S&P represent an important consideration in maintaining customer confidence in us and in our ability to market insurance products. Rating organizations regularly analyze the financial performance and condition of insurers and some policyholders are required to obtain insurance coverage from insurance companies that have an "A-" (Strong) rating or higher.

The S&P financial strength and issuer credit ratings of Aspen Bermuda, AAIC and Aspen UK are "A-" (Strong), while the long-term issuer credit rating of Aspen Holdings is "BBB." On March 4, 2025, S&P affirmed the issuer credit ratings of Aspen Holdings, Aspen Bermuda, AAIC and Aspen UK. The outlook assigned to all these ratings is stable. Aspen Specialty is not currently rated by S&P and has a financial strength rating of "A" (Excellent) by A.M. Best with a stable outlook. On April 30, 2021, A.M. Best affirmed the financial strength rating of "A" (Excellent) for Aspen Bermuda, Aspen UK, Aspen Specialty and AAIC and upgraded its outlook to stable from negative, and both the rating and outlook were affirmed on July 12, 2024. Aspen Lloyd's benefits from the Lloyd's market financial strength rating of "A+" (Superior) with a stable outlook by A.M. Best and "AA-" (Very Strong) with a stable outlook by S&P.

The ratings of our Operating Subsidiaries are subject to periodic review by, and may be placed on credit watch, revised downward or revoked at the sole discretion of, A.M. Best or S&P. For more information, see "Business—Ratings." These ratings are intended to measure a company's ability to repay its obligations and are based upon criteria established by the rating agencies. Ratings may be solicited or unsolicited.

Previously, S&P issued a rating to Highlands Holdings Bond Issuer, Ltd. and Highlands Holdings Bond Co-Issuer, Inc. (the "Issuers"), each of which was an affiliate of Highlands Bermuda Holdco, Ltd., in relation to the $500 million aggregate principal amount of 7.625% / 8.375% Senior Secured PIK Toggle Notes due 2025 (the "Notes"). In October 2024, funds managed by Apollo entered into two private loan facilities incurring an aggregate of $540.0 million in indebtedness and used the proceeds from such facilities to finance the redemption of the Notes ahead of the maturity date (the "Private Facility"). S&P confirmed that it takes into consideration the Private Facility in its leverage and coverage calculations of the Company, which aligns with S&P's prior treatment of the Notes. In addition, S&P expects us to maintain capital adequacy above the extreme stress scenario (99.99% confidence level) under the S&P capital model to maintain the "A-" rating of Aspen Bermuda, AAIC and Aspen UK. Should we experience weaker-than-expected underwriting performance, should our capital adequacy position decline and remain below the extreme stress scenario (99.99% confidence level) for a prolonged period, should our financial leverage materially increase or liquidity materially decrease, among other factors, we may be required to maintain a greater amount of capital in order to maintain our existing ratings or become subject to a ratings downgrade.

The rating agencies with whom we maintain an interactive rating relationship for the purposes of the solicited ratings, currently A.M. Best and S&P, continuously evaluate us to confirm that we continue to meet the criteria of the rating assigned to us. Our ratings may be revised downward or revoked at the sole discretion of the rating agencies at any time. The financial strength ratings assigned by rating agencies to insurance or reinsurance companies are based upon factors relevant to cedants, which include factors not entirely within our control, including factors impacting the financial services, insurance and reinsurance industries generally. Financial strength ratings by rating agencies are not ratings of securities or recommendations to buy, hold or sell any security, including our ordinary shares.

If our Operating Subsidiaries' or if Lloyd's ratings are reduced from their current levels by either A.M. Best or S&P, our competitive position in the (re)insurance industry might suffer and it may be more difficult for us to market our products, expand our (re)insurance portfolio and renew our existing (re)insurance policies and agreements. A rating downgrade may also require us to establish trusts or post letters of credit for ceding company clients and could trigger provisions allowing some clients to terminate their (re)insurance contracts with us. Some contracts also provide for the return of premium to the ceding client in the event of a rating downgrade. It is increasingly common for our reinsurance contracts to contain such terms. Whether a cedant would exercise any of these rights could depend on various factors, such as the reason for and the extent of such downgrade, the prevailing market conditions and the pricing and availability of replacement reinsurance coverage. A downgrade could result in a substantial loss of business as ceding companies and brokers that place such business move to other reinsurers with higher ratings and therefore such downgrade may materially and adversely impact our business, operating results, liquidity and financial flexibility.

In addition, a downgrade of the financial strength rating of Aspen UK, Aspen Bermuda, AAIC or Aspen Specialty by A.M. Best below "B++" would constitute an event of default under one or more of our financing facilities. Additionally, the cost and availability of unsecured financing are generally dependent on the borrower's long-term and short-term debt ratings. A lower rating may lead to higher borrowing costs, thereby adversely impacting our liquidity and financial flexibility and by extension our business, financial condition and results of operations.

Increasing scrutiny and evolving expectations from investors, customers, regulators, policymakers and other stakeholders regarding environmental, social and governance matters may adversely affect our reputation or otherwise adversely impact our business and results of operations.

ESG encompasses a wide range of issues, including climate change and other environmental and social risks, and failure to communicate a clear strategy to manage these risks and/or lacking progress on the implementation of a comprehensive climate risk management framework may pose reputational or litigation risks. Internal and external stakeholders, including regulators and investors, have placed increased and rapidly evolving importance on how we are addressing ESG issues. Reputational risks develop through the insurance coverage provided, or not provided, to policyholders that conduct business activities with negative impacts on the climate or from investments held in certain industries, or via Aspen's operations and internal programs, directly or via third parties that provide services for us. Regulators and lawmakers have adopted and may continue to adopt ESG-related laws, rules and guidance, which may conflict with one another and impose additional costs and operational burdens on us. A lack of harmonization globally and within jurisdictions in relation to ESG legal and regulatory reform leads to a risk of fragmentation in group level priorities as a result of the different pace and type of sustainability transition across global jurisdictions. This may create conflicts across our global business which could risk inhibiting our future implementation of, and compliance with, rapidly developing ESG standards and requirements, and potentially pose litigation, investigation and/or reputational risks. While we have procedures to monitor regulatory change, it is not possible to predict the impact of such regulatory or legislative changes, and such changes may affect the way we conduct our business and manage our capital and risk profile, which in turn could affect our results of operations, financial condition and liquidity. If we are unable to meet targets, standards, or expectations, whether established by us or third parties, it could result in adverse publicity, reputational harm, or loss of customer and/or investor confidence, which could adversely affect our business and results of operations. For further information, see "—Risks Related to Our Business—Global climate change, as well as increasing laws, regulation and litigation in the area of climate change, may have an adverse effect on our results of operations, financial condition or liquidity."

Any future acquisitions, growth of our operations through the addition of new lines of (re)insurance business, expansion into new geographic regions and/or joint ventures or partnerships may expose us to risks.

As part of our long-term strategy, we have pursued, and may continue to pursue, growth through acquisitions and/or strategic investments in new businesses or entering into strategic ventures with third parties. The negotiation of these transactions as well as the integration of an acquired business or new personnel could result in a substantial diversion of management resources. Successful integration depends, among other things, on our ability to effectively integrate acquired businesses or new personnel into our existing risk management and financial and operational reporting systems, establish satisfactory budgetary and other financial controls, manage any regulatory issues created by our entry into new markets and geographic locations, retain key personnel and obtain personnel required for expanded operations. The failure to integrate successfully or to manage the challenges presented by the integration process may have an adverse effect on our business, financial condition or results of operations.

There can be no assurance that the integration of acquired businesses or new personnel will be successful, that we will realize anticipated synergies, cost savings and operational efficiencies, or that the business acquired will prove to be profitable or sustainable. The failure to integrate acquired businesses successfully or to manage the challenges presented by the integration process may adversely impact our financial results. Acquisitions could involve numerous additional risks such as potential losses from unanticipated litigation or levels of claims and inability to generate sufficient revenue to offset acquisition costs. In addition, the value of assets acquired may be lower than expected or may diminish due to credit defaults or changes in interest rates or the liabilities assumed may be greater than expected. Our ability to grow through acquisitions will depend, in part, on our success in addressing these risks. Our failure to manage successfully any of the foregoing challenges and risks may adversely impact our results of operations.

We depend on a few brokers for a large portion of our insurance and reinsurance revenues and the loss of business provided by any one of those brokers could adversely affect us.

We market our (re)insurance worldwide primarily through (re)insurance brokers and derive a significant portion of our business from a limited number of brokers. For the twelve months ended December 31, 2024, three brokers, Marsh & McLennan Companies, Inc., Aon Corporation and Arthur J. Gallagher, accounted for 32.4%, 25.1% and 16.3%, respectively, of our reinsurance gross written premiums.

In our insurance business, ten brokers collectively accounted for 61.3% of our gross written premiums for the twelve months ended December 31, 2024. The top three brokers out of these ten were Arthur J. Gallagher, Marsh & McLennan Companies, Inc. and Aon Corporation accounting for 11.0%, 10.5% and 9.9% of such gross written premiums, respectively, for the twelve months ended December 31, 2024. Refer to "Business Overview—Business Distribution" below for our principal brokers by segment. Our relationships with our brokers and agents are based on the quality of our underwriting and claim services, as well as our financial strength ratings. Any deterioration in these factors could result in the brokers advising our clients to place their business with other (re)insurers. In addition, these brokers and agents also have, or may in the future acquire, ownership interests in insurance and reinsurance companies that may compete with us and these brokers may favor their own (re)insurers over other companies. Loss of all or a substantial portion of the business provided by one or more of these brokers could have a material adverse impact on our business and results of operations.

In addition, there has been a trend of increased consolidation of agents and brokers and of agents and brokers strategically reducing the numbers of insurers with which they do business to gain efficiency for their placement efforts. As we distribute most of our products through agents and brokers, consolidation could impact our ability to access business and our relationships with, and fees paid to, agents and brokers. In the Lloyd's market, independent London wholesalers continue to be acquired by larger global brokers, which may result in enhanced market power for these larger brokers in placing (re)insurance. In the U.S. market, larger regional retailers are also being acquired by the larger global brokers. Consolidation of distributors may also increase the likelihood that distributors will try to renegotiate the terms of existing selling agreements to terms less favorable to us. As brokers merge with or acquire each other, any resulting failure or inability of brokers to market our products successfully, or the loss of a substantial portion of the business sourced by one or more of our key brokers, could have a material adverse effect on our business and results of operations.

We are exposed to risks in connection with our management of alternative reinsurance platforms on behalf of investors in any entities ACM manages or could manage in the future.

Those of our subsidiaries that are engaged in the management of alternative reinsurance platforms as part of our ACM division may owe certain legal duties and obligations to third-party investors (including reporting obligations) and are subject to a variety of often complex laws and regulations relating to the management of those structures. Although we continually monitor our policies and procedures to ensure compliance, faulty judgments, simple errors or mistakes, or the failure of our personnel to adhere to established policies and procedures could result in our failure to comply with applicable laws or regulations which could result in significant liabilities, penalties or other losses and significantly harm our business and results of operations. Additionally, ACM also raises capital from third-party investors that may be invested in a vehicle that is a reinsurer of an Aspen entity but may be managed by a third-party administrator.

Our third-party investors may decide to redeem their interests, which could materially impact the financial condition of the entities supporting our underwriting. Certain of our third-party capital investors provide significant capital investment. The loss or alteration of this capital support could be detrimental to our financial condition and results of operations. Moreover, we can provide no assurance that we may be able to attract and raise additional third-party capital for our existing entities or for potential new entities and therefore we may forego existing and/or potential attractive fee income and other income-generating opportunities.

Furthermore, notwithstanding any capital holdback, we may decide to return to our investors all or a portion of their capital held as collateral prior to the maturity specified in the terms of the particular underlying transactional documents. A return of capital to our investors is final. As a result, if we release collateral early and capital is returned to our investors, we may not have sufficient collateral to pay the claims associated with such losses in the event losses are significantly larger than we anticipated. In addition, the value of any collateral held may be impacted by macroeconomic, geopolitical or other factors that could lead to investment volatility.

We may require additional capital in the future, which may not be available or may only be available on unfavorable terms. We may have to raise capital following significant insured losses, potentially resulting in capital being raised at valuations significantly below the original ordinary share price.

Our future capital requirements depend on many factors, including our ability to write new business successfully, deploy capital into more profitable business lines, identify acquisition opportunities, manage investments and preserve capital in volatile markets, and establish premium rates and reserves at levels sufficient to cover losses.

We require liquidity to:

- pay claims;
- fund our operating expenses;
- to the extent declared, pay dividends (including the payment of dividends to the holders of our Preference Shares);
- fund liquidity needs caused by investment losses;
- replace or improve capital in the event of a depletion of our capital as a result of significant reinsurance losses;
- meet rating agency or regulatory capital requirements;
- respond to competitive pressures;
- service our debt; and
- meet capital requirements.

To the extent our funds are insufficient or unavailable to fund future operating requirements or cover claims losses, whether due to regulatory or contractual restrictions (such as to pay additional or callable contributions to the Lloyd's central fund), underwriting or investment losses or otherwise, we may need to raise additional funds through corporate finance transactions or curtail our growth and reduce our liabilities. Any such financing, if available at all, may be on terms that are not favorable to us. Additionally, in a rising interest rate environment, such financing may result in a higher cost of capital. Our ability to raise such capital successfully would depend upon the facts and circumstances at the time, including our financial position and operating results, market conditions and applicable regulatory filings and legal issues. If we cannot obtain adequate capital on favorable terms, or obtain it at all, our business, financial condition and operating results could be adversely affected. Furthermore, financial markets have experienced extreme volatility and disruption due in part to financial stresses affecting the liquidity of the banking system and the financial markets generally. These circumstances have reduced access to the public and private equity and debt markets at such times.

In addition, we may not achieve the desired regulatory capital treatment for any potential issuance of debt or equity securities due to changing solvency capital eligibility requirements under the Bermuda Insurance (Group Supervision) Rules 2011, as amended from time to time (the "Group Supervision Rules") to which we are subject. For these instruments to continue to receive the intended regulatory capital treatment, their terms must reflect the criteria contained in the Group Supervision Rules and any amendments thereto. If the BMA applies any changes to the Group Supervision Rules governing eligible capital such that our outstanding Preference Shares or other securities we may issue in the future no longer receive their intended capital treatment under the Group Supervision Rules, we may be unable to maintain adequate regulatory capital. If we cannot obtain adequate capital or credit, our business, results of operations and financial condition could be adversely affected by, among other things, our inability to finance future acquisitions.

Our debt, credit and International Swaps and Derivatives Association ("ISDA") agreements may limit our financial and operational flexibility, which may affect our financial condition, liquidity and ability to conduct our business.

We have incurred indebtedness and may incur additional indebtedness in the future. Additionally, we have incurred indebtedness under the Term Loan Credit Agreement (as defined below) and have entered into credit facilities with various institutions which provide revolving lines of credit to us and our Operating Subsidiaries and issue letters of credit to our clients in the ordinary course of business. We have also entered into ISDA agreements relating to derivative transactions.

The agreements relating to our debt, including the Term Loan Credit Agreement, credit facilities and our ISDA agreements contain covenants that may limit our ability, among other things, to borrow money, make particular types of investments or other restricted payments, sell assets, merge or consolidate. Such agreements also typically contain reporting and disclosure affirmative covenants. Some of these agreements also require us to maintain specified ratings and financial ratios, including a minimum net worth covenant. If we fail to comply with these covenants or meet required financial ratios, the lenders or counterparties under these agreements could declare a default and demand immediate repayment of all amounts owed to them and require collateralization of any current or future obligations of the Company. Additionally, a default under our debt, credit facilities or ISDA agreements could limit our ability to obtain credit or enter into such transactions on favorable terms, or at all. As a result, our business, financial condition and operating results could be adversely affected.

If we are in default under the terms of these agreements, we may also be restricted in our ability to declare or pay any dividends, redeem, purchase or acquire any shares or make a liquidation payment and are at risk of cross-default on other arrangements. In addition, the cost and availability of these arrangements vary and any adverse change in the cost or availability of such arrangements could adversely impact our business, financial condition and operating results.

Regulatory Risks

Political, regulatory, governmental and industry initiatives, and the inability of third parties with whom we do business to appropriately manage their risks, may have a material adverse effect on our business, financial condition, results of operations, liquidity, cash flows and prospects.

Certain of the laws and regulations to which our Operating Subsidiaries are subject are summarized under "Certain Regulatory Considerations." Changes in the laws and regulations relevant to our business may have a material adverse effect on our business, financial condition, results of operations, liquidity, cash flows and prospects. The laws and regulations of the jurisdictions in which our insurance and reinsurance subsidiaries are domiciled require, among other things, maintenance of minimum levels of statutory capital, surplus, and liquidity; various solvency standards; and periodic examinations of subsidiaries' financial condition. In some jurisdictions, laws and regulations also restrict payments of dividends and reductions of capital and require prior approval in connection with a potential acquisition or change of control. Applicable statutes, regulations, and policies may also restrict the ability of these subsidiaries to write insurance and reinsurance policies, to make certain investments, and to distribute funds. In addition, as industry practices and legislative, regulatory, judicial, social, financial, technological and other environmental conditions change, unexpected and unintended issues related to claims and coverage may emerge. These issues may adversely affect our business by either extending coverage beyond our underwriting intent or by increasing the frequency and severity of claims. In some instances, these changes may not become apparent until after we have issued insurance or reinsurance contracts that are affected by the changes.

Some of these authorities regularly consider enhanced or new regulatory requirements intended to prevent future crises or otherwise assure the stability of institutions under their supervision. These authorities may also seek to exercise their supervisory authority in new and more robust ways, and new regulators could become authorized to oversee parts of our business. The purpose of insurance laws and regulations generally is to protect policyholders and ceding insurance companies, not our shareholders or other security holders. Failure to comply with or obtain appropriate authorizations and/or exemptions under any applicable laws and regulations could result in restrictions on our ability to do business or undertake activities that are regulated in one or more of the jurisdictions in which we conduct business and could subject us to fines, other sanctions and reputational injury.

It is not possible to predict all future impacts of political, regulatory, governmental or industry changes but they could affect the way we conduct our business and manage our capital, and may require us to satisfy increased capital requirements or to incur additional expenses, any of which, in turn, could affect our results of operations, financial condition and liquidity. Additionally, changes in regulations may result in discrepancies or conflicts among the jurisdictions in which we operate, which may increase our compliance burdens and costs, and new or changing laws, tariffs on services or goods or other protectionist measures may adversely impact our operational and compliance costs. With respect to tariffs, it is unclear how recently-announced tariffs and tariff disputes may impact our business, but there may be a ripple effect on how these impact certain industries which we support through the provision of our insurance and reinsurance products. Sustained escalation of tariff setting and tariff disputes has the potential to result in a global economic slowdown. We cannot predict the impact of these actions on our business and results of operations.

The foreign and U.S. federal and state laws and regulations that are applicable to our operations, including those at Lloyd's are complex and may increase the costs of regulatory compliance or subject our business to the possibility of regulatory actions or proceedings. In addition to insurance and financial industry regulations, our activities are also subject to relevant economic and trade sanctions administered by the U.S. Department of the Treasury's Office of Foreign Assets Control, the U.S. Department of State, the U.S. Department of Commerce, the United Nations Security Council and other relevant sanctions authorities, as well as money laundering regulations, and anti-corruption laws including but not limited to, the U.S. Foreign Corrupt Practices Act and the U.K. Bribery Act 2010, which may increase the costs of regulatory compliance, limit or restrict our ability to do business or engage in certain regulated activities, or subject us to the possibility of regulatory actions, proceedings and fines.

Our global operations expose us to the risk of violating, or being accused of violating, economic and trade sanctions laws and regulations. As part of our business, we may, from time to time, engage in limited sales and transactions involving certain countries, entities and individuals that are targets of economic sanctions, provided that such sales and transactions are authorized pursuant to applicable economic sanctions laws and regulations. However, we cannot predict the nature, scope or effect of future regulatory requirements, including changes that may affect existing regulatory authorizations, and we cannot predict the manner in which existing laws and regulations might be administered or interpreted. Further, while we maintain policies and procedures designed to maintain compliance with applicable economic and trade sanctions, there can be no guarantee that our policies and procedures will be effective in preventing violations, which could adversely affect our reputation, business, financial condition or results of operations. If in the future we are found to be in violation of U.S. or other applicable economic sanctions or export control laws, it could result in substantial fines and penalties for us, including criminal fines, imprisonment, civil fines, disgorgement of profits, injunctions and other remedial measures. Investigations of alleged violations can be expensive and disruptive. The insurance industry is also affected by political, judicial, and legal developments that may create new and expanded regulations and theories of liability. The current economic and financial climates present additional uncertainties and risks relating to increased regulation and the potential for increased involvement of the United States and other governments in the financial services industry.

In response to changes to U.S. credit for reinsurance rules arising from the 2017 Covered Agreement between the United States and European Union ("E.U.") and the 2018 Covered Agreement between the United States and the United Kingdom, Aspen Bermuda has obtained reciprocal jurisdiction reinsurer status with Texas as its lead state. Reinsurers licensed in reciprocal jurisdictions (which include the United Kingdom, E.U. member states, Bermuda, Japan and Switzerland) are not required to post reinsurance collateral to U.S. cedants if approved as reciprocal jurisdiction reinsurers in the cedant's U.S. state of domicile. With its approval from Texas, Aspen Bermuda was able to facilitate passporting applications in additional U.S. states throughout 2022, with renewal of the same for all U.S. states now operationalized and embedded. "Passporting" refers to the process under which a U.S. state has the discretion to defer to the determination by another U.S. state that a reinsurer is a reciprocal jurisdiction reinsurer, thereby excusing the approved reinsurer from collateral requirements in such state. Aspen Bermuda also retains its status as a certified reinsurer in a number of U.S. states, enabling it to provide reduced collateral for historical risks written. There is no guarantee that Aspen Bermuda will maintain its reciprocal jurisdiction reinsurer or certified reinsurer status, and changes in laws and regulations applicable to the provision of collateral by offshore or unauthorized reinsurers such as Aspen Bermuda may have a material adverse impact on our capital management approach, financial condition, results of operations, liquidity, cash flows and prospects. Refer to "Certain Regulatory Considerations—U.S. Regulation—Credit for Reinsurance" for more information.

In the event or absence of changes in applicable laws and regulations in particular jurisdictions, we may from time to time face challenges, or changes in approach to oversight of our business from insurance or other regulators, including challenges resulting from implementing new or additional processes or procedures that cannot be quickly adapted to address new regulatory requirements. Moreover, we could be, or our employees acting on our behalf, could be found to have violated existing laws, rules or regulations. Our regulators, as well as Lloyd's, have the ability to make regulatory interventions using their powers, including through investigations, requests for data and analysis, interviews or reviews (including, but not limited to, skilled persons reports under section 166 of the U.K. Financial Services and Markets Act 2000 ("FSMA")), which regulatory intervention may require, or may in the past have imposed, specific remediation, including via guidance on a confidential basis, in respect of historical practices, changes to our existing practices, public censure, financial or other penalties, the loss or restriction of regulatory permissions necessary to carry out our business in the same manner as before, and/or additional regulatory capital to be held. Such matters could have a material adverse effect on our business, results of operations and financial condition.

We are involved in periodic meetings with, and reviews by, regulators, pursuant to which they review our business and provide challenges in order to test and validate the supervisory and work plan adopted by their supervisory teams. Through such processes, our regulators may validate and/or challenge, among other things, our strategy, business plans, internal governance, risk and capital management and compliance frameworks. Our regulators have required us, and we are under continuing obligations, to remediate failures, weaknesses and other issues that they have identified, including, but not limited to, with respect to our underwriting performance, reserving risk and capital management, and governance, which, if we are unsuccessful in remediating could result in greater regulatory intrusion, enforcement action and/or the exercise of our regulators' own initiative powers (including imposing restrictions on our underwriting and/or a requirement to maintain additional capital, which would reduce our underwriting capacity). We continuously introduce and implement initiatives to improve our business, including our underwriting performance, risk and capital management and governance, which, if we are unable to successfully embed within our operations, could result in greater regulatory intrusion and/or enforcement action or the exercise of our regulators' own initiative powers, which could have a material adverse effect on our business, results of operations and financial condition.

We believe it is likely there will continue to be increased regulation of, and other forms of government participation in, our industry in the future, which could materially adversely affect our business by, among other things: providing reinsurance capacity in markets and to policyholders that we target or requiring our participation in industry pools and guaranty associations; further restricting our operational or capital flexibility; expanding the scope of coverage under existing policies; regulating the terms of our (re)insurance policies; adopting further or changing compliance requirements which may result in additional costs which may adversely impact our results of operation; or disproportionately benefiting the companies domiciled in one country over those domiciled in another.

We maintain policies and procedures designed to comply with applicable anti-corruption laws and regulations. However, we cannot provide assurance that our internal controls and compliance systems will always protect us from liability for acts committed by employees, agents, third parties or business partners of ours (or of businesses we acquire or partner with) that would violate U.S. and/or non-U.S. laws, including the laws governing payments to government officials, bribery, fraud, kickbacks and other related laws. Any such improper actions or allegations of such acts could subject us to significant sanctions, including civil or criminal fines and penalties, disgorgement of profits, injunctions and debarment from government contracts, as well as related shareholder lawsuits and other remedial measures, all of which could adversely affect our reputation, business, financial condition and results of operations. Investigations of alleged violations can also be disruptive and cause us to incur significant legal and investigatory fees.

In addition, for certain lines of business, we authorize managing general agents, coverholders, producers or other agents to write business on our behalf within underwriting authorities determined by us. We rely on the underwriting controls of these agents to write business within the underwriting authorities provided by us. Although we have contractual protections in some instances and we monitor such business on an ongoing basis, our monitoring efforts may not be adequate or our agents may exceed their underwriting authorities or otherwise breach obligations owed to us. While we conduct underwriting, financial, claims and information technology due diligence reviews and apply rigorous standards in the selection of these counterparties, there is no assurance they have provided us accurate or complete information to assess their risk or that they can manage effectively their own risks. The counterparties are also subject to the same global increase in cyber incidents, including ransomware, and we cannot offer assurances that these counterparties have sufficient technical and organizational controls to mitigate these risks. Consequently, we assume a degree of credit and operational risk of those parties, and a material failure to manage their risks may result in material losses or damage to us. Our financial condition and results of operations could be materially adversely affected by any one of these issues.

Changes in regulations that adversely affect the U.S. mortgage insurance and reinsurance market could affect our operations significantly and could reduce the demand for mortgage insurance.

In addition to the general regulatory risks to which we are subject, the reinsurance we write could also be indirectly affected by various additional regulations relating particularly to our U.S. mortgage reinsurance operations. U.S. federal and state regulations affect the scope of operations of mortgage guaranty insurers, commercial credit insurers and the government-sponsored enterprises ("GSEs") to whom we provide credit reinsurance. Legislative and regulatory changes could cause demand for private mortgage insurance to decrease, which could have an adverse impact on our U.S. mortgage reinsurance operations. Increases in the maximum loan amount that the U.S. Federal Housing Administration can insure, and reductions in the mortgage insurance premiums it charges, can reduce the demand for private mortgage insurance. Decreases in the maximum loan amounts GSEs, such as the Federal National Mortgage Association (Fannie Mae) and the Federal Home Loan Mortgage Corporation (Freddie Mac), will purchase or guarantee, increases in GSE fees, or decreases in the maximum loan-to-value ratio for loans the GSEs will purchase, can also reduce demand for private mortgage insurance. Changes to the GSEs' capital requirements via the Enterprise Regulatory Capital Framework could decrease their use of credit-risk transfer transactions, a key element of our mortgage reinsurance business. Changes in these laws or regulations could have an indirect adverse impact on the profitability of our U.S. mortgage reinsurance business.

The United Kingdom's withdrawal from the European Union has had, and may continue to have, an adverse impact on our business, results of operations and financial condition.

The Company continues to face regulatory costs and challenges as a result of Brexit. Mutual equivalence between the United Kingdom and European Union in relation to financial services has not been recognized as of December 31, 2024.

As a result of Brexit, Aspen UK has lost its financial services passports which provided it the license to operate across borders within the European Economic Area (the "EEA") without obtaining local regulatory approval where insurers and cedants are located. The Company's Lloyd's operations are able to continue in the EEA through Lloyd's Insurance Company, S.A. ("Lloyd's Insurance Company").

However, operational and capital requirements relating thereto might result in increased costs or Funds at Lloyd's and might not provide the same access to markets that the Company formerly enjoyed to conduct business in the EEA. In addition, the ability to access the EEA market through Syndicate 4711 depends on Lloyd's being able to comply with E.U. regulations through its Belgium subsidiary. Lloyd's continues to engage in discussions with the Belgium Financial Services Markets Authority (the "Belgium FSMA") and the National Bank of Belgium ("NBB") regarding the Lloyd's Insurance Company operating model and the activities performed for it by managing agents (through an outsourcing agreement between AMAL and Lloyd's) and the question of whether it is possible that they could be construed as constituting insurance distribution under Directive (EU) 2016/97 (the "Insurance Distribution Directive"), which would therefore require them to be authorized within the EEA.

We face risks related to changes in Bermuda law and regulations, and the political environment in Bermuda.

We are incorporated and headquartered in Bermuda and one of our principal Operating Subsidiaries, Aspen Bermuda, is domiciled in Bermuda, as well as our ACM entities. Therefore, changes in Bermuda law and regulation may have an adverse impact on our operations, such as the imposition of tax liability, increased regulatory supervision or changes in regulation.

In addition, we are subject to changes in the political environment in Bermuda, which could make it difficult to operate in, or attract talent to, Bermuda. In addition, Bermuda, which is currently an overseas territory of the United Kingdom, may consider changes to its relationship with the United Kingdom in the future. These changes could adversely affect Bermuda or the international reinsurance market focused there, either of which could adversely impact us commercially.

Changes in current accounting practices and future pronouncements may materially impact our reported financial results.

Unanticipated developments in accounting practices may require us to incur considerable additional expenses to comply with such developments, particularly if we are required to prepare information relating to prior periods for comparative purposes or to apply the new requirements retroactively. Such developments may also significantly impact the presentation of such financial statements and may require restatements. The impact of changes in current accounting practices and future pronouncements cannot be predicted but they may affect the calculation of net income, net equity and other relevant financial statement line items.

Other Operational Risks

Our internal controls over financial reporting have gaps or other deficiencies.

Operational risk and losses can result from, among other things, fraud, errors, failure to document transactions properly or to obtain proper internal authorization, failure to comply with regulatory requirements, information technology failures and failure to appropriately transition new hires or external events. We continue to enhance our operating procedures and internal controls (including information technology initiatives and controls over financial reporting) to effectively support our business and our regulatory and reporting requirements. Our management does not expect that our disclosure controls or our internal controls will prevent all errors and all fraud. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. As a result of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the company have been detected. These inherent limitations include the realities that judgments in decision making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons or by collusion of two or more people. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions; over time, controls may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate. As a result of the inherent limitations in a cost-effective control system, misstatement due to error or fraud may occur and not be detected.

We are required, pursuant to the requirements of Section 404 of the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act"), to furnish a report from management on, among other things, the effectiveness of our internal control over financial reporting in connection with the filing of our annual report on Form 20-F that is filed with the SEC. We also expect, assuming that we will become an accelerated filer, that our auditors will be required to express an opinion on the effectiveness of our internal control over financial reporting beginning with our first annual report on Form 20-F following our potential initial public offering of our ordinary shares (the "Potential Initial Public Offering"). We are currently required to report, among other things, control deficiencies that constitute a "material weakness" or changes in internal controls that, or that are reasonably likely to, materially affect internal controls over financial reporting. A "material weakness" is a deficiency, or a combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of our annual or interim consolidated financial statements will not be prevented or detected on a timely basis.

Our internal control system is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

In our annual reports on Form 20-F for the 2022 and 2023 fiscal years, we identified and disclosed a material weakness in our internal control over financial reporting. The material weakness resulted from insufficient resources with appropriate level of knowledge within our outwards reinsurance operations and accounting team to effectively design and execute our process level procedures and controls around reinsurance premiums payable and reinsurance receivables, and related disclosures.

Continued significant progress has been made over the course of 2023 and 2024 to remediate the identified material weakness in our internal control over financial reporting described above. To remediate the material weakness, we implemented remedial measures that included, but were not limited to:

- strengthened the outwards reinsurance teams, through a combination of hiring additional accounting and operational resources, both permanent and temporary, together with engaging external consulting and other business process third-party organizations, to ensure that we have a sufficient number of personnel with the skills and experience commensurate with the size and complexity of the organization who can effectively design and execute our process level procedures and controls around reinsurance premiums payable and reinsurance receivables, and associated disclosure controls.
- strengthened our documentation of reinsurance premiums payable and reinsurance receivables processes and procedures relating to cash matching controls, enhancing the scope of existing outward reinsurance credit controls while also implementing new outwards reinsurance credit control processes and procedures.
- designed and implemented various additional new procedures and internal controls over reinsurance premiums payable and reinsurance receivables, improved segregation of duties, and enhanced certain existing internal controls, including timeliness and accuracy of reporting.

The above remedial measures were implemented in 2023, however, these controls needed to be in operation for a sufficient period of time before management concluded, through testing, that these new controls were operating effectively. The testing of these controls has been completed during 2024, and the outcome supports management's view that the enhancements to the outwards reinsurance control environment sufficiently mitigate the risk of material misstatement. Any residual control deficiencies, either in isolation or in aggregate, do not represent a risk of material weakness.

If we identify any additional material weaknesses in our internal control over financial reporting, fail to properly remediate the existing material weaknesses identified, or are unable to comply with the requirements of Section 404 of the Sarbanes-Oxley Act or assert that our internal control over financial reporting is effective in the future, if we are required to make restatements of our financial statements, or if our independent registered public accounting firm is unable to express an opinion as to the effectiveness of our internal control over financial reporting, investors may lose confidence in the accuracy, completeness or reliability of our financial reports and the trading price of our ordinary shares may be adversely affected, and we could become subject to sanctions or investigations by the NYSE, the SEC or other regulatory authorities, which could require additional financial and management resources. In addition, if we fail to remedy any material weakness, our financial statements could be inaccurate and we could face restricted access to the capital markets.

Management turnover or our inability to attract and retain senior staff, including our executive officers, senior underwriters or other members of our senior management team, creates uncertainties and could harm our business.

We rely heavily on our executive officers to manage our operations for the success of our business. Management must have a thorough understanding of our various business lines, as well as the skills and experience necessary to manage our organization. Often, the appointment of new executives leads to changes in strategic or operating goals, which can create uncertainty and negatively impact our ability to execute quickly and effectively, and may ultimately be unsuccessful. In addition, executive leadership transition periods are often difficult as the new executives gain detailed knowledge of our operations, and friction can result from changes in strategy and management style. Management turnover inherently causes some loss of institutional knowledge, which can negatively affect strategy and execution. If we do not integrate new executives successfully, we may be unable to manage and grow our business, and our financial condition and profitability may suffer as a result. In addition, to the extent we experience additional management turnover, competition for top management is high and it may take time to find a candidate that meets our requirements. If we are unable to attract and retain qualified management personnel, our business could suffer. We are unable to predict with certainty the impact that any leadership changes may have on our business operations, prospects, financial results, retention of key professionals and other employees or morale.

Additionally, our success has depended and will continue to depend, in substantial part, on our ability to attract and retain our teams of underwriters in various business lines and other key employees. The loss of one or more of our senior underwriters could adversely impact our business by, for example, making it more difficult to retain clients or other business contacts whose relationship depends in part on the service of the departing personnel. In general, the loss of key services of any members of our current underwriting teams may adversely affect our business and operating results.

We also rely substantially upon the services of our senior management team. Although we have employment agreements with all members of our senior management team, if we were to unexpectedly lose the services of one or more of our senior management team or other key personnel, our business or ratings could be adversely affected. For example, an unplanned change in our senior management team could cause a risk of disruption to our business including, but not limited to, our underwriting, claims handling, reserving and financial reporting functions. We do not currently maintain key-man life insurance policies with respect to any of our employees.

Our business may be adversely affected if third-party outsourced service providers fail to satisfactorily perform certain technology and business process functions.

We outsource certain technology and business process functions to third parties including offshore and cloud service providers and may increasingly do so in the future. If we do not effectively develop, implement and monitor our outsourcing strategy, third-party providers do not perform as anticipated or we experience technological or other problems with a transition, we may not realize productivity improvements or cost efficiencies and may experience operational difficulties, increased costs and loss of business. Our outsourcing of certain technology and business processes and functions to third parties may expose us to enhanced risks related to data security, which could result in monetary and reputational damages. In addition, our ability to receive services from third-party providers may be impacted by cultural differences, political instability, unanticipated regulatory requirements or policies. Lloyd's outsources certain market-wide technology and business process functions, on which participants in the Lloyd's market, such as Aspen Lloyd's, depend. Efforts to replace such systems have been delayed. As a result, our ability to conduct our business may be adversely affected.

We may be exposed to general employee and third-party litigation risks, which could harm our business, financial condition, and results of operations.

In the ordinary course of business, we may be involved in various litigation matters, including but not limited to commercial disputes, employee claims, shareholder claims and class actions (including, by way of example, employee allegations of improper termination and discrimination and claims related to violations of applicable government laws regarding religious freedom, advertising and intellectual property) and from time to time may be involved in governmental or regulatory investigations or similar matters arising out of our current or future business. Any claims asserted against us, regardless of merit or eventual outcome, could harm our reputation and have an adverse impact on our relationship with our customers, partners and other third parties and could lead to additional related claims. Our insurance or indemnities may not cover all claims that may be asserted against us, and any claims asserted against us, regardless of merit or eventual outcome, may harm our reputation and cause us to expend resources in our defense. Furthermore, there is no guarantee that we will be successful in defending ourselves in future litigation or similar matters under various laws. If judgments or settlements in any future litigation or investigation significantly exceed our insurance coverage, our business, financial condition, and results of operations could be adversely affected.

As a foreign private issuer and "controlled company" within the meaning of the NYSE corporate governance rules, we are permitted to, and do, rely on exemptions from certain of the NYSE corporate governance standards.

The corporate governance rules of the NYSE require listed companies to have, among other things, a majority of independent directors and independent director oversight of executive compensation, nomination of directors and corporate governance matters. As a foreign private issuer, we rely on the foreign private issuer exemption to certain NYSE rules and, where applicable, follow home country practice in lieu of the above requirements. As long as we rely on the foreign private issuer exemption to certain of the NYSE corporate governance standards, a majority of the directors on the Board are not required to be independent directors (and currently our independent directors do not constitute a majority of the Board) , we are not required to have a compensation committee composed entirely of independent directors and director nominations are not required to be made, or recommended to the Board, by a nominating committee that consists entirely of independent directors. Therefore, the Board's approach to governance may be different from other companies, and, as a result, management oversight of the Company may be more limited than if we were subject to all of the NYSE corporate governance standards. We are also subject to certain reduced disclosure obligations as a result of being a foreign private issuer. As such, investors may not have access to the same information as for similar companies that are not foreign private issuers.

In the event we no longer qualify as a foreign private issuer, if then applicable, we may rely on the "controlled company" exemption under the NYSE corporate governance rules. A "controlled company" under the NYSE corporate governance rules is a company of which more than 50% of the voting power for the election of directors is held by an individual, group or another company. Following the Potential Initial Public Offering, the Apollo Shareholders will control a majority of the combined voting power of our outstanding shares, resulting in us remaining a "controlled company" within the meaning of the NYSE corporate governance rules. As a controlled company, we are eligible to, and, in the event we no longer qualify as a foreign private issuer, we may, elect not to comply with certain requirements of the NYSE corporate governance standards, including (i) the requirement that a majority of the board of directors consist of independent directors, (ii) the requirement that we have a compensation committee that is composed entirely of independent directors with a written charter addressing the committee's purpose and responsibilities and (iii) the requirement that our director nominations be made, or recommended to the Board, by a nominating committee that consists entirely of independent directors and that we adopt a written charter addressing the nominations process.

Accordingly, our shareholders will not have the same protection afforded to shareholders of companies that are subject to all of the NYSE corporate governance standards, and the ability of our independent directors to influence our business policies and affairs may be reduced.

We may lose our foreign private issuer status which would then require us to comply with the Exchange Act's domestic reporting regime and cause us to incur significant legal, accounting and other expenses.

For so long as we qualify as a foreign private issuer, we are not required to comply with all of the periodic disclosure and current reporting requirements of the Exchange Act applicable to U.S. domestic issuers. We may no longer be a foreign private issuer as early as June 30, 2025 (the last business day of the second fiscal quarter of 2025), which would require us to comply with all of the periodic disclosure and current reporting requirements of the Exchange Act applicable to U.S. domestic issuers as of January 1, 2026. In order to maintain our current status as a foreign private issuer, either (a) a majority of our voting, ordinary securities must be either directly or indirectly owned of record by non-residents of the United States or (b)(i) a majority of our executive officers or directors cannot be U.S. citizens or residents, (ii) more than 50% of our assets must be located outside the United States and (iii) our business must be administered principally outside the United States. If we lose our status as a foreign private issuer, we would be required to comply with the Exchange Act reporting and other requirements applicable to U.S. domestic issuers, which are more detailed and extensive than the requirements for foreign private issuers. We may also be required to make changes in our corporate governance practices in accordance with various SEC and NYSE rules. As a result of the above, you may not have the same protections afforded to shareholders of companies that are not foreign private issuers. Should we lose our foreign private issuer status, we will incur significant additional legal, accounting and other expenses that we would not incur as a foreign private issuer, which could have a material adverse effect on our business, nature of operations and financial results.

As a foreign private issuer, there is less required publicly available information concerning us than there would be if we were a U.S. public company.

We are a "foreign private issuer," as defined in the SEC's rules and regulations and, consequently, we are not subject to all of the disclosure requirements applicable to public companies organized within the United States. For example, we are exempt from certain rules under the Exchange Act that regulate disclosure obligations and procedural requirements related to the solicitation of proxies, consents or authorizations applicable to a security registered under the Exchange Act, including the U.S. proxy rules under Section 14 of the Exchange Act. In addition, our senior management and directors are exempt from the reporting and "short-swing" profit recovery provisions of Section 16 of the Exchange Act and related rules with respect to their purchases and sales of ordinary shares or our other securities. Moreover, we are not required to file periodic reports and financial statements with the SEC as frequently or as promptly as U.S. public companies.

We rely on the execution of internal processes to maintain our operations and the operational risks that are inherent to our business, including those resulting from fraud or employee errors or omissions, may result in financial losses.

We rely on the effective execution of internal processes to maintain our operations. We seek to monitor and control our exposure to risks arising from these processes through a risk control framework encompassing a variety of reporting systems, internal controls, management review processes and other mechanisms. We cannot provide absolute assurance that these processes and procedures will effectively control all known risks or effectively identify unforeseen risks, or that our employees and third-party agents will effectively implement them. Loss may result from, among other things, fraud, errors, failure to document transactions properly, failure to obtain proper internal authorization, failure to comply with underwriting or other internal guidelines or failure to comply with regulatory requirements. Loss from these risks could adversely affect our business, results of operations and financial condition. In addition, insurance policies that we have in place with third parties may not protect us in the event that we experience a significant loss from these risks.

A failure in our data security and/or technology systems or infrastructure or those of third parties, including those caused by security breaches or cyber-attacks or through the incorporation of artificial intelligence ("AI"), could disrupt our business, damage our reputation and cause losses.

Our operations rely on the secure processing, storage, and transmission of confidential and other information and assets, including in our computer systems and networks. Our business, including our ability to adequately price products and services, establish reserves, provide an effective and secure service to our customers, value our investments and report our financial results in a timely and accurate manner, depends significantly on the integrity, availability and timeliness of the data we maintain, as well as the data and assets held through third-party outsourcers, service providers and systems. Cybersecurity and technology threats can include phishing scams, account takeovers, introductions of malware (including ransomware), attempts at electronic break-ins, and the computerized submission of fraudulent and/or duplicative payment requests. Any such breaches or interference (including attempted breaches or interference) by third parties or by insiders that may occur in the future could have a material adverse impact on our business, reputation, financial condition or results of operations.

In an effort to ensure the integrity of such data, we implement new security measures and systems and improve or upgrade our existing security measures and systems on a continuing basis. Although we have implemented administrative and technical controls and take protective actions to reduce the risk of cyber incidents and to protect our information technology and assets, and we endeavor to modify such procedures as circumstances warrant and negotiate agreements with third-party providers to protect our assets, such measures may be insufficient to prevent, among other things, unauthorized access, computer viruses, malware or other malicious code or cyber-attack, catastrophic events, system failures and disruptions (including in relation to new security measures and systems), employee errors or malfeasance, third-party (including outsourced service providers) errors or malfeasance, loss of assets and other security events (each, a "Security Event"). Like other global companies, we have from time to time experienced, and are likely to continue to be subject to, Security Events, none of which to date have had a material adverse impact on our business, results of operations or financial condition. If additional Security Events occur, these events may jeopardize our or our policyholders' or counterparties' confidential and other information processed and stored with us, and transmitted through our computer systems and networks potentially resulting in a violation of applicable privacy, data protection or other laws, or otherwise cause interruptions, delays, or malfunctions in our, our policyholders', counterparties' or third parties' operations, or result in data loss or loss of assets which could result in significant losses and/or fines, reputational damage or a material adverse effect on our business, financial condition or operating results. We may be required to expend significant additional resources to modify our protective measures or to investigate and remediate vulnerabilities or other exposures and to pursue recovery of lost data or assets and we may be subject to litigation and financial losses. We currently maintain cyber liability insurance that provides third-party or first party liability coverages to protect us, subject to policy limits and coverages, against certain events that could be a Security Event. However, a Security Event could nonetheless have a material adverse effect on our operating results or financial condition.

Despite the contingency plans and facilities we have in place and our efforts to observe the regulatory requirements surrounding information security, our ability to conduct business may be adversely affected by a disruption of the infrastructure that supports our business in the communities in which we are located, or of outsourced services or functions, including a disruption involving electrical, communications, transportation, or other services we use. If a disruption occurs in one location and our employees in that location are unable to conduct business or communicate with other locations, our ability to service and interact with policyholders may suffer and we may not be able to successfully implement contingency plans that depend on communication. If sustained or repeated, such business interruption, system failure, service denial or data loss and/or damage could result in a deterioration of our ability to write and process business, provide customer service, pay claims in a timely fashion or perform other necessary business functions.

Damage to our computer infrastructure and software systems and issues relating to the incorporation of artificial intelligence solutions into our systems, or those of our competitors and suppliers, could harm our business.

We may incorporate traditional and generative AI solutions into our information systems, governance processes (such as through the recording of meetings), products, offerings, services and features, and these solutions may become important in our operations over time. The ever-increasing use and evolution of technology, including cloud-based computing and AI, both within our own systems and within those of our suppliers, heightens the risk of cybersecurity incidents in the future and creates opportunities for the potential loss or misuse of personal data that forms part of any data set and was collected, used, stored, or transferred to run our business, and unintentional dissemination or intentional destruction of confidential information stored in our or our third party providers' systems, portable media or storage devices may result in significantly increased business and security costs, a damaged reputation, administrative penalties, or costs related to defending legal claims. If the content, analyses, or recommendations that AI programs assist in producing are or are alleged to be deficient, inaccurate, or biased, our business, financial condition, and results of operations and our reputation may be adversely affected. AI programs may be costly and require significant expertise to develop, may be difficult to set up and manage, and require periodic upgrades. There is also a risk that we may not have access to the technology and qualified AI personnel resources to adequately incorporate ongoing advancements into our AI initiatives, including access to the licensing of key intellectual property from third parties. Our competitors or other third parties may incorporate AI into their products more quickly or more successfully than us, which could impair our ability to compete effectively and adversely affect our results of operations. Our competition may have access to greater financial and technological resources, giving them a competitive advantage in recruiting, motivating, and retaining sought-after AI professionals. AI also presents emerging ethical issues and if our use of AI becomes controversial, we may experience brand or reputational harm, competitive harm, or legal liability. The rapid evolution of AI, including potential government regulation of AI, will require significant resources to develop, test and maintain our platform, offerings, services, and features to help us implement AI ethically in order to minimize unintended, harmful impact.

Such matters could have a negative impact to our business and result in business interruptions, remediation costs and/or legal claims, which could have a material adverse effect on our financial position, results of operations, cash flows and liquidity.

Compliance with ever evolving national, federal, state, and international laws relating to the handling of information collected from or about individuals involves significant expenditure and resources, and any failure by us or our vendors to comply may result in significant liability, negative publicity and/or an erosion of trust, which could materially adversely affect our business, results of operations and financial condition.

We receive, store, handle, transmit, use and otherwise process business information and information related to individuals, including from and about actual and prospective customers, policyholders, as well as our employees and service providers. We also depend on a number of third party vendors in relation to the operation of our business, a number of which process data on our behalf.

We are subject to a range of data privacy and cyber security laws globally including those that apply generally to the handling of information about individuals, and those that are specific to certain industries, sectors, contexts or locations. These requirements, and their application, interpretation and amendment are constantly evolving and developing as set out in "Certain Regulatory Considerations—Bermuda Insurance Regulation—Privacy & Cyber Security Laws," "—U.K. and E.U. Insurance Regulation—E.U. / U.K. Cybersecurity and Privacy Laws and Regulations" and "—U.S. Regulation—Cybersecurity and Privacy Laws and Regulations."

Our business is also subject to the Bermuda Personal Information Protection 2016 Act ("PIPA"). For more information, refer to "Certain Regulatory Considerations—Bermuda Insurance Regulation—Privacy & Cyber Security Laws." In addition to U.K./E.U. and Bermuda privacy laws, our business is subject to various U.S. state and federal privacy legislation, including both state financial privacy and insurance laws which apply specifically to our business lines, and potentially more generally applicable state privacy laws, with the most comprehensive having been enacted in California. U.S. state legislatures, attorneys general, and insurance and other regulatory bodies continue to develop and implement further standards and governance requirements. Such evolving privacy and data security regulations could expose our business to reputational harm and cause losses.

We depend on a number of third parties in relation to the operation of our business, a number of which process personal data on our behalf. There can be no assurances that the privacy and security-related measures and safeguards we have put in place in relation to these third parties will be effective to protect us and/or the relevant personal data from the risks associated with the third-party processing, storage and transmission of such data. Any violation of data or security laws, or of our relevant measures and safeguards, by our third party processors could have a material adverse effect on our business, result in applicable fines and penalties, damage our reputation and/or result in civil claims.

We are also subject to evolving U.S., E.U. and U.K. privacy laws on cookies, tracking technologies and e-marketing. Recent court and regulator decisions are driving increased attention to cookies and tracking technologies. If the trend of increasing litigation as well as enforcement by regulators, sometimes embracing a strict approach to consent for all but essential use cases as seen in recent guidance and decisions continues, this could lead to substantial costs, require significant systems changes, limit the effectiveness of our marketing activities, divert the attention of our technology personnel, adversely affect our margins and subject us to additional liabilities. In light of the complex and evolving nature of U.S., E.U., E.U. Member State and U.K. privacy laws and litigation trends on cookies and tracking technologies, there can be no assurances that we will be successful in our efforts to comply with such laws or mitigate legal risks; violations of such laws could result in regulatory investigations, fines, orders to cease/change our use of such technologies, as well as civil claims including class actions and reputational damage.

We use analytical models to assist our decision making in key areas such as underwriting, claims, reserving, and catastrophe risks but actual results could differ materially from the model outputs and related analyses.

We have made substantial investments to develop proprietary analytic and modeling capabilities to facilitate our underwriting, risk management, capital modeling and allocation, and risk assessments relating to the risks we assume. We also use vendor models where available and, where appropriate, we use our proprietary model in combination with vendor models. These models and other tools help us to manage our risks, understand our capital utilization and risk aggregation, inform management and other stakeholders of capital requirements and seek to improve the risk/return profile or optimize the efficiency of the amount of capital we apply to cover the risks in the individual contracts we sell and in our portfolio as a whole. However, given the inherent uncertainty of modeling techniques and the application of such techniques, the possibility of human or systems error, the challenges inherent in consistent application of complex methodologies in a fluid business environment and other factors, our models, tools and databases may not accurately address the risks we currently cover or the emergence of new matters which might be deemed to impact certain of our coverages.

Furthermore, there are risks associated with catastrophic events, which are either poorly represented or not represented at all by analytical models. Each modeling assumption or un-modeled risk introduces uncertainty into the estimates that management must consider. These uncertainties can include, but are not limited to, the following:

- The models do not address all the possible hazard characteristics of a catastrophe peril (e.g., the precise path and wind speed of a hurricane);
- The models may not accurately reflect the true frequency of events;
- The models may not accurately reflect a risk's vulnerability or susceptibility to damage for a given event characteristic;
- The models may not accurately represent loss potential to reinsurance contract coverage limits, terms and conditions; and
- The models may not accurately reflect the impact on the economy of the area affected or the financial, judicial, political, or regulatory impact on insurance claim payments during or following a catastrophe event.

Accordingly, our models may understate the exposures we are assuming. Conversely, our models may prove too conservative and contribute to factors which may impede our ability to grow in respect of new markets or perils or in connection with our current portfolio of coverages or the loss environment otherwise may prove more benign than our capital loading for catastrophes or other modeled losses. In such case of excess capital, we would make a judgment about redeploying the capital in lines of businesses or pursuing other capital management activities, such as dividends or share repurchases, which judgment will also depend on modeling techniques and results. If capital models prove inadequate, our result of operations and financial condition may be materially adversely impacted.

Our controlling shareholder owns all of our ordinary shares and has the power to determine the affairs of the Company, including in ways not favorable to the interests of holders of the preference shares.

Parent owns 100% of the ordinary shares of the Company. As a result, Parent has power to elect our directors and to determine the outcome of any action requiring shareholder approval. Parent's interests may differ from the interests of the holders of the preference shares and, given Parent's controlling interest in the Company, circumstances may arise under which it may exercise its control in a manner that is not favorable to the interests of the holders of the preference shares.

From time to time in the future, we may issue additional ordinary shares, securities convertible into ordinary shares, or other equity securities (including those with rights, preferences and privileges that are senior to those of our other securities, including the preference shares) to raise additional capital or pursuant to a variety of transactions.

Risks Related to Our Preference Shares and our Potential Initial Public Offering

No assurance can be given that we will complete our Potential Initial Public Offering or that we will be successful in listing our ordinary shares on the NYSE.

In December 2023, we filed a registration statement on Form F-1 with the SEC relating to a Potential Initial Public Offering of our ordinary shares, with amendments to the registration statement filed in February 2024, April 2024 and December 2024. Completing the Potential Initial Public Offering will require the SEC to declare the registration statement on Form F-1 effective, and listing our ordinary shares on the NYSE will require the approval of the NYSE. Moreover, in addition to required regulatory actions, a decision to proceed with the Potential Initial Public Offering and listing of our ordinary shares on the NYSE depends on our evaluation of market conditions and other factors, many of which are beyond our control. Accordingly, there can be no assurance as to when, or even if, we will be able to complete the Potential Initial Public Offering or successfully list our ordinary shares on the NYSE.

We cannot guarantee the terms, including the public offering price per ordinary share, on which the contemplated Potential Initial Public Offering may be completed. The Potential Initial Public Offering price of the ordinary shares sold in any such offering will be discussed between us and the representatives of the underwriters of such offering. Among the factors that we expect to consider in determining the initial public offering price per ordinary share, in addition to prevailing market conditions, will be our historical performance, estimates of our business potential and earnings prospects, an assessment of our management and the consideration of the above factors in relation to market valuation of companies in related businesses. Thereafter, the market price of shares of our ordinary shares on the NYSE will depend on numerous factors and may be volatile, and an active trading market may not develop or be maintained.

Our holding company structure and certain Companies Act, regulatory and other constraints may limit our ability to pay dividends on our securities.

Aspen Holdings is a holding company and, as such, it does not have any significant operations. Aspen Holdings' assets primarily consist of ownership of the shares of its subsidiaries, including our Operating Subsidiaries, a portfolio of fixed income securities and cash and cash equivalents. Dividends and other permitted distributions and loans from our Operating Subsidiaries are expected to be our sole source of funds to meet ongoing cash requirements, including our debt service payments and other expenses, and dividend payments to our ordinary shareholders or preference shareholders, as appropriate. Our Operating Subsidiaries are subject to capital, regulatory and other requirements that inform their ability to declare and pay dividends and make loans to other Aspen Group companies. See "Certain Regulatory Considerations—Bermuda Insurance Regulation—Restrictions on Dividends, Distributions and Reduction of Capital," "Certain Regulatory Considerations—U.K. and E.U. Insurance Regulation—Restrictions on Dividend Payments by Insurers," and "Certain Regulatory Considerations—U.S. Regulation—State Dividend Limitations," and "Operating and Financial Review and Prospects—Liquidity and Capital Resources—Liquidity" for more information on our ability to pay dividends. These and other requirements may mean that our Operating Subsidiaries are unable to pay sufficient dividends to enable us to meet our ongoing cash requirements, which could materially adversely affect our liquidity or financial condition. As we are a holding company, our right, and hence the right of our creditors and shareholders, to participate in any distribution of assets by any of our subsidiaries, upon our liquidation or reorganization or otherwise, is subject to the prior claims of policyholders and creditors of these subsidiaries.

Additionally, we are subject to Bermuda regulatory constraints that affect our ability to pay dividends and make other distributions on our ordinary shares, Preference Shares or other securities. Under the Companies Act, we may declare or pay a dividend only if we have reasonable grounds to believe that we are, and would after the payment be, able to meet our liabilities as they become due and if the realizable value of our assets would thereby not be less than our liabilities. See "Certain Regulatory Considerations—Bermuda Insurance Regulation—Restrictions on Dividends, Distributions and Reduction of Capital," "Operating and Financial Review and Prospects—Liquidity and Capital Resources—Liquidity" and "Note 14—Statutory Requirements and Dividends Restrictions" to our audited consolidated financial statements for more information on our ability to pay dividends. Additionally, agreements relating to our debt, including our revolving credit facility and 2026 Term Loan (as defined below), contain covenants that may limit our ability to pay cash dividends on our ordinary shares if a default or event of default has occurred and is continuing or would result therefrom.

U.S. persons who own our securities may have more difficulty in protecting their interests than U.S. persons who are shareholders of a U.S. corporation.

The Companies Act, which applies to us, differs in some material respects from laws generally applicable to U.S. corporations and their shareholders. These differences include, but are not limited to, the manner in which directors must disclose transactions in which they have an interest, the rights of shareholders to bring class action and derivative lawsuits, the scope of indemnification available to directors and officers and provisions relating to the amalgamations, mergers and acquisitions and takeovers. Holders of our preference shares may therefore have more difficulty protecting their interests than would shareholders of a corporation incorporated in a jurisdiction within the United States.

Generally, the duties of directors and officers of a Bermuda company are owed to the company only. Shareholders of Bermuda companies typically do not have rights to take action against directors or officers of the company and may only do so in limited circumstances. Class actions and derivative actions are typically not available to shareholders under Bermuda law. The Bermuda courts, however, would ordinarily be expected to permit a shareholder to commence an action in the name of a company to remedy a wrong to the company where the act complained of is alleged to be beyond the corporate power of the company or illegal, or would result in the violation of the company's memorandum of association or bye-laws. Furthermore, consideration would be given by a Bermuda court to acts that are alleged to constitute a fraud against the minority shareholders or, for instance, where an act requires the approval of a greater percentage of the company's shareholders than that which actually approved it. When the affairs of a company are being conducted in a manner that is oppressive or prejudicial to the interests of some shareholders, one or more shareholders may apply to the Supreme Court of Bermuda, which may make such order as it sees fit, including an order regulating the conduct of the company's affairs in the future or ordering the purchase of the shares of any shareholders by other shareholders or by the company. Additionally, under our bye-laws and as permitted by Bermuda law, each shareholder has waived any claim or right of action against our directors or officers for any action taken by directors or officers in the performance of their duties, except for actions involving fraud or dishonesty. In addition, the rights of holders of our securities and the fiduciary responsibilities of our directors under Bermuda law are not as clearly established as under statutes or judicial precedent in U.S. jurisdictions, particularly the State of Delaware.

Members of the Board are permitted to participate in decisions in which they have interests that are different from those of the other shareholders.

Under Bermuda law, directors are not required to recuse themselves from voting on matters in which they have an interest. The directors may have interests that are different from, or in addition to, the interests of the shareholders. Provided the directors disclose their interests in a matter under consideration by the Board in accordance with Bermuda law and our bye-laws, they are entitled to participate in the deliberation on and vote in respect of that matter.

We are a Bermuda company and it may be difficult to effect service of process on us or enforce judgments against us or our directors and executive officers in the United States.

We are incorporated under the laws of Bermuda and our business is based in Bermuda. In addition, certain of our directors and officers reside outside the United States, and a substantial portion of our assets and the assets of such persons are located in jurisdictions outside the United States. As such, it may be difficult or impossible to effect service of process upon us or those persons in the United States or to recover against us or them on judgments of U.S. courts, including judgments predicated upon civil liability provisions of the U.S. federal securities laws.

We have been advised by Bermuda counsel that currently there is no treaty in force between the United States and Bermuda providing for the reciprocal recognition and enforcement of judgments in civil and commercial matters. As a result, whether a U.S. judgment would be enforceable in Bermuda against us or our directors and officers depends on whether the U.S. court that entered the judgment is recognized by the Bermuda court as having jurisdiction over us or our directors and officers, as determined by reference to Bermuda conflict of law rules. A judgment debt from a U.S. court that is final and for a sum certain based on U.S. federal securities laws will not be enforceable in Bermuda unless the judgment debtor had submitted to the jurisdiction of the U.S. court, and the issue of submission and jurisdiction is a matter of Bermuda (not U.S.) law.

In addition to and irrespective of jurisdictional issues, the Bermuda courts will not enforce a U.S. federal securities law that is either penal or contrary to public policy in Bermuda. It is the advice of our Bermuda counsel that an action brought pursuant to a public or penal law, the purpose of which is the enforcement of a sanction, power or right at the instance of the state in its sovereign capacity, will not be entertained by a Bermuda court. Certain remedies available under the laws of U.S. jurisdictions, including certain remedies under U.S. federal securities laws, would not be available under Bermuda law or enforceable in a Bermuda court, as they would be contrary to Bermuda public policy. Further, no claim may be brought in Bermuda against us or our directors and officers in the first instance for violation of U.S. federal securities laws because these laws have no extraterritorial jurisdiction under Bermuda law and do not have force of law in Bermuda. A Bermuda court may, however, impose civil liability on us or our directors and officers if the facts alleged in a complaint constitute or give rise to a cause of action under Bermuda law.

Our bye-laws contain an exclusive jurisdiction provision that may discourage lawsuits against us and our directors and officers.

Unless we consent in writing to the selection of an alternative forum, in the event that any dispute arises concerning the Companies Act or out of or in connection with our bye-laws, including any question regarding the existence and scope of any bye-law and/or whether there has been any breach of the Companies Act or our bye-laws by one of our officers or directors (whether or not such a claim is brought in the name of a shareholder or in the name of the Company), any such dispute shall be subject to the exclusive jurisdiction of the Supreme Court of Bermuda. Our bye-laws provide that this exclusive jurisdiction provision does not apply to actions predicated upon civil liability protections of U.S. federal securities laws or disputes arising under the Securities Act or the Exchange Act.

This exclusive jurisdiction provision may limit the ability of our shareholders to bring a claim in a judicial forum that such shareholders find favorable for disputes with us or our directors or officers, which may discourage such lawsuits against us and our directors and officers. Alternatively, if a court were to find this exclusive forum provision inapplicable to, or unenforceable in respect of, one or more of the specified types of actions or proceedings described above, we may incur additional costs associated with resolving such matters in other jurisdictions, which could negatively affect our business, results of operations and financial condition.

Risks Related to Taxation

Our structure involves complex provisions of tax law for which no clear precedent or authority may be available, and is subject to ongoing future potential legislative, judicial or administrative and differing interpretations.

The tax treatment of our structure and transactions undertaken by us depends in some instances on determinations of fact and interpretations of complex provisions of tax law for which no clear precedent or authority may be available. In addition, tax rules are constantly under review, which frequently results in revised interpretations of established concepts, statutory changes, revisions to regulations and other modifications and interpretations.

Governments of jurisdictions in which we operate may enact legislation that could result in changes to tax laws and regulations, which may have a material impact on our financial position and results of operations. In particular, both the level and basis of taxation may change. We cannot predict whether any particular proposed legislation will be enacted or, if enacted, what the specific provisions or the effective date of any such legislation would be, or whether it would have any effect on us. As such, we cannot assure you that future legislative, administrative or judicial developments will not result in an increase in the amount of tax payable by us, our subsidiaries or investors, in our shares. If any such developments occur, our business, results of operations and cash flows could be adversely affected and such developments could have an adverse effect on your investment in our shares.

Our effective tax rate and tax liability is based on the application of current income tax laws, regulations and treaties. These laws, regulations and treaties are complex, and the manner in which they apply to us and our subsidiaries is sometimes open to interpretation. Significant management judgment is required in determining our provision for income taxes and our deferred tax assets and liabilities. Although management believes its application of current laws, regulations and treaties to be correct and sustainable upon examination by the tax authorities, the tax authorities could challenge our interpretation and the final determination of tax upon resolution of any such challenge could be materially different from our historical tax provisions and accruals. Should additional material taxes be assessed, there could be an adverse effect on our results of operations and cash flows in the period or periods for which that determination is made.

Our non-U.S. companies may be subject to U.S. taxes, which may have a material adverse effect on our operating results and your investment.

Aspen Holdings and its non-U.S. subsidiaries (other than AUL and Aspen UK) intend to manage their business so that they are not treated as engaged in a trade or business within the United States and thus not subject to U.S. federal income tax on their net income. However, because there is considerable uncertainty as to the activities which constitute being engaged in a trade or business within the United States, we cannot be certain that the U.S. Internal Revenue Service ("IRS") will not contend successfully that one or more of these companies is engaged in a trade or business in the United States. If any of these companies is considered to be engaged in a trade or business in the United States during a taxable year, it generally will be subject to U.S. federal income tax (including an additional branch profits tax) on its net income that is treated as effectively connected with the conduct of a U.S. trade or business for such year (except to the extent an applicable income tax treaty provides otherwise), in which case its operating results could be materially adversely affected.

Non-U.S. corporations not engaged in a trade or business within the United States are nonetheless subject to United States income tax imposed by withholding on certain "fixed or determinable annual or periodical gains, profits and income" derived from sources within the United States (such as dividends and certain interest on investments), subject to exemption under the U.S. Internal Revenue Code (the "Code") or reduction by applicable treaties.

The United States also imposes an excise tax on insurance and reinsurance premiums ("FET") paid to non-U.S. insurers or reinsurers that are not eligible for the benefits of a U.S. income tax treaty that provides for an exemption from the FET with respect to risks (i) of a U.S. entity or individual, located wholly or partially within the United States and (ii) of a non-U.S. entity or individual engaged in a trade or business in the U.S., located within the United States. The rates of tax are 4% for property casualty insurance premiums and 1% for reinsurance premiums.

Our non-U.K. companies may be subject to U.K. tax, which may have a material adverse effect on our operating results and your investment.

None of our non-U.K. entities should be treated as being resident in the U.K. for corporation tax purposes except for our subsidiaries that are incorporated in the United Kingdom (the "U.K. Subsidiaries"). A company which is not incorporated in the United Kingdom should not be treated as being tax resident in the United Kingdom unless its central management and control is exercised in the United Kingdom. The concept of central management and control is indicative of the highest level of control of a company, and determining where this is exercised is wholly a question of fact. Our non-U.K. entities currently intend to manage their affairs so that none of them, other than the U.K. Subsidiaries, are resident in the United Kingdom for tax purposes, including through compliance with established tax operating guidelines, where applicable.

A company that is not resident in the United Kingdom for corporation tax purposes can nevertheless be subject to U.K. corporation tax if it carries on a trade in the United Kingdom through a permanent establishment in the United Kingdom but, in that case, the charge to U.K. corporation tax is limited to profits (both revenue profits and capital gains) attributable directly or indirectly to such permanent establishment.

None of our non-U.K. entities currently intend to operate in such a manner that any (other than the U.K. Subsidiaries) carries on a trade in the United Kingdom through a permanent establishment in the United Kingdom. Nevertheless, because neither case law nor U.K. statute completely defines the activities that constitute trading in the United Kingdom through a permanent establishment in the United Kingdom, His Majesty's Revenue and Customs ("HMRC") might contend successfully that any of us (other than the U.K. Subsidiaries) are trading in the United Kingdom through a permanent establishment in the United Kingdom.

The United Kingdom has no comprehensive tax treaty with Bermuda. There are circumstances in which companies that are neither tax resident in the United Kingdom nor carrying on a trade in the United Kingdom through a permanent establishment in the United Kingdom (and are therefore not subject to U.K. corporation tax) but are not entitled to the protection afforded by a tax treaty between the United Kingdom and the jurisdiction in which they are a resident may nonetheless be exposed to income tax in the United Kingdom on the profits of a trade carried on there, even if that trade is not carried on through a permanent establishment. However, our non-U.K. entities intend to operate in such a manner that none fall within this charge to income tax in the United Kingdom.

If our non-U.K. entities, other than the U.K. Subsidiaries, were treated as being resident in the United Kingdom for U.K. corporation tax purposes, or as carrying on a trade in the United Kingdom, whether or not through a permanent establishment, our operating results could be materially adversely affected.

Our U.K. operations may be affected by recent changes in U.K. tax law.

The U.K. Subsidiaries should be treated as resident in the United Kingdom and accordingly be subject to U.K. tax in respect of their worldwide income and gains. Any change in the basis or rate of U.K. corporation tax or HMRC's practice and interpretation of U.K. tax law could materially adversely affect the business, prospects, financial condition or results of operations of the U.K. resident companies or their ability to provide returns to shareholders. The U.K. corporation tax rate is currently 25%. As part of the measures in the 2024 Autumn Budget (October 30, 2024), the rate of employer national insurance contributions that employers are required to pay in respect of their employees' earnings is increasing from 13.8% to 15% of the value of taxable benefits provided to employees, with effect from April 6, 2025.

The Organization for Economic Co-operation and Development ("OECD") published its final reports on Base Erosion and Profit Shifting ("BEPS Reports") in October 2015, containing recommendations on measures to coordinate multilateral action on international tax rules.

The implementation of recommendations arising from the action points comprising BEPS has resulted in significant changes to local tax legislation and international tax treaties over recent years. For example, BEPS has resulted in jurisdictions implementing laws which (among other things): limit deductibility of interest payments; expand the scope of permanent establishments (thereby extending the scope of jurisdictions' taxing rights); counteract hybrid mismatch arrangements; and strengthen "Controlled Foreign Company" rules. U.K. domestic legislation introduced in relation to hybrid mismatches came into effect on January 1, 2017, and legislation to restrict tax deductions for interest expenses of large groups was brought into effect from April 1, 2017.

In addition, domestic law implementation of BEPS has resulted in taxpayers and/or their advisers and intermediaries being required to engage in discussions and disclose information to tax authorities regarding their tax affairs and transactions. Accordingly, Aspen Group may be required to enter into discussions with and provide information to tax authorities which may require the disclosure of transactions and operations of the Aspen Group, in addition to its obligations under the related information reporting measures (including E.U. and other mandatory disclosure regimes, such as Council Directive 2014/107/EU of 9 December 2014 and Council Directive 2018/822 EU of 25 May 2018) (commonly known as "DAC 6") and the U.K. domestic mandatory disclosure regime.

Further reforms have been, and are expected to be made in response to the proposed extensions of BEPS (i.e., BEPS: Pillar One and Two, commonly known as "BEPS 2.0"). For more information, see "—The OECD's initiative to limit harmful tax competition may result in higher taxation and increased complexity, burden and cost of compliance." BEPS and BEPS 2.0 may (depending on their final implementation) have a material adverse effect on our intra-group arrangements, our operations, and our results. Relevant to our U.K. Subsidiaries, the U.K. enacted legislation in July 2023 which implements one aspect of Pillar Two (the income inclusion rule imposing top-up tax on a parent entity in respect of the low-taxed income of a constituent entity) via a "multinational top-up tax" ("MTT") together with a "domestic top-up tax" ("DTT"). Broadly, the MTT and DTT will apply to multinational groups with revenues of at least €750 million for accounting periods beginning on or after December 31, 2023. On February 22, 2024, the U.K. enacted amendments to the MTT including new provisions relating to the U.K.'s implementation of an under-taxed payments rule ("UTPR") and a new DTT. On October 30, 2024, the United Kingdom, as part of its autumn budget, announced further updates to the MTT and DTT to implement updates to the OECD's Pillar 2 rules, commentary and administrative guidance in addition to the introduction of the UTPR and DTT, both of which are intended to apply for accounting periods beginning on or after December 31, 2024. The U.K. legislation implementing the BEPS 2.0 reforms is complex, subject to continued consideration, the release of further guidance by the OECD and, in certain cases, update by the U.K. Parliament and in particular may be affected by the implementation (or lack thereof) of similar rules in other jurisdictions in which we operate (for example, see "—The OECD's initiative to limit harmful tax competition may result in higher taxation and increased complexity, burden and cost of compliance").

The U.K. diverted profits tax ("DPT") is separate from U.K. corporation tax and is set at a charge 6% higher than the standard rate of corporation tax. The DPT is an anti-avoidance measure aimed at protecting the U.K. tax base against the artificial diversion of profits that are being earned by activities carried out in the United Kingdom but which are not otherwise being taxed in the United Kingdom, in particular as a result of arrangements amongst companies in the same multinational group. The United Kingdom's network of tax treaties does not offer protection from a DPT charge. In the event that the rules apply to certain arrangements, then upfront payment of HMRC's estimate of the deemed tax liability may be required. If any of our U.K. or non-U.K. companies is liable for DPT as a result of intra-group arrangements, this could have a material adverse effect on our results.

On June 19, 2023, HMRC announced a consultation regarding potential reforms to three areas of the United Kingdom's international tax legislation (transfer pricing, permanent establishment and DPT) with a view to achieving closer alignment with international tax rules and simplification and clarification of certain aspects of these rules. Although it is not yet possible to predict whether and to what extent HMRC's response to this consultation could impact us, any extension of the scope of the U.K.'s transfer pricing rules or broadening of the U.K.'s definition of permanent establishment could have adverse effects on our results of operations.

Our U.K. and U.S. operations may be adversely affected by a transfer pricing adjustment in computing U.K. or U.S. taxable profits.

Any arrangements between U.K.-resident entities of the Aspen Group and other members of the Aspen Group are subject to the U.K. transfer pricing regime. Consequently, if any agreement (including any reinsurance agreements) between a U.K.-resident entity of the Aspen Group and any other Aspen Group entity (whether that entity is resident in or outside the United Kingdom) is found not to be on arm's length terms and as a result a U.K. tax advantage is being or has been obtained, an adjustment will be required to compute U.K. taxable profits as if such an agreement were or had been on arm's length terms. Similar rules apply in the United States and would have a similar impact on our U.S. resident entities if transfer pricing adjustments were required. Any transfer pricing adjustment could adversely impact the tax charge suffered by the relevant U.K. or U.S. resident entities of the Aspen Group.

The BEPS Reports included a recommendation that groups should be required to report details of their operations and intra-group transactions in each jurisdiction, known as country by country reporting. The U.K. has implemented these recommendations with effect from January 1, 2016. It is possible that our approach to transfer pricing may become subject to greater scrutiny from the tax authorities in the jurisdictions in which we operate, which may lead to transfer pricing audits in the future. Any transfer pricing adjustment could adversely impact the tax charge suffered by the relevant entities of the Aspen Group.

Recent and future changes in U.S. federal income tax law or the manner in which it is interpreted could materially adversely affect our results of operations.

On August 16, 2022, the U.S. government enacted the Inflation Reduction Act of 2022 (the "IRA"). The IRA contains a number of tax-related provisions, including a 15% minimum corporate income tax on certain large corporations as well as an excise tax on certain stock repurchases.

The impact of the IRA on our financial condition will depend on the facts and circumstances of each year. It is possible that other legislation could be introduced and enacted by the current Congress or future Congresses of the United States, or that regulations or other interpretations could be issued, possibly with retroactive effect, that could have an adverse impact on us or our shareholders. These recent and potential future changes in law or interpretation could materially adversely affect our business, access to capital, financial condition and results of operations.

U.S. persons who hold 10% or more of the total voting power or value of our shares may be subject to U.S. federal income taxation on our undistributed earnings.

In general, a "10% U.S. Shareholder" (as defined below) of a non-U.S. corporation that is a controlled foreign corporation ("CFC") at any time during a taxable year must include in its gross income for U.S. federal income tax purposes its pro rata share of the CFC's "subpart F income" and "tested income" (with various adjustments) with respect to any shares that such 10% U.S. Shareholder owns in such non-U.S. corporation (directly or indirectly through certain entities) on the last day in the non-U.S. corporation's taxable year on which it is a CFC, even if the subpart F income or tested income is not distributed. A "10% U.S. Shareholder" generally is a U.S. person that owns (directly, indirectly through non-U.S. entities or by attribution by application of the constructive ownership rules of Section 958(b) of the Code (i.e., "constructively")) at least 10% of the total combined voting power or value of all classes of stock of a non-U.S. corporation. "Subpart F income" of a CFC generally includes "foreign personal holding company income" (such as interest, dividends and other types of passive income), as well as insurance and reinsurance income (including underwriting and investment income), and tested income is generally any income of the CFC other than subpart F income and certain other categories of income. An entity treated as a non-U.S. corporation for U.S. federal income tax purposes generally is considered a CFC if 10% U.S. Shareholders own (directly, indirectly through non-U.S. entities or constructively), in the aggregate, more than 50% of the total combined voting power of all classes of voting stock of that non-U.S. corporation or more than 50% of the total value of all stock of that non-U.S. corporation. However, for the purposes of taking into account insurance income, these 50% thresholds are generally reduced to 25%. Further, special rules apply for purposes of taking into account any related person insurance income ("RPII") of a non-U.S. corporation, as described below.

Whether Aspen Holdings is a CFC for a taxable year will depend upon facts regarding our direct and indirect shareholders, about which we have limited information. Accordingly, no assurance can be provided that Aspen Holdings will not be a CFC. Further, regardless of whether Aspen Holdings is a CFC, most or all of our non-U.S. subsidiaries are generally treated as CFCs because our U.S. subsidiaries generally are treated as constructively owning the stock of our non-U.S. subsidiaries. Accordingly, any 10% U.S. Shareholders of Aspen Holdings may be required to include in gross income for U.S. federal income tax purposes for each taxable year their pro rata shares of all or a portion of the subpart F income and tested income generated by our non-U.S. companies (with various adjustments), regardless of whether any distributions are made to them. Any such 10% U.S. Shareholders should consult their own tax advisors regarding the application of these rules to them.

U.S. persons who hold our shares may be subject to U.S. federal income taxation at ordinary income rates on their proportionate share of our related person insurance income.

In general, if a non-U.S. corporation is a "RPII CFC" (as defined below) at any time during a taxable year, a U.S. person who owns (directly or indirectly through certain entities) any shares of the non-U.S. corporation (a "U.S. RPII Shareholder") must include in its gross income for U.S. federal income tax purposes its pro rata share of the non-U.S. corporation's RPII with respect to any shares that such U.S. RPII Shareholder owns (directly or indirectly through certain entities) on the last day in the non-U.S. corporation's taxable year, even if the RPII is not distributed. Further, a U.S. RPII Shareholder's pro rata share of any RPII is determined as if all RPII for the taxable year were distributed proportionately only to U.S. RPII Shareholders on that date but generally may not exceed the U.S. RPII Shareholder's pro rata share of the non-U.S. corporation's earnings and profits for the taxable year. In addition, a U.S. RPII Shareholder is required to comply with certain reporting requirements, regardless of the number of shares owned by the U.S. RPII Shareholder.

For these purposes, a "RPII CFC" is any non-U.S. corporation if, on any day of its taxable year, U.S. RPII Shareholders collectively own (directly, indirectly through non-U.S. entities or constructively) 25% or more of the total combined voting power of all classes of stock of such corporation entitled to vote or 25% or more of the total value of the stock of such corporation. However, the RPII rules generally do not apply with respect to a non-U.S. corporation if either (i) at all times during its taxable year less than 20% of the total combined voting power of all classes of stock of the corporation entitled to vote and less than 20% of the total value of the corporation is owned (directly or indirectly) by persons who are (directly or indirectly) insured under any policy of insurance or reinsurance issued by the corporation or who are related persons to any such person (the "ownership exception"), or (ii) the RPII (determined on a gross basis) of the corporation for the taxable year is less than 20% of its gross insurance income for the taxable year (the "de minimis exception").

We believe that each of our non-U.S. Operating Subsidiaries and Peregrine is a RPII CFC. Nonetheless, we expect that each such company will qualify for one or both of the ownership exception and the de minimis exception in the current taxable year and for the foreseeable future. However, the RPII provisions have never been interpreted by the courts, and regulations interpreting the RPII provisions exist only in proposed form. Certain recently issued proposed regulations would expand the scope of RPII. It is not certain whether any of these regulations will be adopted in their proposed form or what changes or clarifications might ultimately be made thereto or whether any such changes, as well as any interpretation or application of the RPII rules by the IRS, the courts, or otherwise, might have retroactive effect. The U.S. Treasury Department has authority to impose, among other things, additional reporting requirements with respect to RPII. Accordingly, the meaning of the RPII provisions and the application thereof to us is uncertain. Further, the applicability of the ownership and de minimis exceptions and the RPII rules more generally depends upon facts regarding our direct and indirect shareholders and insureds, about which we have limited information. Accordingly, no assurances can be provided that any of our companies will satisfy either exception. Moreover, to the extent the exceptions do not apply, we may be unable to correctly determine the amount of RPII that any U.S. RPII Shareholder is required to take into account.

U.S. persons who dispose of our shares may be subject to U.S. federal income taxation at the rates applicable to dividends on a portion of such disposition.

Section 1248 of the Code may apply to a disposition of our shares. Section 1248 provides that if a U.S. person sells or exchanges stock in a non-U.S. corporation and such person owned, directly, indirectly through certain non-U.S. entities or constructively, 10% or more of the voting power of the corporation at any time during the five-year period ending on the date of disposition when the corporation was a CFC, any gain from the sale or exchange of the shares will be treated as a dividend to the extent of the CFC's earnings and profits (determined under U.S. federal income tax principles) during the period that the shareholder held the shares and while the corporation was a CFC (with certain adjustments). As described above, our bye-laws may reduce the voting power of our shares in certain circumstances, although it is unclear if such reduction would be respected for purposes of Section 1248 of the Code.

Additionally, Section 1248, in conjunction with the RPII rules, generally provides that if a U.S. person disposes of shares in a RPII CFC (determined without regard to the ownership or de minimis exceptions) that would be taxable as an insurance company under the Code if it were a U.S. corporation, any gain from the disposition will generally be treated as a dividend to the extent of the holder's share of the corporation's undistributed earnings and profits that were accumulated during the period that the holder owned the shares (whether or not such earnings and profits are attributable to RPII). In addition, such a holder will be required to comply with certain reporting requirements, regardless of the number of shares owned by the holder. These RPII rules should not apply to dispositions of our shares because Aspen Holdings will not itself be directly engaged in the insurance business. However, as discussed above, there is uncertainty in the interpretation of the RPII provisions and thus no assurances can be provided.

U.S. persons who hold our shares may be subject to adverse tax consequences if we are considered to be a passive foreign investment company.

If Aspen Holdings is characterized as a passive foreign investment company ("PFIC"), a U.S. person holding shares of Aspen Holdings generally would be subject to an increased tax liability at the time of the sale at a gain of, or receipt of an "excess distribution" with respect to, their shares. In addition, if Aspen Holdings is considered a PFIC, upon the death of any U.S. individual owning shares, such individual's heirs or estate would not be entitled to a "step-up" in the basis of the shares that might otherwise be available under U.S. federal income tax laws. Further, a distribution paid by Aspen Holdings to U.S. shareholders that is characterized as a dividend and is not characterized as an excess distribution will not be eligible for reduced rates of tax as qualified dividend income if Aspen Holdings is considered a PFIC in the taxable year in which such dividend is paid or was a PFIC in the preceding taxable year. A U.S. shareholder may also be subject to additional information reporting requirements, including the filing of an IRS Form 8621, if Aspen Holdings is a PFIC. These rules generally will apply to a U.S. person if Aspen Holdings was a PFIC at any time during the U.S. person's holding period with respect to our shares. Different consequences may apply if the U.S. person has elected to treat Aspen Holdings as a "qualified electing fund" or if the U.S. person is a 10% U.S. Shareholder of Aspen Holdings and Aspen Holdings is a CFC.

Further, if Aspen Holdings is considered a PFIC for any taxable year and our shares are treated as "marketable stock" in such year, then a U.S. shareholder may make a mark-to-market election with respect to its shares. The shares will be marketable if they are regularly traded on certain qualifying stock exchanges, including the NYSE. However, there can be no assurance that such election will be available. Additionally, because a mark-to-market election usually cannot be made for any lower-tier PFICs, a U.S. holder will generally continue to be subject to the special tax rules discussed above with respect its indirect interest in any non-U.S. subsidiary of Aspen Holdings classified as a PFIC. As a result, it is possible that any mark-to-market election with respect to our shares will be of limited benefit. In general, if a U.S. holder of our shares were to make a timely and effective mark-to-market election, such holder would include in its taxable income each year the excess, if any, of the fair market value of its shares at the end of the taxable year over its adjusted basis in such shares. Amounts included in taxable income are treated as gains on the sale of the shares and are taxed as ordinary income. Any gain recognized by such holder on the sale or other disposition of our shares would be ordinary income, and any loss would be an ordinary loss to the extent of the net amount of previously included income as a result of the mark-to-market election and, thereafter, a capital loss. U.S. investors are urged to consult with their tax advisors regarding the availability and consequences of making a mark-to-market election with respect to our shares.

In general, a non-U.S. corporation will be a PFIC during a given year if (i) 75% or more of its gross income constitutes "passive income" (the "75% test") or (ii) 50% or more of its assets produce (or are held for the production of) passive income (the "50% test"). For these purposes, passive income generally includes interest, dividends, annuities and other investment income. However, the PFIC provisions contain a look-through rule under which a non-U.S. corporation that directly or indirectly owns at least 25% of the value of the stock of another corporation generally is treated, for purposes of determining whether it is a PFIC, as if it received directly its proportionate share of the income, and held its proportionate share of the assets, of the other corporation (the **"**look-through rule**"**). As a result, it is expected that the PFIC status of Aspen Holdings should generally depend on the application of the look-through rule to its subsidiaries and whether the income and assets of its subsidiaries will be characterized as passive or active for this purpose. In addition, pursuant to an insurance exception, (a) passive income does not include income that a qualifying insurance corporation ("QIC") derives in the active conduct of an insurance business or income of a qualifying domestic insurance corporation ("QDIC") (generally, a U.S. corporation with respect to which the look-through rule applies that is taxable as an insurance company and is subject to U.S. federal income tax on its net income), and (b) passive assets do not include assets of a QIC available to satisfy liabilities of the QIC related to its insurance business, if the QIC is engaged in the active conduct of an insurance business, or assets of a QDIC.

Generally, a non-U.S. corporation will be a QIC for a taxable year if it would be taxable as an insurance company if it were a U.S. corporation and its applicable insurance liabilities constitute more than 25% of its total assets for a taxable year. Further, under recently proposed regulations (the "2021 Proposed Regulations"), a QIC is engaged in the "active conduct" of an insurance business only if it satisfies either a "factual requirements test" or an "active conduct percentage test." The factual requirements test requires that the officers and employees of the QIC carry out substantial managerial and operational activities on a regular and continuous basis with respect to its core functions (generally its underwriting activities, investment activities, contract and claims management activities and sales activities) and that they perform virtually all of the active decision-making functions relevant to underwriting functions. The active conduct percentage test generally requires that (i) the total costs incurred by the QIC with respect to its officers and employees for services rendered with respect to its core functions (other than investment activities) equal or exceed 50% of the total costs incurred by the QIC with respect to its officers and employees and any other person or entities for services rendered with respect to its core functions (other than investment activities) and (ii) to the extent the QIC outsources any part of its core functions to unrelated entities, officers and employees of the QIC with experience and relevant expertise must select and supervise the person that performs the outsourced functions, establish objectives for performance of the outsourced functions and prescribe rigorous guidelines relating to the outsourced functions which are routinely evaluated and updated. Under certain exceptions, however, a QIC that has no or only a nominal number of employees or that is a vehicle that has the effect of securitizing or collateralizing insurance risks underwritten by other insurance or reinsurance companies or is an insurance linked securities fund that invests in securitization vehicles generally is deemed not engaged in the active conduct of an insurance business. The officers and employees of certain related entities generally may be taken into account for these purposes, provided that the QIC exercises regular oversight and supervision over the services performed by the related entity's officers and employees. The 2021 Proposed Regulations will not be effective unless and until adopted in final form, but taxpayers may rely on them for taxable years beginning after December 31, 2017 if they are consistently followed.

We believe that, based on the implementation of our current business plan and the application of the insurance exception, our non-U.S. insurance subsidiaries should be considered QICs engaged in the active conduct of an insurance business under one or both of the "factual requirements test" or the "active conduct percentage test," our U.S. insurance subsidiaries should be considered QDICs and none of the income or assets of such insurance subsidiaries should be treated as passive. In addition, the income and assets attributable to our non-U.S. subsidiaries that are not insurance subsidiaries are minimal, relative to the income and assets attributable to our other subsidiaries. As a result, based on the application of the look-through rule, we believe that Aspen Holdings should not be characterized as a PFIC for the current year or the foreseeable future. However, because of legal uncertainties with respect to the interpretation of the PFIC rules and whether the 2021 Proposed Regulations will be adopted as final regulations in their current form, and factual uncertainties with respect to our planned operations, there is a risk that Aspen Holdings will be characterized as a PFIC in one or more years. If Aspen Holdings is considered a PFIC, it could have material adverse tax consequences for an investor that is subject to U.S. federal income taxation. Prospective investors should consult their tax advisors as to the effects of the PFIC rules on an investment in our shares.

U.S. tax-exempt organizations who own our shares may recognize unrelated business taxable income.

A U.S. tax-exempt organization generally will recognize unrelated business taxable income if the organization is required to include in gross income any of our insurance income under the CFC rules described above (including the RPII provisions). U.S. tax-exempt organizations are advised to consult their own tax advisors regarding the applicability of these rules to their ownership of our shares.

The OECD's initiative to limit harmful tax competition may result in higher taxation and increased complexity, burden and cost of compliance.

On December 22, 2021, the European Union published the draft Anti-Tax Avoidance Directive III ("ATAD III") designed to impose new minimum substance rules to prevent the misuse of shell entities for improper tax purposes. ATAD III proposes to introduce reporting requirements for certain E.U. tax resident companies with mobile and/or passive income (such as interest, dividends and royalty income) that have inadequate economic substance (as prescribed under ATAD III). If an entity fails to meet these substance requirements, it will be denied benefits under tax treaties and various E.U. directives. The European Parliament has proposed a number of amendments to ATAD III which, if adopted by the European Council (which it is not obliged to do), would apply the Directive from January 1, 2027. Certain Member States may also seek to implement their own transitional rules. The details of these rules are therefore subject to substantial uncertainty and further change.

In addition, the OECD is continuing to work on a two-pillar initiative, "BEPS 2.0," which is aimed at (1) shifting taxing rights to the jurisdiction of the consumer ("Pillar One") and (2) ensuring all companies pay a global minimum tax ("Pillar Two"). Pillar One will, broadly, re-allocate taxing rights over 25% of the residual profits of multinational enterprises ("MNEs") with global turnover in excess of 20 billion euros (excluding extractives and regulated financial services) to the jurisdictions where the customers and users of those MNEs are located. Pillar Two will, broadly, consist of two interlocking domestic rules (together the Global anti-Base Erosion Rules (the "GloBE Rules")): (i) an Income Inclusion Rule ("IIR"), which imposes top-up tax on a parent entity in respect of the low-taxed income of a constituent entity; and (ii) a UTPR, which denies deductions or requires an equivalent adjustment to the extent the low-taxed income of a constituent entity is not subject to tax under an IIR.

Key aspects of Pillar Two (including IIR regimes) have already become effective in jurisdictions relevant to our business as of January 1, 2024, with other aspects (including UTPR regimes) to become effective in 2025. The OECD continues to release guidance on the implementation and interpretation of its model GloBE Rules for Pillar Two on a rolling basis (some of which have retrospective effect) which may result in further amendments to the Pillar Two rules as they apply in relevant jurisdictions.

Relevant to our U.K. Subsidiaries, as U.K. tax resident entities, the U.K. enacted legislation in July 2023 which implemented the IIR via a "multinational top-up tax" (alongside a U.K. domestic top-up tax) that applies to multinational enterprises for accounting periods beginning on or after December 31, 2023 and is proposing the introduction of a UTPR to be effective for accounting periods beginning on or after December 31, 2024.

Additionally, relevant to our subsidiaries that operate in Singapore and Switzerland, both Singapore and Switzerland enacted legislation which implement the IIR alongside domestic top-up taxes. In Singapore, the "Multinational Enterprise Top-up Tax" (and domestic top-up tax) applies to multinational enterprises for accounting periods beginning on or after January 1, 2025. In Switzerland, the "top-up tax" applies to multinational enterprises for accounting periods beginning on or after January 1, 2025, while the minimum taxation ordinance has applied for accounting periods beginning January 1, 2024. Neither jurisdiction currently proposes the introduction of a UTPR.

Separately, in the European Union the Council Directive (EU) 2022/2523, adopted on December 15, 2022, requires that E.U. Member States implement the Pillar Two rules into domestic law by December 31, 2023, with ultimate application dependent upon implementation by each member state. The Bermuda Government has responded to the Pillar Two initiative by passing the Corporate Income Tax Act 2023 (the "CIT Act"), on December 27, 2023, to introduce a corporate income tax on certain Bermuda entities with effect from January 1, 2025. For more information, see "—Changes to Bermuda tax policies may impact our financial position." The implications of this proposal for our business remain uncertain in terms of how any such Bermuda corporate income tax regime (once it comes into effect) might interact with the U.K.'s multinational top-up tax and undertaxed payments rule or other Pillar Two implementing legislation in relevant jurisdictions in which we operate, including Singapore and Switzerland. The Bermuda corporate income tax regime will be effective for tax years beginning on or after January 1, 2025, which means that there is (on current proposed timings) a period of at least one year in which the U.K. multinational top-up tax is expected to apply to our group before any changes are effected in Bermuda.

On January 15, 2025, the OECD issued administrative guidance on Article 9.1 of the GloBE Rules. This guidance, if incorporated into the laws of the jurisdictions in which we operate, could cause additional top-up taxes pursuant to the GloBE Rules to the extent our deferred tax asset in respect of the CIT Act's Economic Transition Adjustments ("ETA") reverses after 2026. It is uncertain whether the jurisdictions in which we operate will incorporate this guidance. Further, the amount of such deferred tax asset that reverses in any given year, if any, is uncertain. To the extent the jurisdictions in which we operate incorporate this guidance into their own laws, our overall cash tax savings from the reversal of the deferred tax asset could be limited to the lesser of 20% of the gross deferred tax asset or the portion of the deferred tax asset that reverses in 2025 and 2026.

Changes to Bermuda tax policies may impact our financial position.

We obtained from the Minister of Finance of Bermuda under the Exempted Undertakings Tax Protection Act 1966 (as amended) (the "EUTP Act") an assurance that, in the event Bermuda enacts legislation imposing tax computed on profits, income, any capital asset, gain or appreciation, or any tax in the nature of estate duty or inheritance tax, then the imposition of the tax will not be applicable to us or our operations or to our shares, debentures or other obligations except insofar as such tax applies to persons ordinarily resident in Bermuda or to any taxes payable by us in respect of real property owned or leased by us in Bermuda until March 31, 2035. As a result of changes made to the EUTP Act by the CIT Act, this assurance has been made subject to the application of any taxes pursuant to the CIT Act, as described further below.

In the 2023 Budget, the Bermuda Government announced the formation of an International Tax Working Group consisting of specialists in international tax matters and representatives of various bodies whose members may be directly impacted by such to examine how Bermuda can appropriately implement the Global Minimum Tax initiative. The Working Group reported its findings and provided recommendations to the Bermuda Government in July 2023. The Bermuda Government subsequently issued three public consultation papers as part of its considerations on the introduction of a corporate income tax in Bermuda, on August 8, 2023, October 5, 2023 and November 10, 2023. On December 27, 2023, Bermuda passed the CIT Act, which became fully operative with respect to the imposition of corporate income tax on January 1, 2025. The Corporate Income Tax Act 2023 Amendment Regulations 2024 (the "Regulations") amending the CIT Act were made on December 20, 2024 by the Minister of Finance in Bermuda. (For the purposes of this summary, references to CIT Act are to the CIT Act, as amended by the Regulations).

Under the CIT Act, Bermuda corporate income tax will be chargeable in respect of fiscal years beginning on or after January 1, 2025 and will apply only to Bermuda Constituent Entities (as defined below) of an In Scope MNE group (as defined below).

In Scope Entities

An In Scope MNE Group for these purposes is a group which meets the relevant revenue threshold (EUR 750 million or more in annual revenues in at least two of the four fiscal years immediately preceding the fiscal year in question and is an MNE Group (being a group (as further defined below) comprising an ultimate parent entity and one or more entities (which includes permanent establishments) located in another jurisdiction). For MNE Groups that meet the revenue threshold, corporate income tax will generally apply to each Bermuda resident entity and Bermuda permanent establishment that is a constituent entity of such MNE Group (a Bermuda Constituent Entity). Consistent with the GloBE Rules, the terms "group", "ultimate parent entity" and "controlling interest" and critical to determining whether a Bermuda entity is considered a constituent entity of an MNE Group.

A “group” is defined for the purposes of the CIT Act as (a) a collection of entities that are related through ownership or control such that the assets, liabilities, income, expenses and cash flows of those entities are included in the consolidated financial statements of the ultimate parent entity, or are excluded from the consolidated financial statements of the ultimate parent entity solely on size or materiality grounds, or on the grounds that the entity is held for sale; or (b) an entity that is located in one jurisdiction and has one or more permanent establishments located in other jurisdictions provided that the entity is not part of another group as described in (a) above.

An “ultimate parent entity” is (a) an entity that owns, directly or indirectly, a controlling interest in any entity, and is not owned, with a controlling interest, directly or indirectly by another entity; or (b) with respect to permanent establishments, the main entity in a group, being the entity that includes the financial accounting net income or loss of a permanent establishment in its financial statements. A “controlling interest” is an ownership interest in any entity such that the interest holder (a) is required to consolidate the assets, liabilities, income, expenses and cash flows of the entity on a line-by-line basis in accordance with an acceptable accounting standard, or (b) would have been required to consolidate the assets, liabilities, income, expenses and cash flows of the entity on a line-by-line basis if the interest holder has prepared consolidated financial statements, provided with respect to permanent establishments, that a main entity is deemed to have the controlling interests of its permanent establishments.

In practical terms, therefore, Bermuda resident entities will only be within the scope of Bermuda corporate income tax as Bermuda Constituent Entities if either they are consolidated on a line by line basis in the consolidated financial statements (prepared in accordance with an acceptable financial accounting standard) (or would be if consolidated financial statements had been prepared under an acceptable financial accounting standard) of an ultimate parent entity located in another jurisdiction; or the Bermuda resident entity or entities themselves consolidate on a line by line basis the results of one or more entities located in another jurisdiction in consolidated financial statements, and in either case the group meets the relevant revenue threshold. Where consolidated financial statements are prepared on a basis that does not consolidate line by line, there is no “controlling interest” and therefore no “ultimate parent entity”, meaning that there is no MNE Group for the purposes of the CIT Act. Accordingly, Bermuda resident entities that are not consolidated on a line-by-line basis or do not consolidate on a line-by-line basis (nor would be required if consolidated financial statements had been prepared under an acceptable financial accounting standard) will not be considered in scope for the purposes of the Act.

Bermuda Constituent Entity Groups

Where a Bermuda entity or Bermuda permanent establishment is a Bermuda Constituent Entity, corporate income tax will be chargeable in respect of fiscal years beginning on or after January 1, 2025 to the Bermuda Constituent Entity Group. A Bermuda Constituent Entity Group is a group comprised of one or more Bermuda Constituent Entities that are members of an In Scope MNE Group. It is possible for an In Scope MNE Group to include more than one Bermuda Constituent Entity Group and specific rules apply. For example, companies incorporated under the Companies Act 1981 which are registered under the Segregated Accounts Companies Act 2000 are regarded as a single entity which is not fiscally transparent. However, a Bermuda Constituent Entity may elect to treat any segregated accounts within such entity as separate Bermuda Constituent Entities, and if such an election is made, may further elect to treat any given segregated account as fiscally transparent or not. Such elections are annual elections which apply for the fiscal year in which the election is made and all subsequent fiscal years, unless and until the election is modified or revoked.

Charge to Corporate Income Tax

Where corporate income tax is chargeable to a Bermuda Constituent Entity Group, the amount of corporate income tax chargeable for a fiscal year shall be (a) 15% of the net taxable income of the Bermuda Constituent Entity Group; less (b) tax credits applicable to the Bermuda Constituent Entity Group under Part 4 of the CIT Act, or as prescribed.

Detailed rules apply with respect to the calculation of net taxable income of each Bermuda Constituent Entity in a Bermuda Constituent Entity Group. Adjustments include deductions for brought forward losses incurred in prior years, certain excluded dividends, modifications for stock-based compensation, intra-group transactions etc.

As at December 31, 2024, we have adjusted our deferred tax calculated in the prior year, 2023, to account for provisions within the CIT Act that allow for an equitable transition to the new regime including the ETA and opening tax loss carryforward (“OTLC”). Our deferred tax asset in Bermuda consists of $158.9 million in respect of the ETA and $40.0 million in respect of an OTLC. We expect this deferred tax asset to be utilized predominantly over a 10-year period. We expect to incur and pay increased taxes in Bermuda beginning in 2025.

More broadly, Bermuda remains committed to tax transparency, which is evidenced by adopting economic substance legislation, which has been deemed compliant by the European Union and was designed to implement the work of the Forum on Harmful Tax Practices under Action 5 of the OECD's BEPS Reports. Any changes in the tax law of an OECD member state or in response to a change in E.U. policies could subject us to additional taxes, and we are unable to predict at this time whether it would have a material adverse impact on our operations and results.

Item 4. Information on the Company

A. History and Development of the Company

Aspen Insurance Holdings Limited ("Aspen Holdings") was incorporated as a Bermuda exempted company on May 23, 2002 as a holding company headquartered in Bermuda. We underwrite specialty insurance and reinsurance on a global basis through our Operating Subsidiaries (as defined below) based in Bermuda, the United States and the United Kingdom: Aspen Bermuda Limited ("Aspen Bermuda"), Aspen Specialty Insurance Company ("Aspen Specialty"), Aspen American Insurance Company ("AAIC"), Aspen Insurance UK Limited ("Aspen UK") and Aspen Underwriting Limited ("AUL") (as the sole corporate member of our Lloyd's operations, Syndicate 4711, which is managed by Aspen Managing Agency Limited ("AMAL") (together, "Aspen Lloyd's")), each referred to herein as an "Operating Subsidiary" and collectively referred to as the "Operating Subsidiaries", as well as through branch operations in Canada, Singapore and Switzerland. The principal office is located at 141 Front Street, Hamilton, HM19, Bermuda (telephone number: +1 441-295-8201).

Since February 2019, the Company has been a wholly owned subsidiary of Highlands Bermuda Holdco, Ltd. ("Parent"), which holds all of the Company's ordinary shares. Parent, a Bermuda exempted company, is an affiliate of certain investment funds managed by affiliates of Apollo Global Management, Inc., a leading global investment manager (collectively with its subsidiaries, "Apollo"). The Company's preference shares and depositary shares, as at the date of issuing this report, are listed on the New York Stock Exchange ("NYSE") under the following symbols: AHL PRD, AHL PRE and AHL PRF. For information on the preference shares and the depositary shares, refer to Item 18, Note 12 of our consolidated financial statements, "Capital Structure."

On December 20, 2023, we filed with the SEC a Registration Statement on Form F-1 (File No. 333-276163) with respect to the Potential Initial Public Offering of our ordinary shares. We subsequently filed Amendment No. 1, Amendment No. 2 and Amendment No. 3 to the IPO Registration Statement on February 1, 2024, April 5, 2024 and December 11, 2024, respectively (together, the "IPO Registration Statement"). In connection with the Potential Initial Public Offering, we intend to apply to list our ordinary shares on the NYSE. Such IPO Registration Statement and contemplated listing are not yet effective, and our ordinary shares may not be sold, nor may offers to buy be accepted, prior to the time the IPO Registration Statement is declared effective by the SEC. The Potential Initial Public Offering is subject to market and other conditions, and may not be completed as expected or at all.

The Company maintains a website at www.aspen.co. The information on our website is not incorporated by reference in this report. We make available, free of charge through our website, our Annual Reports on Form 20-F and other reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act as soon as reasonably practicable after we electronically file such material with, or furnish such material to, the SEC.

The SEC maintains an internet site that contains reports and other information regarding issuers, including the Company, that file electronically with the SEC. The address of the SEC's website is www.sec.gov.

B. Business Overview

We are a Bermuda-based holding company, whose principal business is marketing and underwriting specialty insurance and reinsurance on a global basis. Our business is comprised of: (i) underwriting operations, which includes our risk-bearing insurance and reinsurance operations; (ii) investing activities, which primarily support our underwriting operations; and (iii) our ACM operations, which earn underwriting, management and performance fees from the Company and other third-party investors primarily through the management of insurance linked securities ("ILS") funds and other offerings. ACM forms part of the Aspen Capital Partners platform, in recognition of the synergies between ACM and the Company's Outwards Reinsurance teams, which together support our underwriting operations.

We manage our underwriting operations as two distinct business segments, Insurance ("Aspen Insurance") and Reinsurance ("Aspen Re"), to enhance and better serve our global customer base. Financial data relating to our two business segments is included in Item 5, "Operating and Financial Review and Prospects" and in Item 18, Note 3 of our consolidated financial statements, "Segment Reporting."

Aspen Re

Aspen Re offers a variety of reinsurance and retrocession products, including, but not limited to: (i) property catastrophe reinsurance, (ii) other property reinsurance, (iii) casualty reinsurance, and (iv) specialty reinsurance. We offer reinsurance on both a treaty and facultative basis, and on both a proportional (such as quota share) and non-proportional (such as excess of loss) basis.

Our reinsurance business is sourced principally through brokers and reinsurance intermediaries, with whom we aim to maintain strong relationships, having become a valued risk management partner to the leading insurers with whom we do business. We write property catastrophe, property, casualty and specialty reinsurance business through Aspen Bermuda and its branches in Singapore and Switzerland, Aspen Lloyd's and AAIC. We also access the EEA market through Lloyd's Insurance Company, which is 100% reinsured by Syndicate 4711.

Aspen Insurance

Aspen Insurance offers a variety of insurance products, including, but not limited to: (i) first party insurance, (ii) specialty insurance, (iii) casualty insurance, (iv) financial and professional lines insurance, and (v) other insurance. In our Insurance segment, these products are written in the London Market primarily by Aspen UK and Aspen Lloyd's via the Lloyd's platform and, in the United States, by Aspen American Insurance Company and Aspen Specialty Insurance Company (on an admitted and excess and surplus line, basis, respectively). We also write casualty and financial and professional lines business through Aspen Bermuda Limited. Although our products are underwritten according to the guidelines associated with each local entity, our insurance business is managed globally with individual product lines grouped and managed into four select portfolios. This allows for consistency of underwriting appetite, risk selection and application of underwriting guidelines across all our jurisdictions, as well as providing opportunities for integrated marketing and relationship management efforts.

Across both Aspen Re and Aspen Insurance, in several of our product lines, business consists of a combination of open market and business written pursuant to Delegated Underwriting Authorities ("DUA") or Programs arrangements, or through managing agents or other agents.

Investments

Our investment strategy seeks to deliver stable investment income and total return through all market cycles while maintaining appropriate portfolio liquidity and credit quality to meet the requirements of our customers, rating agencies and regulators. Income from our investment operations is included in corporate and other income and expense.

Aspen Capital Markets

We participate in the alternative reinsurance market through ACM, which acts as a conduit between Aspen's balance sheet and third-party investors and supports each of our Insurance and Reinsurance segments. ACM sources third-party capital and develops reinsurance structures that leverage the Company's underwriting and analytical expertise and earns underwriting, management and performance fees from third-party investors primarily through the placement and management of collateralized quota share sidecar vehicles, insurance linked securities ("ILS") funds and other offerings. It operates primarily two distinct strategies, namely, building insurance risk portfolios tailored to investor objectives through capital sourced by Aspen Capital Management Ltd. ("ACML"), a Bermuda domiciled insurance manager and agent registered with the BMA, and strategically structuring and placing defined Aspen portfolios aligned with capital markets investors through the use of sidecars, including Peregrine Reinsurance Ltd. ("Peregrine"), a special purpose insurer. For more information on Peregrine, see "Certain Regulatory Considerations—Bermuda Insurance Regulation—Peregrine" below.

Aspen recognized the synergies between ACM and its Outwards Reinsurance teams – combining the two into Aspen Capital Partners. This move allows us to further enable our trading partners to access the full breadth of Aspen's capabilities, including risk sourcing, underwriting, modelling, actuarial and claims.

Income from ACM's activities is primarily allocated to the line of business being ceded within Aspen's current two segments, Aspen Insurance and Aspen Re, and serves to reduce acquisition expenses for that business and applicable operating entity. While ACM has initially focused on property catastrophe business, it has expanded to provide capacity for property insurance and reinsurance, specialty reinsurance and casualty insurance and reinsurance.

Business Segments

We have determined our reportable segments, Aspen Insurance ("Insurance") and Aspen Re ("Reinsurance"), by taking into account the manner in which management makes operating decisions and assesses operating performance. Profit or loss for each of the business segments is measured by underwriting income or loss. Underwriting profit is the excess of net earned premiums over the sum of losses and loss expenses, acquisition costs and general and administrative expenses. Underwriting income or loss provides a basis for management to evaluate the segment's underwriting performance.

Management measures segment results on the basis of the combined ratio, which is obtained by dividing the sum of the losses and loss expenses, acquisition costs and general and administrative expenses by net earned premiums.

We provide additional disclosures for corporate and other (non-operating) income and expenses. Corporate and other income and expenses include: corporate expenses, non-operating expense, net investment income, net realized and unrealized investment gains or losses, changes in fair value of derivatives, interest expenses, net realized and unrealized foreign exchange gains or losses, and income taxes. These income and expense items are not allocated to our business segments as they are not directly related to our business segment operations and is consistent with how management measures the performance of its segments. We do not allocate our assets by business segments as we evaluate underwriting results of each segment separately from the results of our investment portfolio.

The table below sets forth the gross written premiums by business segment for the twelve months ended December 31, 2024, 2023 and 2022:

	Twelve Months Ended December 31, 2024		Twelve Months Ended December 31, 2023		Twelve Months Ended December 31, 2022	
Business Segment	**Gross Written Premiums**	**% of Total**	**Gross Written Premiums**	**% of Total**	**Gross Written Premiums**	**% of Total**
			($ in millions, except for percentages)			
Reinsurance	$ 1,885.8	40.9 %	$ 1,521.0	38.3 %	$ 1,807.0	41.6 %
Insurance	2,723.5	59.1	2,446.6	61.7	2,531.7	58.4
Total	$ 4,609.3	100.0 %	$ 3,967.6	100.0 %	$ 4,338.7	100.0 %

For a review of our results by business segment, refer to Item 5, “Operating and Financial Review and Prospects” and Item 18, Note 3 of our consolidated financial statements, “Segment Reporting”.

Reinsurance

The reinsurance business we write can be analyzed by geographic region, reflecting the location of the reinsured risks, as set forth in the table below for the twelve months ended December 31, 2024, 2023 and 2022:

	Twelve Months Ended December 31, 2024		Twelve Months Ended December 31, 2023		Twelve Months Ended December 31, 2022	
Geographic Region	**Gross Written Premiums**	**% of Total**	**Gross Written Premiums**	**% of Total**	**Gross Written Premiums**	**% of Total**
			($ in millions, except for percentages)			
Australia/Asia	$ 113.2	6.0 %	$ 120.7	7.9 %	$ 175.0	9.7 %
Europe	90.8	4.8	61.9	4.1	109.0	6.0
United Kingdom & Ireland	52.8	2.8	39.2	2.6	13.9	0.8
United States & Canada [1]	1,077.2	57.1	805.4	53.0	960.3	53.1
Worldwide excluding the United States [2]	33.2	1.8	28.8	1.9	24.2	1.3
Worldwide including the United States [3]	419.7	22.3	384.8	25.3	464.5	25.7
Other [4]	98.9	5.2	80.2	5.2	60.1	3.4
Total	$ 1,885.8	100.0 %	$ 1,521.0	100.0 %	$ 1,807.0	100.0 %

(1) “United States and Canada” consists of individual policies that insure risks specifically in the United States and/or Canada, but not elsewhere.

(2) “Worldwide excluding the United States” consists of individual policies that insure global risks with the specific exclusion of the United States.

(3) “Worldwide including the United States” consists of individual policies that insure global risks with the specific inclusion of the United States.

(4) “Other” comprises individual policies that insure risks in other countries including, but not limited to, countries in the Caribbean, South America and the Middle East.

Aspen Re's gross written premiums by principal line of business were as follows for the twelve months ended December 31, 2024, 2023 and 2022:

Line of Business	Twelve Months Ended December 31, 2024		Twelve Months Ended December 31, 2023		Twelve Months Ended December 31, 2022	
	Gross Written Premiums	% of Total	Gross Written Premiums	% of Total	Gross Written Premiums	% of Total
	($ in millions, except for percentages)					
Casualty reinsurance	$ 763.3	40.5 %	$ 558.9	36.7 %	$ 596.4	33.0 %
Property catastrophe reinsurance	430.2	22.8	366.6	24.1	354.9	19.7
Other property reinsurance	408.8	21.7	384.2	25.3	428.8	23.7
Specialty reinsurance	283.5	15.0	211.3	13.9	426.9	23.6
Total	$ 1,885.8	100.0 %	$ 1,521.0	100.0 %	$ 1,807.0	100.0 %

***Casualty Reinsurance**:* Casualty reinsurance is written on an excess of loss, proportional and facultative basis and consists of U.S. treaty, international treaty and casualty facultative reinsurance. Our treaty business comprises exposures to workers' compensation (including catastrophe), medical malpractice, general liability, auto liability, professional liability and excess liability including umbrella liability. Our facultative business reinsures mainly auto liability and general liability exposures.

***Property Catastrophe Reinsurance**:* Property catastrophe reinsurance is generally written on a treaty excess of loss basis where we provide protection to an insurer for an agreed portion of the total losses from a single event in excess of a specified loss amount. In the event of a loss, most contracts provide for coverage of a second occurrence following the payment of a premium to reinstate the coverage under the contract, which is referred to as a reinstatement premium. The coverage provided under excess of loss reinsurance contracts may be on a worldwide basis or limited in scope to selected regions or geographical areas.

***Other Property Reinsurance**:* Other property reinsurance includes property risks written on excess of loss and proportional treaties, facultative or single risk reinsurance. Risk excess of loss reinsurance provides coverage to a reinsured where it experiences a loss in excess of its retention level on a single "risk" basis. A "risk" in this context might mean the insurance coverage on one building or a group of buildings for fire or explosion or the insurance coverage under a single policy which the reinsured treats as a single risk. This line of business is generally less exposed to accumulations of exposures and losses but can still be impacted by catastrophes, such as earthquakes and hurricanes. Proportional treaty reinsurance provides proportional coverage to the reinsured, meaning that, subject to event limits where applicable and ceding commissions, we pay the same share of the covered original losses as we receive in premiums charged for the covered risks. Proportional contracts typically involve close client relationships which often include regular audits of the cedants' data.

A high percentage of the property catastrophe reinsurance contracts we write exclude or limit coverage for losses arising from the peril of terrorism. Within the U.S., our other property reinsurance contracts generally include limited coverage for acts that are certified as "acts of terrorism" by the U.S. Treasury Department under the Terrorism Risk Insurance Act (including its various extensions, "TRIA"). We have written a limited number of property reinsurance contracts, both on a pro rata and excess of loss basis, specifically covering the peril of terrorism. These contracts typically exclude coverage for nuclear, biological, chemical or radiological attack, though we have written a small number of contracts that do not exclude coverage for such attacks, the coverage of which may be applicable to non-terrorism events.

***Specialty Reinsurance**:* Specialty reinsurance is written on an excess of loss and proportional basis and consists of mortgage reinsurance, marine, energy, technical lines (including nuclear and contingency), agriculture, terrorism, and other specialty lines. Our specialty agricultural reinsurance business covers crop and multi-peril business. Other specialty lines include reinsurance treaties and some insurance policies covering policyholders' interests in marine, energy, contingency, terrorism, engineering, nuclear, medical expense and personal accident. Aspen ceased writing new and renewal reinsurance for the aviation, space and bloodstock business lines from October 2022.

Insurance

The insurance business we write can be analyzed by geographic region, reflecting the location of the insured risk, as set forth in the table below for the twelve months ended December 31, 2024, 2023 and 2022:

Geographic Region	Twelve Months Ended December 31, 2024		Twelve Months Ended December 31, 2023		Twelve Months Ended December 31, 2022	
	Gross Written Premiums	% of Total	Gross Written Premiums	% of Total	Gross Written Premiums	% of Total
	($ in millions, except for percentages)					
Australia/Asia	$ 64.6	2.3 %	$ 57.1	2.3 %	$ 82.5	3.3 %
Europe	117.3	4.3	117.5	4.8	85.5	3.4
United Kingdom & Ireland	562.0	20.6	493.3	20.2	471.9	18.6
United States & Canada [1]	1,869.8	68.7	1,666.6	68.1	1,755.4	69.3
Worldwide excluding the United States [2]	0.2	—	—	—	—	—
Worldwide including the United States [3]	15.3	0.6	32.4	1.3	77.2	3.1
Other [4]	94.3	3.5	79.7	3.3	59.2	2.3
Total	$ 2,723.5	100.0 %	$ 2,446.6	100.0 %	$ 2,531.7	100.0 %

(1) "United States and Canada" consists of individual policies that insure risks specifically in the United States and/or Canada, but not elsewhere.

(2) "Worldwide excluding the United States" consists of individual policies that insure global risks with the specific exclusion of the United States.

(3) "Worldwide including the United States" consists of individual policies that insure global risks with the specific inclusion of the United States.

(4) "Other" comprises individual policies that insure risks in other countries including, but not limited to, countries in the Caribbean, South America and the Middle East.

Our gross written premiums by principal line of business within our Insurance segment were as follows for the twelve months ended December 31, 2024, 2023 and 2022:

Line of Business	Twelve Months Ended December 31, 2024		Twelve Months Ended December 31, 2023		Twelve Months Ended December 31, 2022	
	Gross Written Premiums	% of Total	Gross Written Premiums	% of Total	Gross Written Premiums	% of Total
	($ in millions, except for percentages)					
Financial and professional lines insurance	$ 1,053.5	38.7 %	$ 1,002.1	41.0 %	$ 1,081.2	42.7 %
Casualty and liability insurance	738.2	27.1	670.9	27.4	678.6	26.8
Specialty insurance [1]	481.7	17.7	407.6	16.6	369.4	14.6
First party insurance [1]	289.9	10.6	318.2	13.0	372.5	14.7
Other insurance	160.2	5.9	47.8	2.0	30.0	1.2
Total	$ 2,723.5	100.0 %	$ 2,446.6	100.0 %	$ 2,531.7	100.0 %

(1) Effective January 1, 2023, the Insurance segment restructured its first party and specialty insurance lines of business into two separate lines: first party insurance and specialty insurance due to changes in management structures. The 2022 period has been re-presented to ensure consistency of information.

Financial and Professional Lines Insurance: Our financial and professional lines consists of professional liability, management liability, cyber liability, cross class binders, and surety risks written on a primary, excess, quota share, program and facultative basis.

Professional Liability: Our professional liability business is written out of the United States (including errors and omissions ("E&O")), the United Kingdom and Bermuda and is written on both a primary and excess of loss basis. We insure a wide range of professions including lawyers, accountants, architects, engineers, doctors and medical technicians. This account may also extend coverage for cyber liability and data protection insurance. The cyber liability and data protection insurance covers firms for first party costs and third-party liabilities associated with cybersecurity breach and breach of contractual or statutory data protection obligations.

Management Liability: Our management liability business is written out of the United States, the United Kingdom and Bermuda. We insure a diverse group of commercial and financial institutions predominantly on an excess basis. Our products include D&O liability, fiduciary liability, employment practices liability, fidelity insurance and blended liability programs including E&O liability. The focus of the account is predominantly on risks headquartered in the U.S. or risks with a material U.S. exposure.

Cyber Liability: This account is written globally and consists of our privacy and network security liability (cyber liability) products as well as technology liability. Our privacy and network security liability products provide first party costs and third-party liabilities associated with privacy and cybersecurity breaches. Our technology liability product provides coverage for technology, media and telecommunications firms offering protection for damages and legal defense expenses associated with financial loss claims from third parties and various forms of intellectual property breaches. We also incorporate data protection indemnity insurance against costs and liabilities that may arise when a company breaches its data protection obligations.

Cross Class Binders: Our cross class binders business is written out of the United States and the United Kingdom via several strategic (re)insurance partnerships. Cross class binders has several multi-product offerings across first party insurance, specialty insurance, casualty and liability insurance, and financial and professional lines insurance.

Surety Risks: In July 2020, we sold our renewal rights to our surety insurance book of business to a third party and executed a loss portfolio transfer transaction for the transfer of prior-year liabilities. Pursuant to the terms of the sale transaction, Aspen UK continues to underwrite only a small portion of surety business on a fronted basis to the purchaser in the transaction, which is subject to a 100% quota share reinsurance agreement.

Casualty and Liability Insurance: Our casualty and liability line consists of commercial liability, U.S. primary casualty, excess casualty, environmental liability and railroad liability, written on a primary, excess, quota share, program and facultative basis.

Commercial Liability: Commercial liability is primarily written in the United Kingdom and provides employers' liability coverage, products and public liability coverage for insureds domiciled in the United Kingdom and Ireland. The U.K. regional team also covers directors' and officers' ("D&O") and professional indemnity, predominantly to small and medium corporates.

U.S. Primary Casualty: The U.S. primary casualty account consists primarily of lines written within the primary insurance sectors. We are focused on delivering expertise to brokers and customers in hospitality, real estate, construction and products liability.

Excess Casualty: The excess casualty line comprises medium and large, sophisticated and risk-managed insureds worldwide and covers broad-based risks at lead/high excess attachment points, including general liability, commercial and residential construction liability, life science, railroads, trucking, product and public liability and associated types of cover found in general liability policies in the global insurance market, written from the United Kingdom, the United States and Bermuda.

Environmental Liability: The environmental account primarily provides contractors' pollution liability and pollution legal liability across industry segments that have environmental regulatory drivers and contractual requirements for coverage, including real estate and public entities, contractors and engineers, energy contractors and environmental contractors and consultants. The business is written in both the primary and excess insurance markets in the United States, Canada and the United Kingdom.

Railroad Liability: Our railroad liability business consists of primary and excess liability business for freight, commuter and excursion railroads. It also provides general liability coverage to the railroad support industry (contractors, repair shops and products manufacturers) as well as contingent liability for railcar fleet owners/managers and railroad protective liability in the United States.

Specialty Insurance: Our specialty insurance line consists of U.K. commercial property, specie, marine and energy liability, onshore energy physical damage, offshore energy physical damage, credit and political risks, and crisis management written on a primary, excess, quota share, program and facultative basis.

U.K. Commercial Property & Construction: Property insurance provides physical damage and business interruption coverage for losses arising from weather, fire, theft and other causes. The U.K. commercial team's client base is predominantly U.K. institutional property owners, small and middle market corporates and public sector clients.

Specie: The specie business line focuses on the insurance of high value property items on an all risks basis, including fine art, general and bank related specie, jewelers' block and armored car.

Marine and Energy Liability: In February 2020, we made the decision to cease writing marine and energy liability business and the business was put into runoff. Prior to that, the marine and energy liability business was based in the U.K. and included marine liability cover mainly related to the liabilities of ship-owners and port operators, including reinsurance of Protection and Indemnity Clubs. It also provided liability cover globally (including the U.S.) for companies in the oil and gas sector, both onshore and offshore and in the power generation sector. This class also included commercial construction liability for U.S. companies in the oil and gas sector, which is now being written under our global excess casualty line.

Natural Resources and Construction: Our natural resources and construction unit underwrites a variety of worldwide onshore energy and offshore energy, alongside the construction sector with a focus on property covers.

Credit and Political Risks: The credit and political risks team writes business covering the credit and contract frustration risks on a variety of trade and non-trade related transactions, as well as political risks (including multi-year war on land cover). We provide credit and political risks cover worldwide but with concentrations in a number of countries, such as China, Brazil, the Netherlands and the United States.

Crisis Management: The crisis management team writes insurance designed to protect individuals and corporations operating in high-risk areas around the world, including covering the shipping industry's exposure to acts of piracy. It also writes terrorism and political violence insurance, providing coverage for damage to property (largely fixed assets such as buildings) resulting from acts of terrorism, strikes, riots, civil commotion or political violence. This book is written on a global basis, although capacity is selectively deployed.

First Party Insurance: Our first party insurance line consists of U.S. property and inland and ocean marine written on a primary, excess, quota share, program and facultative basis.

U.S. Property: Property insurance provides physical damage and business interruption coverage for losses arising from weather, fire, theft and other causes. The U.S. property team covers mercantile, manufacturing, municipal and commercial real estate business.

Inland and Ocean Marine: The inland and ocean marine team writes business principally covering builders' construction risk, contractors' equipment, and global transportation exposures such as marine cargo and hull, inland transit, warehousing and war, in addition to exhibition, fine arts and museums insurance. The book also includes business generated by our subsidiary, Blue Waters Insurers, Corp., which acts as our managing general agent in Puerto Rico and produces inland, ocean marine and cargo business in Puerto Rico.

Other Insurance: Our other insurance line includes Aspen Underwriting Limited's participation as a corporate member in Carbon Syndicate 4747, and our partnership with Ki Syndicate 1618. Carbon Syndicate 4747 provides (re)insurance products covering property and third-party liability. Our partnership with Ki offers digitally underwritten follow capacity for insurance products covering Property, Casualty, and Specialty insurance.

On a significant portion of our insurance contracts across all our sub-segments, we are obligated to offer terrorism coverage under TRIA. Wherever possible, we exclude coverage protection against nuclear, biological, chemical or radiological ("NBCR") attacks. However, certain U.S. states (notably New York and Florida) prohibit admitted insurance companies, such as AAIC, from fully excluding such perils, resulting in some level of exposures to NBCR as well as fire following such events. We would expect to benefit from the protection of TRIA and the over-arching $100 billion industry loss cap (subject to the relevant deductible and co-retention).

Underwriting and Reinsurance Purchasing

Our objective is to create a diversified portfolio of insurance and reinsurance risks, spread across lines of business, products, geographic areas of coverage, cedants and sources. The acceptance of appropriately priced risk is the core of our business. Underwriting requires judgment, based on important assumptions about matters that are inherently unpredictable and beyond our control, and for which historical experience and probability analysis may not provide sufficient guidance. We view underwriting quality and risk management as critical to our success.

Underwriting. We underwrite according to the following principles:

- strive to build a diverse portfolio of risk that generates attractive returns by deploying capital in a targeted and efficient manner to deliver enhanced underwriting profitability;
- operate within agreed boundaries as defined by the business plan for the relevant class of business;
- operate within prescribed maximum underwriting authority limits, which we delegate to individual underwriters in accordance with an understanding of each individual underwriter's capabilities, tailored to the classes of business written by the particular underwriter;
- evaluate the underlying data provided by clients and adjust such data where we believe it does not adequately reflect the underlying exposure;
- price each submission based on our experience in the class of business, and where appropriate, by deploying one or more actuarial models either developed internally or licensed from third-party providers;
- maintain a peer review process to sustain high standards of underwriting discipline and consistency and a sampling methodology for simpler insurance risks;
- engage in peer reviews for more complex risk by several underwriters and input from catastrophe risk management specialists, our team of actuaries and senior management; and
- refer risks outside of agreed underwriting authority limits to the Group Underwriting Committee or relevant entity executive or board of directors as exceptions for approval before we accept the risks.

Reinsurance Purchasing. We purchase reinsurance and retrocession to mitigate and diversify our risk exposure to a level consistent with our risk appetite and to increase our insurance and reinsurance underwriting capacity. These agreements provide for recovery of a portion of our losses and loss adjustment expenses from our reinsurers. The amount and type of reinsurance that we purchase varies from year to year and is dependent on a variety of factors, including, but not limited to, the cost and terms of a particular reinsurance contract and the nature of our gross exposures assumed, with the aim of securing cost-effective protection. We have a centralized ceded reinsurance department which coordinates the placement of all of our treaty reinsurance placements.

We have reinsurance covers in place for the majority of our insurance classes of business on an excess-of-loss basis and/or proportional treaty basis. The excess of loss covers provide protection in various layers and excess of varying attachment points according to the scope of cover provided. The proportional cover provides protection on the basis of a percentage sharing of both premiums and claims with the reinsurer (known as quota share reinsurance).

With respect to natural perils coverage, we buy protections that cover both our insurance and reinsurance lines of business through a variety of products, including, but not limited to, excess of loss reinsurance, facultative reinsurance, aggregate covers, whole account covers and collateralized products which can be on either an indemnity or an index linked basis. For example, we may purchase industry loss warranty reinsurance which provides retrocessional coverage when insurance industry losses for a defined event exceed a certain level. We expect the type and level of coverage that we purchase will vary over time, reflecting our view of the changing dynamics of the underlying exposure and the reinsurance markets. We manage our risk by seeking to limit the amount of exposure assumed from any one reinsured and the amount of the aggregate exposure to catastrophe losses from a single event in any one geographical zone. Additionally, Aspen Re continues to purchase quota share and retrocessional reinsurance protection for a range of international perils and worldwide catastrophe losses through ACM and other collateralized reinsurance arrangements.

Although reinsurance agreements contractually obligate our reinsurers to reimburse us for an agreed-upon portion of our gross paid losses, we remain liable to our insureds to the extent that our reinsurers do not meet their obligations under these agreements. As a result, and in line with our risk management objectives, we evaluate the financial condition of our reinsurers and monitor concentrations of credit risk on an on-going basis. In general, we seek to place our reinsurance with highly rated companies with which we have a strong trading relationship or have fully collateralized arrangements in place. We maintain a list of authorized reinsurers graded for short, medium and long-tail business which is regularly reviewed and updated.

In January 2022, Aspen Holdings and certain of its subsidiaries entered into an Amended and Restated Reinsurance Agreement with a subsidiary of Enstar, which we refer to as the LPT, which amended and restated the Adverse Development Cover Agreement, dated as of March 2, 2020, previously entered into between Enstar and the Aspen Group (the "Original Agreement"). The transaction successfully closed in May 2022.

Under the terms of the LPT, Enstar's subsidiary will reinsure net losses incurred on or prior to December 31, 2019 on all of the Company's net loss reserves of $3,120.0 million as of September 30, 2021. The LPT provides for a limit of $3,570.0 million in consideration for a premium of $3,160.0 million. The amount of net loss reserves ceded, as well as the premium and limit amounts provided under the LPT, have been adjusted for claims paid between October 1, 2021 and the closing date of the transaction. The premium includes $770.0 million of premium previously paid with respect to reserves ceded under the Original Agreement, which will continue to be held in trust accounts to secure the Enstar subsidiary's obligations under the LPT. The incremental new premium will initially be held in funds withheld accounts in their original currencies maintained by the Company but will be released to the trust accounts maintained by the Enstar subsidiary no later than September 30, 2025. The funds withheld by the Company will be credited with interest at an annual rate of 1.75% plus, for periods after October 1, 2022, an additional amount equal to 50% of the amount by which the total return on the Company's investments and cash and cash equivalents exceeds 1.75%. Under the LPT, the Enstar subsidiary has assumed claims control of the subject business, pursuant to the provisions of an administrative services agreement subsequently entered into between the parties in June 2022.

Risk Management

Aspen has a comprehensive risk management framework that defines the corporate risk appetite, risk strategy and the policies in place to monitor, manage and mitigate the risk inherent in our business. Our risk management framework covers all risks in our risk universe, on a current and forward-looking basis, and is implemented in a consistent manner across the Aspen Group. It is the basis through which we protect our franchise value and seek to enable sustained profitable growth. Below is a summary of our current corporate governance bodies and risk management strategy:

Risk Governance

Board of Directors. The Company's Board of Directors (the "Board") considers effective identification, measurement, monitoring, management and reporting of the risks facing our business to be key elements of its responsibilities and those of the Group Chief Executive Officer and management. Matters relating to risk management that are reserved for the Board include approval of the internal controls and risk management framework and any changes to the Aspen Group's risk appetite statement and key risk limits. The Risk Committee of the Board also receives regular reports at each scheduled meeting, or more frequently as needed, covering risk management processes, which include, among others, the design, operation, use and limitations of the internal model. The internal model is an economic capital model which has been developed internally for use in certain business decision-making processes, the assessment of risk-based capital requirements and for various regulatory purposes. As a result of these arrangements and processes, the Board, assisted by management and the various standing committees of the Board (the "Board Committees"), is able to exercise effective oversight of the operation of the risk management strategy described in "— Risk Management Strategy" below.

The Board delegates oversight of the management of certain key risks to its Risk, Audit, Investment and Conflicts Committees, as well as (subject to the completion of the Potential Initial Public Offering, at which point they will take formal effect, unless otherwise determined by the Board) the Compensation Committee and Nominating and Corporate Governance Committee. The Audit and Conflicts Committees are comprised entirely of independent directors and all Board Committees are structured to ensure appropriate and objective challenge of, and discussion with, management. The chairs of the Board Committees report regularly to the Board on the committees' discussions, and in any event at each of the regular meetings of the Board. In addition, the Board Committees may facilitate informational calls with management from time to time where required and in accordance with the Company's operating guidelines.

Risk Committee: The Risk Committee assists the Board in its oversight of the framework that governs risk management and solvency assessment practices group-wide as articulated in the Board approved Group Risk Policy. This specifically includes oversight of processes undertaken by management to identify, evaluate and mitigate the material risks to the Group's strategic objectives, as well as monitoring adherence to the Board approved Risk Appetite Framework, solvency indicators, risk tolerance criteria, and key risk limits. The matters considered by the Risk Committee include cyber security trends and events as well as general compliance and data privacy matters. For more information regarding oversight of cyber security risks, refer to Item 16K, "Cybersecurity."

Audit Committee: The Audit Committee is primarily responsible for assisting the Board in its oversight of the integrity of the financial statements. The Audit Committee is also responsible for reviewing the adequacy and effectiveness of the Company's internal controls, relating to the accounting and financial reporting process of the Company and audits of the Company's financial statements, and oversight of both internal and external auditors. In addition, the Audit Committee oversees the Company's compliance with applicable laws and regulations, as well as related party and conflict of interest matters (to the extent not within the remit of the Conflicts Committee). The members of the Audit Committee regularly meet with management, the Group Head of Internal Audit and the Company's independent, registered public accounting firm to review matters relating to the quality of financial reporting and internal accounting controls, including the nature, extent and results of their audit.

Conflicts Committee: The Conflicts Committee reviews certain material transactions between Aspen Holdings and/or its subsidiaries and Apollo or Apollo's non-Aspen affiliates that may present a conflict of interest.

Investment Committee: The Investment Committee supports the Board in its oversight responsibilities by reviewing and monitoring the management and performance of the investment function of the Aspen Group, including the review of the investment strategy and annual investment plan and the ongoing monitoring of the Aspen Group's investment managers, including the governance and control framework in place in connection therewith.

Compensation Committee: Upon completion of the proposed Initial Public Offering, the Compensation Committee will assist the Board in its oversight duties in respect of the compensation philosophy and strategy of the Aspen Group and its subsidiaries, including, but not limited to, approval of the Group's policies relating to the compensation of its employees, the approval of any issuance of equity or equity-based securities and oversight of the compensation of the Company's Group Chief Executive Officer, key senior employees, executive officers and non-employee directors. The Compensation Committee will formally take effect upon completion of the Potential Initial Public Offering.

Nominating and Corporate Governance Committee: Upon completion of the Potential Initial Public Offering, the Nominating and Corporate Governance Committee will assist the Board in its oversight of the evaluation of management and the Board, including the Board Committees, corporate governance matters and practices and make recommendations to the Board in relation thereto, and identify, evaluate and nominate individuals qualified to become Board members and to recommend to the Board director nominees for approval by shareholders at the annual general meetings of shareholders. The Nominating and Corporate Governance Committee will formally take effect upon completion of the Potential Initial Public Offering.

Management Committees: The Group Chief Executive Officer maintains an executive committee (the "Group Executive Committee"), which is the primary executive committee of the Company. It is comprised of global heads of key functions and other key business leads and is responsible for advising the Group Chief Executive Officer and assisting in the execution of his responsibilities to the Board, including with respect to matters relating to the overall strategy and conduct of the Aspen Group's business.

There are various standing committees (the "Executive Management Committees") of the Group Executive Committee, which have oversight of certain business, operational and risk management processes and support the Group Executive Committee in the achievement of its objectives. Membership of the Executive Management Committees includes members of the Group Executive Committee, and the structure of the meetings of the Group Executive Committee contemplates appropriate reporting and feedback from the Executive Management Committees. As of the date of this report, these included:

Underwriting Committee: The primary purpose of the Underwriting Committee is to assist the Group Executive Committee through oversight of the design, implementation and operation of the strategic direction of the underwriting function of the Aspen Group, including the review and management of overall underwriting risk and appetite across the Insurance and Reinsurance underwriting segments and all underwriting platforms and legal entities, as well as the coordination of outwards reinsurance placements and approvals.

Risk and Capital Committee: The primary purpose of the Risk and Capital Committee is to assist the Group Executive Committee through oversight of the internal control and risk management framework of the Aspen Group. In particular, the Risk and Capital Committee has specific responsibilities in relation to the review of the internal model, monitoring of solvency, capital and liquidity considerations and risk limits for accumulating underwriting and investment exposures, as well as certain compliance matters.

Claims Committee: The primary purpose of the Claims Committee is to support the Group Executive Committee in its oversight of the strategy, transformation and management of the global claims function of the Aspen Group, across both Insurance and Reinsurance, including the monitoring of adherence to claims management policies, reporting procedures and standards and the development of an annual strategic plan for the claims function.

Operating Committee: The primary purpose of the Operating Committee is to assist the Group Executive Committee through oversight of the operational activities of the Aspen Group, including both in-house and outsourced activities, and the interaction of the operations function with other business function of the Company, including the oversight of the operational risks associated with such functions, to ensure that they are strategically aligned with each other in order to provide coordinated, efficient and cost-effective operational support to the execution of the Aspen Group's strategic objectives.

Change Board: The primary purpose of the Change Board is to assist the Group Executive Committee through oversight of the definition, prioritization and initiation of change projects in connection with the change program of Aspen Group and as part of the overall corporate strategy.

Marketing and Communications Committee: The primary purpose of the Marketing and Communications Committee is to oversee the design, implementation and operation of the Aspen Group's marketing and communications strategies. This includes the development and maintenance of the Company's strategic innovation and cultural framework, in collaboration with other function leads of the Group Executive Committee, including monitoring the interaction of the marketing and communications function with other functions of the Aspen Group.

Asset and Liability Management Committee: The primary purpose of the Asset and Liability Management Committee is to oversee the management of the Company's asset and liability management framework, including in relation to interest rate, liquidity, foreign exchange, credit and inflation risks across its assets and liabilities, as well as the development of, and monitoring the adherence to, associated policies and procedures, and review of key assumptions relating to the Company's investment strategy, funding, capital management and treasury plans underpinning the development of the Company's annual business plan as might impact asset and liability outcomes, in collaboration with other business functions.

Valuation Committee: The primary purpose of the Valuation Committee is to assist the Group Executive Committee, and in particular, the Group Chief Financial Officer, in its oversight of the valuation framework of the investment portfolio of the Aspen Group, including, but not limited to, hard-to-value and illiquid investments.

Sustainability Committee: The primary purpose of the Sustainability Committee is to support the Group Executive Committee and its standing sub-committees and oversee the design, strategy, coordination and management of the sustainability practices of Aspen, including, but not limited to, ESG matters, and the integration thereof within the Group's business functions.

Reserve Committee: The primary purpose of the Reserve Committee is to support the Group Executive Committee in its oversight of the Aspen Group-level reserves, including consideration of key areas of reserving uncertainty within the Aspen Group-level actuarial central estimate and the management best estimate, which provides the basis for management's recommendation to the Audit Committee and the Board regarding the reserve amounts to be recorded in the financial statements.

In addition to the Group Executive Committee, the Group Chief Executive Officer maintains a Group Disclosure Committee, which assists the Group Chief Executive Officer and the Group Chief Financial Officer, as the Company's certifying officers, in fulfilling their duties for oversight of the accuracy and timeliness of any disclosures made by the Company to ensure that the Company meets its legal and regulatory obligations. This includes the review and approval of disclosures and reports, in accordance with its governance framework, and the maintenance and oversight of a management committee responsible for overseeing compliance with the Sarbanes-Oxley Act of 2022, as amended, to the extent applicable.

Risk Management Strategy

Aspen operates an integrated enterprise-wide risk management strategy designed to protect shareholder value while providing a high level of policyholder protection and regulatory compliance. The execution of our integrated risk management strategy is based on:

- the establishment and maintenance of an internal control and risk management system based on a three lines of defense approach to the allocation of responsibilities between risk accepting units ("first line"), risk management activity and oversight from the Risk and Compliance functions ("second line") and independent assurance (provided by internal audit) ("third line");
- identifying material risks to the achievement of the Aspen Group's objectives including emerging risks;
- the articulation at Group level of our risk appetite and a consistent set of key risk limits which translate the risk appetite into measurable criteria and provide the primary control for accumulated risk exposures;
- the cascading of risk appetite and key risk limits for material risks to each risk-assuming operating subsidiary;
- measuring, monitoring, managing and reporting risk positions and trends;
- the use, subject to an understanding of its limitations, of the internal model to test strategic and tactical business decisions and to assess compliance with the risk appetite statement; and
- stress and scenario testing, including reverse stress testing, designed to help us better understand and develop contingency plans for the potential effects of extreme events or combinations of events on capital adequacy and liquidity.

Risk Appetite Statement. The risk appetite statement is a central component of the Aspen Group's overall risk management framework and is approved by the Board. It sets out, at a high level, how we think about risk in the context of our business model, Aspen Group objectives and strategy, and provides the foundation for decision making during the implementation of our strategy and business plans. It sets out boundary conditions and limits for the level of risk we assume, together with a statement of the reward we aim to receive for this level of risk. Our risk appetite statement comprises the following components:

- *Risk preferences:* a high level description of the types of risks we prefer to assume and those we prefer to minimize or avoid;
- *Return objective:* a description of the return on capital we seek to achieve, subject to our risk constraints;
- *Volatility objective:* a description of earnings volatility tolerance;
- *Capital objective:* a description of the target level of risk adjusted capital; and
- *Liquidity objective*: a description of the target level of liquidity.

Risk Components. The main types of risks that we face are summarized as follows:

Insurance risk: The risk that underwriting results vary from their expected amounts, including the risk that reserves established in respect of prior periods differ significantly from the level of reserves included in the Aspen Group's financial statements.

Investment/Market risk: The risk of variations in the valuation of investments due to changes in macroeconomic factors and the general uncertainty related to any investment decision.

Credit risk: The risk of diminution in the value of insurance receivables as a result of counter-party default. This principally comprises default and concentration risks relating to amounts receivable from intermediaries, policyholders and reinsurers.

Liquidity risk: The risks of failing to maintain sufficient liquid financial resources to meet liabilities as they fall due or to provide collateral as required for commercial or regulatory purposes.

Operational risk: The risk of loss resulting from inadequate or failed internal processes, personnel or systems, or from external events. This includes the risk of material misstatement in financial reporting and non-compliance with regulatory requirements.

Strategic risk: The risk of adverse impact on shareholder value or income and capital of adverse business decisions, poor execution or failure to respond to market changes.

We distinguish between "core" and "non-core" risks. Core risks comprise those risks which are inherent in the operation and value creation strategy of our business, including insurance risks in respect of our underwriting operations and market risks in respect of our investment activity. We actively seek core risks with a view to generating shareholder value but seek to manage the resulting volatility in our earnings and financial condition within the limits defined by our risk appetite. All other risks are classified as non-core. We seek, to the extent we regard as reasonably practicable and economically viable, to avoid or minimize our exposure to non-core risks.

Risk Limits Framework. Aspen's Risk Limit Framework translates the risk appetite and risk tolerance objectives into measurable criteria. Limits provide primary control for Group-wide accumulated risk exposures and provide a mechanism to manage diversification of the Group's risk profile. Additionally, the limit framework establishes the connection to business planning by placing constraints on risk taking decisions.

Limits are established for the most important drivers of risk at the Group level and express the maximum level of allowable exposure per risk driver. At the highest level, risk limits are approved by the Board. Monitoring of the Group position against these limits is included in regular reporting to the Board or one or more of the Board Committees.

Natural Catastrophe Risk: The following discussion of the Company's natural catastrophe PMLs information contains forward-looking statements based upon assumptions and expectations concerning the potential effect of future events that are subject to uncertainties. See Item 3D, "Risk Factors" for further information. Any of these risk factors could result in actual losses that are materially different from the Company's PML estimates below.

Natural catastrophe risk is a source of significant aggregate exposure for the Company and is managed by setting risk tolerance and limits, as discussed above. Natural catastrophe perils can impact geographic regions of varying size and can have economic repercussions beyond the geographic region directly impacted.

The Company's worldwide estimated net PML exposures (net of retrocession and reinstatement premiums) as at January 1, 2025 and January 1, 2024 were as follows:

	As at January 1, 2025			
($ in millions, except for percentages)	1-in-100 year PML [1]	1-in-100 year PML as % of Shareholders' Equity [1]	1-in-250 year PML [1]	1-in-250 year PML as % of Shareholders' Equity [1]
Worldwide All Perils [2]	$ 242.2	7.2 %	$ 329.9	9.8 %

	As at January 1, 2024			
($ in millions, except for percentages)	1-in-100 year PML [1]	1-in-100 year PML as % of Shareholders' Equity [1]	1-in-250 year PML [1]	1-in-250 year PML as % of Shareholders' Equity [1]
Worldwide All Perils [2]	$ 229.9	7.9 %	$ 335.7	11.5 %

(1) Based on total shareholders' equity of $3,371.9 million and $2,908.5 million as at December 31, 2024 and 2023, respectively. The estimates reflect Aspen's view of the modelled maximum losses at the return periods shown which include input from various third-party vendor models and Aspen's proprietary adjustments to these models and planned reinsurance purchases. Catastrophe loss experience may materially differ from the modelled PMLs due to limitations in one or more of the models or uncertainties in the application of policy terms and limits.

(2) Includes all natural catastrophe perils where Aspen has identified an appropriate stochastic model, such as hurricanes, typhoons, wildfire, earthquakes, etc., and includes a loading for non-modelled classes for our most material peril regions.

From January 1, 2024 to January 1, 2025, there were two main drivers of PML movement. The first was increased gross exposure on the Property Reinsurance lines to take advantage of increased ACM capacity during 2024. This was slightly offset by a retraction at 1 January 2025 with underwriting decisions to non-renew a number of risks. This would have resulted in a general reduction in net PMLs over the whole period. However, an updated view of risk was introduced for North Atlantic Hurricane which had impacts that varied significantly by region. The Worldwide All Perils 1-in-100 PML increased primarily due to the large model increases seen in the Florida and South East region of US Windstorm which also largely offset the Worldwide All Perils 1-in-250 PML decreases.

PMLs for key geographic and peril zones are reviewed as part of our annual planning process and are monitored regularly across all portfolios with daily monitoring during key treaty renewal periods. Our underwriting strategy for property catastrophe exposed lines considers a number of underwriting factors and exposure measures including zonal PML limits, standalone and marginal required capital metrics, relative scoring and ranking across and between geographies and perils, terms and conditions and opportunities to deploy capital in other lines of business. Our property strategy is to build and maintain a balanced portfolio of adequately priced catastrophe risks to ensure we optimize our risk adjusted return profile.

Business Distribution

Our business is produced principally through brokers and reinsurance intermediaries. The brokerage distribution channel provides us with access to an efficient, global distribution system without the significant time and expense which would be otherwise incurred in creating wholly-owned distribution networks. The brokers and reinsurance intermediaries typically act in the interest of insureds, ceding clients or insurers and are instrumental to our continued relationship with our clients.

The following tables show our gross written premiums by broker and agent for each of our business segments for the twelve months ended December 31, 2024, 2023 and 2022:

Reinsurance	Twelve Months Ended December 31, 2024		Twelve Months Ended December 31, 2023		Twelve Months Ended December 31, 2022	
	Gross Written Premiums	% of Total	Gross Written Premiums	% of Total [1]	Gross Written Premiums	% of Total [1]
	($ in millions, except for percentages)					
Marsh & McLennan Companies, Inc.	$ 610.7	32.4 %	$ 461.3	30.3 %	$ 585.8	32.4 %
Aon Corporation	472.7	25.1	395.3	26.0	548.2	30.3
Arthur J. Gallagher	307.6	16.3	213.0	14.0	111.8	6.2
Others	494.8	26.2	451.4	29.7	561.2	31.1
Total	$ 1,885.8	100.0 %	$ 1,521.0	100.0 %	$ 1,807.0	100.0 %

(1) The prior periods are re-presented to ensure consistency and replicate the current year breakdown for the addition of new material brokers and/or agents.

Insurance	Twelve Months Ended December 31, 2024		Twelve Months Ended December 31, 2023		Twelve Months Ended December 31, 2022	
	Gross Written Premiums	% of Total	Gross Written Premiums	% of Total [1]	Gross Written Premiums	% of Total [1]
	($ in millions, except for percentages)					
Arthur J Gallagher (UK) Limited	$ 299.4	11.0 %	$ 137.6	5.6 %	$ 82.6	3.3 %
Marsh & McLennan Companies, Inc.	287.3	10.5	245.7	10.0	361.2	14.3
Aon Corporation	269.8	9.9	251.0	10.3	421.2	16.6
Ryan Specialty	201.6	7.4	271.9	11.1	235.4	9.3
AmWINS Group Inc	132.7	4.9	137.6	5.6	113.7	4.5
Brown & Brown Inc	118.4	4.3	147.4	6.0	135.9	5.4
Willis Group Holdings, Ltd.	116.3	4.3	75.9	3.1	154.2	6.1
CRC Swett	87.0	3.2	82.7	3.4	93.0	3.7
Lockton Inc	78.9	2.9	60.6	2.5	109.8	4.3
Euclid	78.8	2.9	97.2	4.0	152.3	6.0
Others	1,053.3	38.7	939.0	38.4	672.4	26.5
Total	$ 2,723.5	100.0 %	$ 2,446.6	100.0 %	$ 2,531.7	100.0 %

(1) The prior periods are re-presented to ensure consistency and replicate the current year breakdown for the addition of new material brokers and/or agents.

Claims Management

The Group's Claims Team are a separate function within Aspen. We have a staff of experienced claims professionals who are structured into three core teams, being Insurance, Reinsurance and Claims Operations. The Insurance and Reinsurance teams are organized by portfolio with the Claims Operations team working across both teams. The Group Claims team operates under a global structure designed to achieve consistency and efficiencies across all lines of business. We have developed processes and internal business controls for identifying, tracking and settling claims, and authority levels have been established for all individuals involved in the reserving and settlement of claims.

The key responsibilities of our claims management departments include:

- processing, managing and resolving reported insurance or reinsurance claims efficiently and accurately to ensure the proper application of intended coverage, reserving in a timely fashion for the probable ultimate cost of both indemnity and expense and making timely payments in the appropriate amount on those claims for which we are legally obligated to pay;
- selecting appropriate counsel and experts for claims, manage claims-related litigation and regulatory compliance;
- contributing to the underwriting process by collaborating with underwriting teams and senior management in terms of the evolution of policy language and endorsements and providing claim-specific feedback and education regarding claims activity; and
- contributing to the analysis and reporting of financial data and forecasts by collaborating with the finance and actuarial functions relating to the drivers of actual claim reserve developments and potential for financial exposures on known claims.

On those facilities and accounts where it is applicable and permitted, external auditing firms in conjunction with a team of in-house claims professionals oversee and regularly audit claims handled under claims delegated authority and outsourcing agreements. The audits may involve a team of in-house claims professionals and that generally applies in relation to the audits of cedants on reinsurance. In addition, any referrals on claims in excess of the authority provided under a claims delegated authority arrangement, whether financial or coverage related, will be managed by the relevant claims handler as required under the terms of those agreements.

Senior management receives a regular report on the status of our reserves and settlement of claims. We recognize that fair interpretation of our reinsurance agreements and insurance policies with our customers, and timely payment of valid claims, are a valuable service to our clients and enhance our reputation.

Under the terms of the LPT with Enstar, Enstar has assumed claims control of the subject business since closing of the transaction and entrance on June 30, 2022 into an administrative services agreement, which sets forth the operational framework for the handling of the subject business. Claims Handling Guidelines were entered into setting out the management and oversight of the subject business. These guidelines ensure Enstar's claims handling aligns to Aspen's claims processes, procedures and philosophy with Enstar operating within Aspen's claims handling systems. Aspen continues to handle certain claims on the subject business under "shared services." The transaction presents certain operational and reputational risks for the Company, including in respect of claims management. For a description of the risks, refer to Item 3, "Risk Factors — Risks Related to Our Business — We rely on the execution of internal processes to maintain our operations and the operational risks that are inherent to our business, including those resulting from fraud or employee errors or omissions, may result in financial losses."

Reserves

Under U.S. Generally Accepted Accounting Principles ("U.S. GAAP") and applicable insurance laws and regulations in the countries where we operate, we are required to establish loss reserves for the estimated unpaid portion of the ultimate liability for losses and loss expenses under the terms of our policies and agreements with our insured and reinsured customers. The process of estimating these reserves involves a considerable degree of judgment and, as of any given date, is inherently uncertain. For a full discussion regarding our loss and loss expenses reserving process, refer to Item 5, "Operating and Financial Review and Prospects — Critical Accounting Estimates — Reserving Approach" and, in connection with the risks associated therewith, Item 3D, "Risk Factors — Insurance Risks — Our financial condition and operating results may be adversely affected if actual claims exceed our loss reserves." The Reserve Committee oversees the development of the Aspen Group-level reserves.

Investments

Our investment strategy is focused on delivering stable investment income and total return through all market cycles while maintaining appropriate portfolio liquidity and credit quality to meet the requirements of our customers, rating agencies and regulators. To enhance investment returns where possible, we tactically adjust the duration of the investment portfolio and asset allocation taking into account the average liability duration of our reinsurance and insurance risks and our views of interest rates, the yield curve, credit spreads and markets for different assets.

As at December 31, 2024, we maintained an Asset and Liability Management Committee, which reports into the Group Executive Committee. The Group Chief Investment Officer is a voting member of the Asset and Liability Management Committee and provides updates as appropriate to the Group Investment Committee of the Board at its regular meetings, which in turn reports up to the Board. The primary purpose of the Asset and Liability Management Committee is to oversee the management of the Company's asset and liability management framework, including in relation to interest rate, liquidity, foreign exchange, credit and inflation risks across its assets and liabilities, as well as the development of, and monitoring the adherence to, associated policies and procedures, and review of key assumptions relating to the Company's investment strategy underpinning the development of the Company's annual business plan as might impact asset and liability outcomes, in collaboration with other business functions.

The investment guidelines set by each entity's board specify minimum criteria on the overall credit quality and liquidity characteristics of the portfolio, and include limitations on the size of certain holdings and restrictions on purchasing certain types of securities.

For additional information concerning our investments, refer to Item 5, "Operating and Financial Review and Prospects", Item 18, Notes 4 and 6 of our consolidated financial statements, "Investments," and "Fair Value Measurements," respectively. For additional information concerning Current Expected Credit Losses ("CECL") on investments, refer to Note 2(c) of our consolidated financial statements, "Basis of Presentation and Significant Accounting Policies — Accounting for Investments, Cash and Cash Equivalents."

Competition

The insurance and reinsurance industries are mature and highly competitive. Competition varies significantly on the basis of product and geography. Insurance and reinsurance companies compete on the basis of many factors, including premium charges, general reputation and perceived financial strength, the terms and conditions of the products offered, ratings assigned by independent rating agencies, speed of claims payments, reputation and experience in the particular risk to be underwritten, quality of service, the jurisdiction where the reinsurer or insurer is licensed or otherwise authorized, capacity and coverages offered and various other factors.

We compete with major U.S., U.K., Bermuda based, European and other international insurers and reinsurers and underwriting syndicates from Lloyd's, some of which have longer operating histories, more capital and/or more favorable financial strength ratings than we do, as well as greater marketing, management and business resources. This also includes new companies that enter the insurance and reinsurance industries. In addition, we compete with capital market participants that create alternative products, such as catastrophe bonds, that are intended to compete with traditional reinsurance products.

Increased competition could result in fewer submissions for our products and services, lower rates charged, slower premium growth and less favorable policy terms and conditions, any of which could adversely impact our growth and profitability. For a further discussion on the risks related to competition in our industry, please refer to Item 3D, "Risk Factors — Strategic Risks — Competition and consolidation in the (re)insurance industry could reduce our growth and profitability."

Ratings

Ratings by independent agencies are an important factor in establishing the competitive position of (re)insurance companies and are important to our ability to market and sell our products and services. Rating organizations continually review the financial positions of insurers, including us. As of the date of filing, the financial strength ratings of our Operating Subsidiaries were as follows:

Rating Agency	Rating	Rated Operating Subsidiary	Agency's Rating Definition	Ranking of Rating
Standard & Poor's Financial Services LLC ("S&P")	A- (Strong - Stable outlook)	Aspen UK, Aspen Bermuda, and AAIC*	Strong capacity to meet financial commitments but somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than those in higher-rated categories	The 'A' grouping is the third highest of ten major rating categories.
A.M. Best Company, Inc. ("A.M. Best")	A (Excellent) (Stable)	Aspen UK, Aspen Bermuda, Aspen Specialty and AAIC	An excellent ability to meet ongoing insurance obligations	The 'A' grouping is the second highest of seven major rating categories.

**Note that Aspen Specialty does not maintain its own rating from S&P.*

These ratings reflect the respective opinions of S&P and A.M. Best regarding the ability of the relevant Operating Subsidiary to pay claims and are not evaluations directed to our investors or recommendations to buy, sell or hold our securities. These ratings are subject to periodic review by, and may be revised downward or revoked, at the sole discretion of, S&P and A.M. Best, respectively. Additionally, rating organizations may change their rating methodology, which could have a material impact on our financial strength ratings.

For a discussion of some potential risks relating to the ratings of our Operating Subsidiaries, refer to Item 3D, "Risk Factors — Strategic Risks — Our Operating Subsidiaries are rated and our Lloyd's business benefits from a rating by one or more of A.M. Best and S&P and a decline in any of these ratings could adversely affect our standing among brokers and customers and cause our premiums and earnings to decrease, or may otherwise result in an adverse effect on our business, financial condition and operating results."

Certain Regulatory Considerations

General

The business of insurance and reinsurance is regulated in most countries, although the degree and type of regulation varies significantly from one jurisdiction to another. Compliance obligations are increasing in most jurisdictions as the focus on insurance regulatory controls has escalated in recent years, with particular emphasis on regulation of solvency, risk management and internal controls. The discussion below summarizes the material laws and regulations applicable to our Operating Subsidiaries and, where relevant, Peregrine. Our companies have met or exceeded the solvency margins and ratios applicable to them under relevant laws and regulations as at December 31, 2024.

Group Supervision

The Bermuda Monetary Authority (the "BMA") acts as the group supervisor of the Aspen Group and has named Aspen Bermuda as the designated insurer. The Insurance Act 1978, as amended (the "Insurance Act") and related group supervision regulations (collectively, the "Group Supervision Regime") set out provisions regarding group supervision and the responsibilities of the designated insurer. The Group Supervision Regime is in addition to the regulation of the Operating Subsidiaries in their local jurisdictions.

As the group supervisor, the BMA performs a number of functions including: (i) coordinating the gathering and dissemination of relevant or essential information for going concern or emergency situations, including the dissemination of information which is of importance for the supervisory task of other competent authorities; (ii) carrying out supervisory reviews and assessments of the insurance group; (iii) carrying out assessments of the Aspen Group's compliance with the rules on solvency, risk concentration, intra-group transactions and good governance procedures; (iv) planning and coordinating through regular meetings held at least annually (or by other appropriate means) with other competent authorities, supervisory activities in respect of the insurance group, both as a going concern and in emergency situations; (v) coordinating enforcement actions that may need to be taken against the insurance group or any of its members; and (vi) planning and coordinating meetings of colleges of supervisors in order to facilitate the carrying out of the functions described above. As the designated insurer, Aspen Bermuda is required to facilitate and maintain compliance by the Aspen Group with the Insurance Act and the Group Supervision Regime.

The BMA released a consultation paper, 'Proposed Enhancements to the Insurance Group Supervision Framework', on December 4, 2024 (the "Group Supervision Consultation Paper") introducing mandatory group supervision by the BMA where an insurance group's ultimate parent company is incorporated in Bermuda. The proposals include the introduction of a 'designated insurance holding company' to replace the current roles and responsibilities attributed to the 'designated insurer' and introduce a minimum set of direct powers to facilitate a more effective and robust supervisory and enforcement mechanism for Bermuda's insurance groups. Some of the key proposals involve (i) ensuring the group supervision is mandatorily triggered by the presence of both a registered insurance entity and its ultimate parent company in Bermuda, where the ultimate parent company also owns insurance entities outside of Bermuda; (ii) removing the indirect supervisory approach elements currently exercised via the designated insurer; (iii) enhancing supervisory powers and (iv) introducing provisions to allow for the designation and registration of insurance holding companies. Feedback on the Group Supervision Consultation Paper received by the BMA will be considered before finalizing any recommendations for amendments to the Group Supervision Regime. Should the proposals come into force (i) it is anticipated that Aspen Bermuda will no longer be directly supervised by the BMA and the Company will become directly supervised by the BMA as the 'designated insurance holding company' of the Aspen Group and (ii) there will be no grandfathering of the existing structures, and a one-year transition will be afforded to allow affected groups and the BMA to prepare implementing the enhancements.

Annual and Quarterly Filings. On an annual basis, the Aspen Group is required to submit to the BMA: (i) a group statutory financial return; (ii) audited group financial statements including notes to the financial statements, in accordance with GAAP standards ("Group Financial Statements"); and (iii) a group capital and solvency return, which includes the Group BSCR, a risk-based capital adequacy model, and associated schedules, including, amongst others, a Group Solvency Self-Assessment ("GSSA"), a Financial Condition Report (the "FCR") and an opinion of a BMA approved Group Actuary on the economic balance sheet technical provisions. The GSSA is a self-assessment of our risk and solvency requirements that allows the BMA to obtain our view of the capital resources required to achieve our business objectives and to assess our governance, risk management and controls surrounding this process. The Group Financial Statements are published by the BMA on its website and the FCR is published on our public website. In addition, the Aspen Group files quarterly group financial returns with the BMA.

Group Minimum Solvency Margin and Group Enhanced Capital Requirements. Aspen Holdings must ensure that the Aspen Group's statutory assets exceed the amount of its statutory liabilities by the aggregate minimum margin of solvency of each qualifying member of the insurance group. A member is a qualifying member if it is subject to solvency requirements in the jurisdiction in which it is registered.

In addition, every insurance group must maintain available statutory capital and surplus in an amount equal to or exceeding its ECR. The ECR is determined either by reference to the BSCR model or an approved internal capital model. The Aspen Group currently relies on the BSCR model to establish its ECR. The BMA also expects insurance groups to operate at or above a group Target Capital Level ("TCL"), which the BMA has set at 120% of the group ECR. The Aspen Group holds capital in excess of its TCL as at December 31, 2024. While an insurance group is not currently required to maintain its statutory capital and surplus at this level, the TCL serves as an early warning tool for the BMA and failure to maintain statutory capital at least equal to the TCL will result in additional reporting requirements and enhanced regulatory monitoring, as well as the submission of a remediation plan to restore capital above the TCL.

Bermuda Insurance Regulation

Aspen Bermuda is licensed as a Class 4 insurer and is subject to the Insurance Act, which imposes solvency and liquidity standards as well as auditing and reporting requirements on Bermuda insurers and reinsurers, and it empowers the BMA to supervise, investigate, require information and intervene in the affairs of Bermuda registered insurance companies. There are a number of remedial actions the BMA can take to protect the public interest if it determines that a Bermuda insurer or reinsurer may become insolvent or that a breach of the Insurance Act or of a registration condition has occurred or is about to occur.

In addition to requiring the appointment of a principal representative in Bermuda, the appointment of an independent auditor, the appointment of a loss reserve specialist and the filing of various financial statements and returns, significant provisions of the Insurance Act applicable to Aspen Bermuda include the following:

Enhanced Capital Requirements. Similar to the Group requirements, in order to minimize the risk of a shortfall in capital arising from an unexpected adverse deviation, the BMA expects Class 4 insurers such as Aspen Bermuda to maintain a TCL equal to 120% of its ECR. As at December 31, 2024, Aspen Bermuda holds capital in excess of its TCL.

Minimum Solvency Margin and Minimum Liquidity Ratio. Aspen Bermuda is also required to comply with a minimum solvency margin ("MSM") and minimum liquidity ratio in respect of its business. The MSM is the greater of: (i) $100,000,000; or (ii) 50% of net written premiums (being gross written premiums less any premiums ceded (not exceeding 25% of gross premiums)) in its current financial year; or (iii) 15% of net losses and loss expense provisions and other insurance reserves; or (iv) 25% of the ECR reported at the end of its relevant year. The minimum liquidity ratio requires that the value of relevant assets not be less than 75% of the amount of relevant liabilities.

Any applicable insurer which at any time fails to meet the MSM requirements must, upon becoming aware of such failure, immediately notify the BMA and, within 14 days thereafter, file a written report with the BMA describing the circumstances that gave rise to the failure and setting out its plan detailing specific actions to be taken and the expected time frame in which the company intends to rectify the failure.

Any applicable insurer which at any time fails to meet the ECR applicable to it must, upon becoming aware of that failure, or of having reason to believe that such a failure has occurred, immediately notify the BMA in writing. In addition, within 14 days of such notification, the insurer must file with the BMA a written report describing the circumstances leading to the failure and a remediation plan, including specific actions to be taken to rectify the failure. Further, within 45 days of becoming aware of that failure, or of having reason to believe that such a failure has occurred, the impacted insurer must furnish the BMA with: (1) unaudited statutory economic balance sheets and unaudited interim financial statements prepared in accordance with GAAP covering such period as the BMA may require, (2) the opinion of a loss reserve specialist, where applicable, (3) a declaration of compliance in respect of those statements, where applicable, (4) a capital and solvency return reflecting an ECR prepared using post-failure data, where applicable and (5) the opinion of an approved actuary, where applicable. An insurer to whom this applies shall not declare or pay any dividends until the failure is rectified.

To enable the BMA to better assess the quality of a regulated insurer's capital resources, applicable insurers are required to disclose the makeup of their capital in accordance with the "3-tiered capital system". Under this system, all of the insurer's capital instruments will be classified as either basic or ancillary capital, which in turn will be classified into one of three tiers based on their "loss absorbency" characteristics. Highest quality capital will be classified as Tier 1 Capital and lesser quality capital will be classified as either Tier 2 Capital or Tier 3 Capital. Under this regime, up to certain specified percentages of Tier 1, Tier 2, and Tier 3 Capital may be used to support the insurer's MSM and ECR.

The characteristics of the capital instruments that must be satisfied to qualify as Tier 1 Capital, Tier 2 Capital, and Tier 3 Capital are set out in the Insurance (Eligible Capital) Rules 2012, as amended. Under these rules, Tier 1 Capital, Tier 2 Capital, and Tier 3 Capital may include capital instruments that do not satisfy the requirement that the instrument be non-redeemable or settled only with the issuance of an instrument of equal or higher quality upon a breach, or if it would cause a breach, in the ECR until January 1, 2026.

While the BMA has previously approved the use of certain instruments for capital purposes, the BMA's consent will need to be obtained if such instruments are to remain eligible for use in satisfying the MSM and the ECR.

The BMA implemented an economic balance sheet ("EBS") framework, which is used as the basis to determine the ECR for all commercial insurers, including Aspen Bermuda. The EBS framework applies prudential filters and other EBS valuation adjustments to an insurer's GAAP balance sheet to produce an economic valuation of the assets and liabilities of the insurer. The Insurance (Prudential Standards) (Class 4 and Class 3B Solvency Requirement) Amendment Rules 2018 provide updates to certain aspects of the EBS framework and increase the ECR over a three-year transition period for general business and a 10-year transition period for long-term business. The Insurance (Prudential Standards) (Class 4 and Class 3B Solvency Requirement) Rules 2018 have been further amended effective March 31, 2024 by the Insurance (Prudential Standards) (Class 4 and Class 3B Solvency requirement) Amendment Rules 2024.

Restrictions on Dividends, Distributions and Reduction of Capital. Aspen Bermuda may not declare or pay any dividends during any financial year if it would cause the insurer to fail to meet its relevant solvency margins, enhanced capital requirements or liquidity ratio, and an insurer which fails to meet its relevant margins on the last day of any financial year may not, without the approval of the BMA, declare or pay any dividends during the next financial year. In addition, as a Class 4 insurer, Aspen Bermuda may not in any financial year pay dividends which would exceed 25% of its total statutory capital and surplus, as shown on its statutory balance sheet in relation to the previous financial year, unless it files with the BMA a solvency affidavit at least seven days in advance of payment. Further, Aspen Bermuda must obtain the prior approval of the BMA before reducing by 15% or more its total statutory capital as set out in its previous year's financial statements by filing with the BMA a solvency affidavit.

The Insurance Amendment (No. 2) Act 2018 amended the Insurance Act to provide for the prior payment of unsecured policyholders' liabilities ahead of general unsecured creditors in the event of the liquidation or winding up of an insurer. The amendments provide among other matters that, subject to certain statutorily preferred debts, the insurance debts of an insurer must be paid in priority to all other unsecured debts of the insurer. Insurance debt is defined as a debt to which an insurer is or may become liable pursuant to an insurance contract excluding debts owed to an insurer under an insurance contract where the insurer is the person insured.

In addition, our Bermuda companies, including Aspen Holdings and Aspen Bermuda, must comply with the provisions of the Companies Act 1981, as amended (the "Companies Act"), which, amongst other matters, regulates the payment of dividends and distributions. A Bermuda company may not declare or pay a dividend or make a distribution out of contributed surplus if there are reasonable grounds for believing that: (i) the company is, or would after the payment be, unable to pay its liabilities as they become due; or (ii) the realizable value of the company's assets would thereby be less than its liabilities.

Fit and Proper Controllers

The BMA maintains supervision over controllers (as defined herein) of all Bermuda registered insurers. For these purposes, a controller includes (1) the managing director of the registered insurer or its parent company, (2) the chief executive officer of the registered insurer or of its parent company, (3) a shareholder controller (as defined below) and (4) any person in accordance with those directions or instructions the directors of the registered insurers or its parent company are accustomed to act.

The definition of shareholder controller is set out in the Insurance Act but generally refers to (1) a person who holds 10% or more of the shares carrying rights to vote at a shareholders' meeting of the registered insurer or its parent company, (2) a person who is entitled to exercise 10% or more of the voting power at any shareholders' meeting of such registered insurer or its parent company or (3) a person who is able to exercise significant influence over the management of the registered insurer or its parent company by virtue of its shareholding or its entitlement to exercise, or control the exercise of, the voting power at any shareholders' meeting.

Where the shares of a registered insurer or special purpose insurer, or the shares of its parent company, are traded on a recognized stock exchange (as is the case for Aspen Bermuda and Peregrine), and a person becomes, or ceases to be, a 10%, 20%, 33%, or 50% shareholder controller of the insurer, that shareholder shall, within 45 days, notify the BMA in writing that such shareholder has become, or as a result of a disposition ceased to be, a shareholder controller of any such category. Accordingly, Aspen Bermuda and Peregrine must notify the BMA in writing if any person becomes, or ceases to be, a 10%, 20%, 33%, or 50% shareholder controller within 45 days of the acquisition or disposition.

Material Change

All registered insurers, including Aspen Bermuda and Peregrine, are required to give the BMA 30 days' notice of their intention to effect a material change within the meaning of the Insurance Act (including, but not limited to, the amalgamation with or acquisition of another firm or the expansion into a material new line of business), and shall not take any steps to give effect to a material change unless, before the end of the notice period the registered insurer has been notified by the BMA in writing that it has no objection to such change or the period has lapsed without the BMA issuing a notice of objection.

Similarly, each designated insurer is required to give notice to the BMA of any material change in respect of the insurance group of which it is a member. This obligation will apply to Aspen Bermuda, as the designated insurer of the Aspen Group, for which the BMA acts as group supervisor. See "—Group Supervision" for more details on the potential changes to the Group Supervision Regime arising out of the Group Supervision Consultation Paper.

Peregrine

Special Purpose Insurers and Segregated Account Companies. Peregrine is registered as a special purpose insurer ("SPI") under the Insurance Act and licensed to carry on special purpose business. Special purpose business is defined under the Insurance Act as insurance business under which an insurer fully collateralizes its liabilities to the persons insured, in the forms contemplated by the Insurance Act.

SPIs are required to file electronic statutory financial returns and the BMA has the discretion to modify such insurer's statutory filings requirements under the Insurance Act. Like other (re)insurers, the principal representative of an SPI has a duty to inform the BMA in relation to solvency matters, where applicable.

Segregated Account Companies. Peregrine is also registered as a segregated accounts company under the Segregated Accounts Companies Act 2000, as amended. As a segregated accounts company, Peregrine is required to segregate the assets and liabilities linked to their respective segregated accounts from the assets and liabilities linked to their other respective segregated accounts and from their general account assets and liabilities. The segregated account representative of a segregated accounts company has the duty to inform the Registrar of Companies in relation to solvency matters and non-compliance, where applicable.

Economic Substance

Parent, the Company and certain of our Bermuda-domiciled subsidiaries are also subject to the Economic Substance Act 2018, as amended, and the Economic Substance Regulations 2018, as amended (together the "ESA"). The ESA was enacted to demonstrate Bermuda's commitment to comply with international standards with respect to cooperation for tax purposes and to ensure that Bermuda does not facilitate the use of structures which attract profits, but which do not reflect real economic activity within Bermuda. The ESA provides that a registered entity other than an entity which is resident for tax purposes in certain jurisdictions outside Bermuda ("non-resident entity") that carries on as a business any one or more of the "relevant activities" referred to in the ESA must comply with economic substance requirements. The list of "relevant activities" includes carrying on any one or more of the following activities: banking, insurance, fund management, financing, leasing, headquarters, shipping, distribution and service center, intellectual property and holding entities. Under the ESA, if an entity is engaged in one or more "relevant activities", it is required to maintain a substantial economic presence in Bermuda and to comply with the economic substance requirements set forth in the ESA. An entity will comply with those economic substance requirements if it: (a) is managed and directed in Bermuda; (b) undertakes "core income generating activities" (as may be prescribed under the ESA) in Bermuda in respect of the relevant activity; (c) maintains adequate physical presence in Bermuda; (d) has adequate senior executives, employees or other persons in Bermuda with suitable qualifications; and (e) incurs adequate operating expenditure in Bermuda in relation to the relevant activity undertaken by it.

The ESA requires entities subject to it to make annual filings with the Bermuda Registrar of Companies to demonstrate the economic substance of the entity's activities and business in Bermuda. Companies that are licensed to and carry on insurance as a relevant activity are generally considered to operate in Bermuda with adequate substance, with respect to their insurance business, if they comply with the existing provisions of (a) the Companies Act relating to corporate governance; and (b) the Insurance Act, that are applicable to the economic substance requirements, and the Registrar of Companies will have regard to such companies' compliance with the Insurance Act (in addition to compliance with the Companies Act) in its assessment of compliance with the economic substance requirements. For those Aspen entities subject to the ESA, we expect that the filings will continue to meet the ESA requirements.

Amendments to Insurance Code of Conduct

In August 2022, the BMA published various revisions to the Insurance Code of Conduct (the "Insurance Code"), which became effective on September 1, 2022. Aspen Group and Aspen Bermuda have been required to be compliant with the bulk of the amended Insurance Code since September 1, 2023. These revisions are intended to ensure that the Insurance Code remains aligned with international standards and able to address emerging issues. Overall, the amendments aim to improve and enhance the Insurance Code and its application, while at the same time, incorporating various housekeeping changes intended to simplify the document.

The BMA will continue to assess an insurer's compliance with the Insurance Code based on the nature, scale and complexity of the insurer's operations. The BMA does not prescribe the exact manner in which regulated insurers can demonstrate compliance with the Insurance Code and expects individual insurers to use their best judgment when determining what is proportional to their individual circumstances.

Privacy & Cyber Security Laws

PIPA regulates how any organization in Bermuda may use personal information. PIPA became fully operative on January 1, 2025 and applies to all of our Bermuda entities, including the Aspen Group, Aspen Bermuda and Peregrine. From this date, organizations in Bermuda are required to comply with a combination of principle-based and prescriptive rules for the use of personal information. Prescriptive rules for in scope organizations (i.e., those that use personal information, noting "use" is broadly defined) include a requirement to only use personal information where a legal condition applies, a requirement to appoint a data privacy officer, a requirement to provide all individuals with a privacy notice that must contain at a minimum certain required information and requirement to understand and comply with individual rights around access, rectification and erasure.

In addition, the Insurance Amendment Act of 2020 became operative in August 2020 and requires entities regulated by the BMA to provide notice to the BMA of certain cybersecurity events. As a result, the BMA's Insurance Sector Operational Cyber Risk Management Code of Conduct ("Cyber Risk Code"), which includes a series of minimum and recommended cybersecurity standards, became effective on January 1, 2021. The Cyber Risk Code is designed to promote the stable and secure management of information technology systems of regulated entities and requires that all registrants implement their own technology risk programs, determine what their top risks are and develop an appropriate risk response. This requires all registrants to develop a cyber risk policy which is to be delivered pursuant to an operation cyber risk management program and appoint an appropriately qualified member of staff or outsourced resource to the role of Chief Information Security Officer. The role of the Chief Information Security Officer is to deliver the operational cyber risk management program. The Insurance (Group Supervision) Amendment Rules 2022, effective January 1, 2023, enhance the regime by imposing a requirement to report cyber events when an insurance group has knowledge, or reason to believe, that an event resulting in a significant adverse impact to the group's operations, policyholders or clients has occurred within, at most, 72 hours and additionally within 14 days of the notification, the group must furnish the BMA with a report setting out known particulars of the case.

In November 2021, the board of directors of Aspen Bermuda approved a cyber risk policy. The board of directors of Aspen Bermuda must review and approve such policy on at least an annual basis, and reaffirmed its adoption of the cyber risk policy in November 2024. The BMA will assess a registrant's compliance with the Cyber Risk Code in a proportionate manner relative to the nature, scale and complexity of its business. While it is acknowledged that some registrants will use a third party to provide technology services and that they may outsource their information technology resources (for example, to an insurance manager where applicable), when so outsourced, the overall responsibility for the outsourced functions will remain with the registrant's board of directors. Failure to comply with the requirements of the Cyber Risk Code will be taken into account by the BMA in determining whether a registrant is conducting its business in a sound and prudent manner as prescribed by the Insurance Act and may result in the BMA exercising its powers of intervention and investigation.

Management of Climate Change Risks

On March 9, 2023, the BMA published the Climate Change Guidance Notes. The Climate Change Guidance Notes apply to the Aspen Group and Aspen Bermuda and outline the BMA's expectations regarding management and reporting of climate change risks. The Climate Change Guidance Notes focus on corporate governance and risk management practices for climate risk in the context of environmental, social and governance risks of insurance business.

Although the Climate Change Guidance Notes focus on how climate change impacts risks that are transferred to insurers (i.e., 'single materiality'), the BMA expects insurers to also specifically consider their own external impact on climate change (i.e., 'double materiality') as it may also revert back and affect in short, mid or long-term their own financial performance, reputation and operations and, by extension, the financial soundness of the sector as a whole.

The Climate Change Guidance Notes seek to take into account the diversity of insurers in the market. While it targets minimum standards the BMA expects insurers to embed into their operations, the BMA's expectations continue to be based on the principle of proportionality. Therefore, the application to the Aspen Group and Aspen Bermuda will be dependent on the nature of our operations and the scale, complexity and risk profile of our insurance business.

Additionally on September 27, 2023, the BMA published a Discussion Paper - Disclosure of Climate Change Risks for Commercial Insurers ("Climate Change Disclosures") outlining the BMA's proposal for insurers to publicly disclose their climate risk exposure, mitigation and monitoring activities, on an annual basis. Aligned to the Task Force on Climate-Related Disclosures ("TCFD") framework, the proposed Climate Change Disclosures focus on four pillars: governance, strategy, risk management and metrics and targets and would require Aspen Group to comply within the financial reporting year ended December 31, 2024 and Aspen Bermuda within the year ended December 31, 2025.

Depending on future developments in this area, the BMA may seek to incorporate elements from the International Sustainability Standards Board's ("ISSB") first two IFRS Sustainability Disclosure Standards, IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures. The ISSB standards may be sought at the forthcoming consultation paper stage, noting that in 2024, ISSB will succeed the monitoring of companies' progress on climate-related disclosures from TCFD.

U.K. and E.U. Insurance Regulation

General. The financial services industry in the United Kingdom is currently regulated by the U.K.'s Financial Conduct Authority ("FCA") and the Prudential Regulation Authority ("PRA") (collectively, the "U.K. Regulators"). Aspen UK is authorized by the PRA to effect and carry out (re)insurance contracts in the United Kingdom in classes of general (non-life) business and is regulated by both the PRA with respect to prudential matters and by the FCA with respect to the conduct of its business. AMAL is authorized by the PRA and regulated by the PRA with respect to prudential matters and the FCA with respect to the conduct of its business. AMAL and AUL are also subject to regulation and direction from Lloyd's. For more information see "—Lloyd's Regulation" below.

The primary statutory objectives of the PRA in relation to its supervision of insurers and managing agents are: (1) to promote their safety and soundness; and (2) to contribute to the securing of an appropriate degree of protection for policyholders or those who may become policyholders. The PRA also has secondary objectives to facilitate: (i) effective competition in the markets for services provided by PRA-authorized firms, and (ii) subject to aligning with relevant international standards, the international competitiveness of the economy of the U.K. and its growth in the medium to long term. Further, the FCA has a general objective to secure an appropriate degree of protection for consumers, along with the further general objectives to protect and enhance the integrity of the U.K. financial system and to promote effective competition for the benefit of consumers, as well as a similar international competitiveness and growth objective. The U.K. Regulators have extensive powers to intervene in the affairs of insurance businesses and insurance mediation activities that they regulate and to monitor compliance with their objectives. Their enforcement tools include: (i) amending (including by imposing restrictions on) or withdrawing a firm's authorization; (ii) prohibiting, restricting or suspending firms or individuals from carrying on or undertaking regulated activities; and (iii) publicly censuring and warning, fining or requiring compensation from firms and individuals who breach their rules.

U.K. authorized insurers and Lloyd's managing agents must comply with the PRA's requirements (as set out in the PRA Rulebook) and insurers, managing agents and insurance intermediaries must comply with the FCA's requirements (as set out in the FCA Handbook), which include the PRA's Fundamental Rules and the FCA's Principles for Businesses. In particular, under both Fundamental Rule 7 and Principle 11, firms must deal with the U.K. Regulators in an open and cooperative way, and must disclose to the U.K. Regulators anything of which they would reasonably expect notice. Such notifications may include where the firm has reason to believe that it has materially failed to comply with any requirement or if a senior manager is involved in any prohibited activity. U.K. authorized insurers, managing agents and insurance intermediaries must also adhere to a wide range of U.K. insurance legislation. The most notable of such legislation is the FSMA, which includes the requirements for becoming authorized to conduct regulated insurance activities, regulated and prohibited activities of an insurance company and an insurance intermediary, the approval process for the acquisition or disposal of control of insurance companies and insurance intermediaries, rules on financial promotions, transfers of insurance portfolios and market abuse provisions. This is complemented by a range of statutory instruments on certain subjects, for example, the authorization or exemption process. Legislation based on Solvency U.K. is also relevant (as defined and described in more detail under "—Brexit Transition Update" below). In addition, U.K. companies carrying out insurance activities must comply with general legislation, such as the U.K. Companies Act 2006.

The FCA's Insurance: Conduct of Business Sourcebook of the FCA Handbook ("ICOBS") outlines high-level standards that apply to all non-investment insurance product sales such as that of Aspen UK and AMAL from an establishment in the United Kingdom and regulates the standard of day-to-day conduct of business. The overall aim of ICOBS is to ensure that customers within its scope are treated fairly, products and services provide fair price and fair value and to provide customers with clear, fair information when insurance policies are sold.

ICOBS applies to business with retail customers, which means it will not apply to "contracts of large risk" sold to commercial customers or other contracts of large risk where the risk is located outside the United Kingdom. Nor does it apply to activities connected to the distribution of group insurance policies or the extension of these policies to new members. ICOBS therefore applies to a broad range of "non-large risk" commercial business as well as to consumers.

The FCA's "consumer duty" aims to have a material impact on how financial services companies including insurance companies, managing agents and insurance intermediaries interact with retail customers and set higher standards of care to retail customers over the lifecycle of their products. The rules build on existing product governance and pricing rules and require in-scope companies to define, monitor and evidence how the business models, actions and culture are delivering good customer outcomes in the four areas of products and services, price and value, consumer understanding and consumer support. The consumer duty applies to broadly the same types of customers as ICOBS, and non-large commercial customers as well as consumers.

The FCA has indicated that it will use its supervisory tools to compel the delivery of better outcomes for consumers. The U.K. general insurance market has already seen significant interventions in relation to specific products and business lines where the FCA believes retail customers are not receiving fair value and/or that commissions levels received by distributors cannot be justified by the services they provide.

Aspen UK, AMAL, and Aspen UK Syndicate Services Limited ("AUKSSL") are subject to the FCA's consumer duty rules. A number of activities were undertaken in order to ensure compliance with the consumer duty rules which included enhancements to governance, management information and reporting, product governance arrangements, delegated underwriting arrangements (including the binding authority agreements entered into with managing general agents) and the appointment of a board-level consumer duty champion for each of the regulated entities.

All persons who effectively run the insurance undertakings, managing agents and insurance intermediaries or have other key functions must at all times be fit and proper and notified to and/or approved by the PRA/FCA and Lloyd's (where applicable). The U.K.'s framework for ensuring the standards of such persons is the Senior Managers and Certification Regime ("SM&CR"). The SM&CR consists of three parts: the Senior Managers Regime, the Certification Regime and the Conduct Rules. The application of SM&CR depends on the individual's role and level of seniority in a business.

Change of Control

Under FSMA, the prior approval from the PRA and/or FCA is required before any person or entity, together with its associates, acquires "control" of or increases its control over a regulated company, or over the parent undertaking of a regulated company. In relation to Aspen UK and AMAL (which is an authorized insurer and managing agent respectively), in summary, a "controller" is defined for these purposes as a person who holds (either alone or in concert with others) 10% or more of the shares or voting power in the relevant regulated entity or its parent undertaking, or holds significant influence over the management of such regulated entity by virtue of their shareholding or voting power. Thereafter, the prior approval of the PRA and/or FCA is required if any person or entity (or two or more persons acting in concert) proposes to acquire shares or voting power in a regulated entity or the parent undertaking of a regulated entity, such that they cross one of the following shareholding or voting power thresholds: (i) 20% or more but less than 30%; (ii) 30% or more but less than 50%; or (iii) 50% or more. In relation to AUKSSL (which is an authorized insurance intermediary), the test for control is the same, however, there is only one relevant threshold of 20% or more.

Similar to PRA and/or FCA approval, an entity seeking to acquire "control" of or increase its control over AMAL is required to obtain Lloyd's prior consent (and the same thresholds noted above apply in this context). Any entity seeking to acquire "control" of or increase its control over AUL is required to obtain Lloyd's prior consent (again, the same thresholds noted above apply in this context).

Controllers must notify the PRA and/or FCA, and/or Lloyd's (as applicable) in writing of a reduction or cessation of control before effecting the change, although regulatory approval is not required.

Brexit Transition Update

As a result of Brexit concluding on December 31, 2020, Aspen UK lost its ability to underwrite insurance business in all EEA member states via the freedom of services and freedom of establishment rights. However, AMAL continues to be able to access the EEA market through Lloyd's Insurance Company. Lloyd's Insurance Company commenced underwriting all non-life risks from non-U.K. EEA countries from January 1, 2019. Our business written through Lloyd's Insurance Company is 100% reinsured by Syndicate 4711.

Aspen UK has been permitted to continue to collect premiums and pay claims, in all E.U. jurisdictions where it had live risks and/or claims as at Brexit, other than Sweden. In Denmark, Spain and the Netherlands this was under transitional arrangements which expired in 2021, 2022 and 2023, respectively. Transitional arrangements in Ireland expire in 2035. Aspen UK has taken steps to ensure compliance with all post-Brexit local regulatory requirements; this includes action (including novation) to ensure that valid Swedish claims can be settled, and seeking to ensure in jurisdictions with time-limited transitional arrangements that all policies had expired or been novated, and claims where it is the lead insurer settled prior to the expiry of such arrangements.One Spanish claim in litigation continues. Following the March 17, 2023 deadline in the Netherlands, however, we were subsequently made aware that the novation of one coverholder risk had not in fact completed before the deadline; this has been reported to DNB (the Dutch regulator). We were informed on July 28, 2023 that the matter had been referred to the DNB's enforcement team, but as of November 6, 2024, the DNB have taken no further action. Cancellation and re-writing of the risk onto Lloyd's Insurance Company with a March 17, 2023 effective date was completed to resolve the situation, and the DNB so informed. For more information, see "Risk Factors—Risks Related to Our Business—Regulatory Risks—The United Kingdom's withdrawal from the European Union has had, and may continue to have, an adverse impact on our business, results of operations and financial condition."

U.K. Prudential Regime for Insurers - Reforms Post Brexit. Aspen UK and AUL (by virtue of being a Lloyd's corporate member) are required to meet economic risk-based solvency requirements that were originally set out by the E.U. directive covering the capital adequacy, risk management and regulatory reporting for insurers (the "Solvency II Directive"). The Solvency II Directive, together with European Commission delegated and implementing acts and guidance issued by the European Insurance and Occupational Pensions Authority, has been adopted by the PRA in the United Kingdom and sets out classification and eligibility requirements, including the features which capital must display in order to qualify as regulatory capital.

Despite the Brexit transitional period coming to an end, the European Union (Withdrawal) Act 2018, as amended, has retained all directly applicable direct E.U. legislation into domestic U.K. law (legislation which applied directly in the United Kingdom before 11:00 pm on December 31, 2020) and preserved the U.K. transposition of E.U. directives at that point, thus ensuring the continuing application of the regulatory framework brought about by the Solvency II Directive under the U.K.'s financial services regulatory regime ("Solvency U.K.").

In June 2023, the Financial Services and Markets Act 2023 ("FSMA 2023") received royal assent. FSMA 2023 provides a framework for the revocation of retained E.U. law in financial services (including Solvency U.K.) and its replacement with corresponding regulators' rules (in the case of Solvency II, mainly in the PRA's Rulebook). Since the transition period, the Solvency U.K. has been subject to a major review in its application in the United Kingdom, corresponding with a parallel review in the European Union (known as the 2020 review).

Following the release of His Majesty's Treasury's ("HM Treasury") consultation paper in April 2022, it published its response in November 2022 which sets out the U.K. Government's final reform package on the Solvency II framework in the United Kingdom. An additional PRA policy statement on "Review of Solvency II: Adapting to the UK insurance market" (PS2/24) also came out in February 2024 providing the PRA's feedback to responses received to an earlier June consultation paper. Significant changes to be introduced by these reforms included the reduction in risk margin by 30% for non-life insurers and the proposal to remove branch capital requirements. The U.K. Government has also decided to introduce a new mobilization scheme for insurers which would create an optional stage in a prospective insurer's entry to the market, including adjusted entry requirements such as a lower capital floor, lower expectations for key personnel and governance structures, and exemptions from certain reporting requirements. The U.K. Government has also decided to increase the thresholds for the size and complexity of insurers before Solvency U.K. applies to £25 million in annual gross written premiums and to £50 million in gross technical provisions.

In June 2023, HM Treasury published draft legislation focusing on changes to the risk margin and the PRA issued the first of two consultations (the second was published at the end of September 2023) covering reform proposals for insurers. The Insurance and Reinsurance Undertakings (Prudential Requirements) (Risk Margin) Regulations 2023 came into force on December 31, 2023 and modified the current risk margin calculation. The other reforms forming part of Solvency U.K. became effective on December 31, 2024 on the implementation of the PRA's Policy Statement PS15/24 (Review of Solvency II: Restatement of assimilated law). The PRA has stated that these reforms and restatement of rules provide a new regulatory framework for maintaining the safety and soundness of insurance firms and protecting their policyholders, and that the PRA will continue to evolve its prudential regulatory framework for the insurance sector in 2025 and beyond.

Capital Requirements under the U.K. Prudential Regime

Aspen UK is required to maintain a minimum margin of solvency (known as "own funds") equivalent to their Solvency Capital Requirements ("SCR") at all times, the calculation of which depends on the type and amount of insurance business written as well as reserve, credit, market and operational risks. To cover similar risks, AUL is required to maintain funding equivalent to its Lloyd's Economic Capital Assessment (ECA) which is valued by reference to the syndicates' SCRs. The financial resources maintained in support of the SCR must be adequate, both as to amount and quality, to ensure that there is no significant risk that an entity's liabilities cannot be met as they fall due. If the PRA with respect to Aspen UK or Lloyd's with respect to Aspen Lloyd's considers that there are insufficient capital resources, it can impose additional requirements in relation to the amount and quality of the resources it considers necessary. Any failure to comply with such requirements introduced by regulators can result in intervention by regulators or the imposition of sanctions, which could have an adverse effect on Aspen UK's and/or Aspen Lloyd's results and financial position.

The SCR is calculated by an approved internal capital model or by a standard formula prescribed by Solvency U.K. Aspen UK has received approval from the PRA, and AMAL has received approval from Lloyd's, to use an agreed internal model to calculate their respective SCR (the "Internal Model"). Aspen UK and AMAL are required to ensure that the Internal Model operates properly on a continuous basis and that it continues to comply with the "Solvency Capital Requirements - Internal Models" provisions as set out in the PRA Rulebook and Solvency U.K., and, with respect to AMAL, within the Lloyd's regulatory framework, including the principles for doing business at Lloyd's. If Aspen UK fails to comply with these requirements, the PRA may revoke its approval for Aspen UK to use the Internal Model. In addition, failure to adequately capture areas of risk (including as may be identified in the Own Risk and Solvency Assessment ("ORSA")) in the calculation of the SCR may result in the PRA applying a capital add-on to the SCR calculated by the Internal Model. Aspen UK must also maintain the ability to calculate its SCR using the Standard Formula as prescribed by Solvency U.K.

In addition, Aspen UK is required to submit quarterly and annual filings with the PRA including an annual Solvency and Financial Condition Report ("SFCR"), which must be posted on Aspen's website. Aspen UK must submit an annual ORSA to the PRA and AMAL must submit an ORSA policy at an agent level to Lloyd's and an ORSA report (covering the syndicate under management) to Lloyd's. The ORSA report is produced annually and provides a summary of all the activity and processes during the preceding year to assess and report on risks and ensure that our overall solvency needs are met at all times, and which will include a forward-looking assessment. It also explains the linkages between business strategy, business planning and capital and risk management processes. Further, Aspen UK and AMAL may need to perform an additional ORSA and submit the corresponding ORSA report to the PRA and/or Lloyd's, following any significant change in its risk profile. In 2021, the PRA granted Aspen UK a waiver for five years absolving it from the requirement to produce certain regulatory returns at the U.K.-sub-group level due to Aspen Bermuda being subject to equivalent group supervision.

Material Outsourcing Requirements

Under U.K. insurance regulation, an outsourcing arrangement is material if it is of such importance that weakness, or failure, of the service provider would cast serious doubt upon the firm's continuing satisfaction of the U.K. Regulators' threshold conditions for authorization and their Fundamental Rules/Principles. The U.K. Regulators require insurers and managing agents to apply adequate governance and controls in respect of material outsourcing agreements.

The most prominent "material outsourcing" rules that apply to Aspen UK and AMAL are set out in the PRA's supervisory statements, "Outsourcing and third party risk management" (SS2/21) and "Operational resilience: Impact tolerances for important business services" (SS1/21). Aspen UK and AMAL are also subject to a number of related rules that derive from Solvency U.K.

Pursuant to these rules, certain rights pertaining to Aspen UK and AMAL must be included in any material outsourcing agreements, including: (i) the right for Aspen UK and AMAL to receive information from the service provider about the performance of the services; (ii) the right for Aspen UK and AMAL to instruct the service provider in respect of these functions; and (iii) the right for Aspen UK and AMAL, their external auditors and the U.K. Regulators to audit the service provider. See "Material Contracts and Related Party Transactions." Aspen UK and AMAL are also required to notify the U.K. Regulators of any new material outsourcing arrangement or material amendments to current material outsourcing agreements and obtain their "non-objection" in relation to them before they can be executed or be materially amended by the parties.

Aspen UK and AMAL must ensure that its board of directors and senior management set appropriate risk management policies, systems and controls in respect of Aspen UK and AMAL's outsourcing and third-party arrangements and must ensure that they are properly carried out. In particular, these individuals should receive clear, consistent, robust and timely management information relating to each service provider's performance which will enable them to effectively oversee these activities and provide challenge in relation to them. If a service provider does not adhere to predetermined performance standards, Aspen UK and AMAL must be able to implement effective remediation procedures or exit strategies.

Aspen UK and AMAL must also ensure that its systems and controls specifically identify and prioritize "important business services," and consider and monitor whether it has dedicated appropriate resources to ensure that it has sufficient operational resilience in the event of any potential material disruption to the services provider (for example, by preparing and maintaining a business continuity or disaster recovery plan covering such circumstances).

Restrictions on Dividend Payments. The company law of England and Wales prohibits English companies, including Aspen UK, AMAL, AUL, AUKSSL, and other subsidiaries of ours organized under the company law of England and Wales, from declaring dividends to their shareholders unless they have profits available for distribution. The determination of whether a company has profits available for distribution is based on its accumulated realized profits and other distributable reserves less its accumulated realized losses. While the U.K. insurance regulatory rules impose no general restrictions on a general insurer's ability to declare a dividend, the PRA's rules require each authorized insurance company within its jurisdiction to maintain its solvency margin at all times, and any action to declare or pay a dividend in breach of SCR without a PRA waiver may result in the firm's shares being rendered ineligible for Tier 1 treatment. Accordingly, Aspen UK, Aspen Lloyd's (acting through AMAL), AUL and AUKSSL may not pay a dividend if the payment of such dividend would result in their SCR coverage ratio falling below certain levels. In addition, any future changes regarding regulatory requirements, including those described above, may restrict the ability of Aspen UK, AMAL, AUL and AUKSSL to pay dividends in the future.

Environmental, Social and Governance

ESG continues to be an area of focus among our global regulatory authorities including but not limited to the PRA, FCA, Lloyd's and the BMA. The regulators have indicated that ESG will remain a supervisory priority and firms are required to comply with existing and emerging ESG-related requirements. Existing environmental regulations such as the PRA's supervisory statement SS3/19 "Enhancing banks' and insurers' approaches to managing the financial risks from climate change" require Aspen UK and AMAL to: (i) fully embed consideration of climate-related risks into its governance arrangements; incorporate climate-related financial risks into existing risk management practices; (ii) utilize scenario analysis to inform strategy setting, risk assessment and risk identification; and (iii) develop and maintain an appropriate approach to the disclosure of climate-related financial risks. In January 2025, the PRA issued a letter to CEOs concerning its 2025 priorities for insurance supervision, where it indicated that it is planning to consult on an update to SS3/19 to support firms' progress in improving their management of climate-related financial risks. Aspen UK and AMAL are also required to allocate responsibility for managing climate-related risk to a senior manager under SM&CR. Similar climate-related regulations exist for Aspen Group and Aspen Bermuda under the BMA's Climate Change Guidance Notes.

In October 2021, Lloyd's published their guidance for managing agents (such as AMAL) on best practices for establishing an ESG strategy and framework. The guidance focuses on integrating ESG within business planning and operations, engagement with the value chain, and policies and conditions. This guidance was supplemented by additional guidance issued by Lloyd's in July 2024.

On November 28, 2023, the FCA published Policy Statement 23/16 which set out its final rules and guidance on the sustainability disclosure requirements and investment labels regime. As part of this regime,the FCA introduced, among other things, a general 'anti-greenwashing' rule, which is applicable to Aspen UK and AMAL, to clarify that sustainability-related claims must be clear, fair and not misleading. The general 'anti-greenwashing' rule came into force on May 31, 2024 and the FCA also published guidance (FG 24/3) on the expectations for FCA authorized firms subject to the general 'anti-greenwashing rule' which took effect at the same time.

In September 2023, the PRA and FCA issued a joint consultation paper (CP18/23 and CP23/20) on diversity and inclusion applicable to Aspen UK and AMAL.On March 12, 2025, the PRA and FCA each issued a statement to confirm that, based on feedback received and in order to reduce regulatory burden on firms, they have decided not to publish new rules on diversity and inclusion and will not revisit this position until after the implementation of any new legislation in this area. However, the PRA and FCA have indicated that they will continue to support voluntary industry initiatives. The FCA also indicated that it continues to prioritize its work to tackle non-financial misconduct and will set out next steps by June 2025. For further information refer to "Risk Factors—Risks Related to Our Business—Strategic Risks—Increasing scrutiny and evolving expectations from investors, customers, regulators, policymakers and other stakeholders regarding environmental, social and governance matters may adversely affect our reputation or otherwise adversely impact our business and results of operations."

Brexit and the U.K. GDPR. Following the United Kingdom's departure from the European Union, commonly referred to as Brexit, the European Union General Data Protection Regulation's (the "E.U. GDPR") data protection obligations continue to apply to the United Kingdom in substantially unvaried form under the so called "U.K. GDPR". The U.K. GDPR exists alongside the U.K. Data Protection Act 2018 which implements certain derogations in the U.K. GDPR into U.K. law. Under the U.K. GDPR, companies not established in the U.K. but who process personal data (i.e., information which identifies or from which an individual is identifiable) in relation to the offering of goods or services to individuals in the United Kingdom, or to monitor their behavior will be subject to the U.K. GDPR and will be required to appoint a data protection representative in the U.K., provided certain exceptions are not met. Otherwise, the requirements of the U.K. GDPR are currently virtually identical to those of the E.U. GDPR and as such, may lead to similar compliance and operational costs. For information on E.U. GDPR and U.K. GDPR, refer also to "Risk Factors—Risks Related to Our Business—Other Operational Risks—Compliance with ever evolving national, federal, state, and international laws relating to the handling of information collected from or about individuals involves significant expenditure and resources, and any failure by us or our vendors to comply may result in significant liability, negative publicity and/or an erosion of trust, which could materially adversely affect our business, results of operations and financial condition."

In addition, Brexit has implications for transfers of personal data between the UK and the EEA and vice versa. Transfers of personal data from the U.K. to the EEA and vice versa are unrestricted and do not require additional safeguards since the EEA has formally declared the UK's data protection regime as "adequate" and similarly the UK has formally approved the adequacy of the EU. As a result, transfers of personal data from the EEA to the UK, and vice versa, remain unrestricted and do not require any additional safeguards. The duration of the current adequacy decision will expire on June 27, 2025, at which point the European Commission can decide whether to extend the adequacy decision for a further period up to a maximum of another four years.

E.U./U.K. Cybersecurity and Privacy Laws and Regulations. The E.U. GDPR and U.K. GDPR (together referred to as the "GDPR") impose comprehensive data privacy compliance obligations in relation to our collection, processing, sharing, disclosure, transfer and other use of personal data including a principal of accountability and the obligation to demonstrate compliance through policies, procedures, training and audits.

In addition, some of the personal data we process in respect to individual customers, policy holders or beneficiaries is special category or sensitive personal data under the GDPR, and subject to additional compliance obligations and to local law derogations. We may be subject to diverging requirements under E.U. member state laws and U.K. law, such as whether consent can be used as the legal basis for processing. As these laws develop, we may need to make operational changes to adapt to these diverging rules, which could increase our costs and adversely affect our business.

Failure to comply with the GDPR could result in penalties for noncompliance. Since we are potentially subject to the supervision of various EU Member State/UK data protection authorities under both the E.U. GDPR and the U.K. GDPR, it is not excluded that we are faced with enforcement action in various EU/UK jurisdictions. Penalties for certain breaches are up to the greater of EUR 20 million/GBP 17.5 million or 4% of our global annual turnover. In addition to fines, a breach of the GDPR may result in regulatory investigations, reputational damage, orders to cease/change our data processing activities, enforcement notices, assessment notices (for a compulsory audit) and/or civil claims (including class actions).

The GDPR regulates cross-border transfers of personal data out of the EEA and the U.K. Case law from the Court of Justice of the European Union ("CJEU") states that reliance on the standard contractual clauses – a standard form of contract approved by the European Commission as an adequate personal data transfer mechanism – alone may not necessarily be sufficient in all circumstances, and that transfers must be assessed on a case-by-case basis and supported by a transfer impact assessment followed by the implementation of additional protection measures as appropriate. On October 7, 2022, President Biden signed an Executive Order on 'Enhancing Safeguards for United States Intelligence Activities' which introduced new redress mechanisms and binding safeguards to address the concerns raised by the CJEU in relation to data transfers from the EEA to the United States and which formed the basis of the new E.U.-U.S. Data Privacy Framework ("DPF"), as released on December 13, 2022. The European Commission adopted its adequacy decision in relation to the DPF on July 10, 2023, rendering the DPF effective as an E.U. GDPR transfer mechanism to U.S. entities self-certified under the DPF. On October 12, 2023, the U.K. Extension to the DPF came into effect (as approved by the U.K. Government) as a U.K. GDPR data transfer mechanism to U.S. entities self-certified under the U.K. Extension to the DPF. We currently rely on the E.U. standard contractual clauses and the U.K. Addendum to the EU standard contractual clauses and the U.K. International Data Transfer Agreement, as relevant, to transfer personal data outside the EEA and the U.K. with respect to both intragroup and third party transfers. We expect the existing legal complexity and uncertainty regarding international personal data transfers to continue. In particular, we expect the DPF adequacy decision to be challenged and international transfers to the United States and to other jurisdictions more generally to continue to be subject to enhanced scrutiny by E.U. regulators. As the regulatory guidance and enforcement landscape in relation to data transfers continue to develop, we could suffer additional costs, complaints and/or regulatory investigations or fines; we may have to stop using certain tools and vendors and make other operational changes; we may have to implement revised standard contractual clauses for existing intragroup, customer and vendor arrangements within required time frames; and/or it could otherwise affect the manner in which we provide our services, and could adversely affect our business, operations and financial condition.

On January 17, 2025, the E.U. Digital Operational Resilience Act ("DORA") entered into effect. DORA applies to "financial entities" including: (i) insurance and reinsurance undertakings, and insurance intermediaries, reinsurance intermediaries and ancillary insurance intermediaries and (ii) ICT third-party service providers to financial entities. DORA imposes regulatory obligations to reinforce the digital operational resilience of entities operating in the financial services industry, and to adequately manage and remediate risks related to the engagement of ICT third-party service providers. In addition to financial entities, DORA only imposes direct regulatory obligations on ICT third-party service providers that are considered "critical" within the meaning of DORA. Non-critical ICT third-party service providers are only indirectly impacted by DORA, by virtue of the mandatory contractual terms that DORA requires financial entities to implement with ICT third-party service providers.

DORA does not provide for minimum or maximum monetary sanctions but empowers E.U. Member State competent authorities to enforce DORA and determine the appropriate sanction on the basis of the factors set out in DORA, including the gravity and duration of the infringement. Sanctions may be administrative or criminal in nature, and DORA also provides that individual members of the management body can be held personally liable for any non-compliance.

E.U. / U.K. AI Laws and Regulations. The EU has developed a standalone law to govern the offering and use of AI systems in the EU (the "AI Act") which entered into force on August 1, 2024. The AI Act will apply in phases depending on the regulatory requirement in question from February 2025 to August 2027, when all provisions of the AI Act will apply. The AI Act imposes regulatory requirements onto AI system providers, importers, distributors, and deployers, in accordance with the level of risk involved with the AI system ("unacceptable", "high", "limited", and "minimal" risk). General-purpose AI systems have also been made subject to a number of requirements – mostly akin to the requirements that apply to high-risk AI systems under the AI Act.

Non-compliance with the AI Act may be subject to regulatory fines of up to 7% of annual worldwide turnover or €35 million. In parallel, on October 10, 2024, the E.U. adopted the E.U. Product Liability Directive to regulate non-contractual and non-fault based liability for defective products, including digital products and AI facilitating consumer redress for defective AI and digital products.

The U.K. has not, to date, adopted a dedicated AI legislation, instead looking to rely on a principles-based, sector-specific approach to AI regulation. However, in July 2024, it was announced in the King's Speech that new AI regulation would in fact be introduced.

We are assessing the scope of application, impact, and risk of these AI and cyber developments in the E.U. and the U.K. on our business and will continue to assess this moving forward. Compliance with these new AI and cyber laws and regulations may require substantial amendments to our procedures and policies and the changes could adversely impact our business by increasing operational and compliance costs or impact business practices. Further, there is a risk that the amended policies and procedures will not be implemented correctly or that individuals within the business will not be fully compliant with the new procedures. If there are breaches of these measures, we could face significant litigation, government investigations, administrative and monetary sanctions as well as, reputational damage which may have a material adverse effect on our operations, financial condition and prospects.

Branch Regulations

General

Aspen UK and Aspen Bermuda are required to meet local capital requirements and make required local regulatory filings in connection with their respective branch office operations.

Change of Control

Similar to the types of regulation noted above with respect to U.S. and U.K. (see "—U.K. and E.U. Insurance Regulation—Change of Control" and "—U.S. Insurance Regulation—Change of Control"), persons acquiring shares at or above the thresholds noted above may need to notify or obtain approval from regulators of the branches of Aspen Bermuda and/or Aspen UK in Australia, Canada, Singapore and Switzerland.

Switzerland

In 2019, Aspen Bermuda established a branch in Zurich, Switzerland to write property and casualty reinsurance and specialty reinsurance with inception dates from January 1, 2020. A branch that writes only reinsurance is not currently subject to supervision under the Insurance Supervision Act (Switzerland) by the Financial Markets Supervisory Authority ("FINMA").

Aspen UK established a property and casualty reinsurance branch in Zurich, Switzerland in 2007. In 2010, Aspen UK established an insurance branch in Zurich, Switzerland, which was regulated by FINMA pursuant to the Insurance Supervision Act (Switzerland). In 2017, Aspen UK discontinued writing insurance business via the insurance branch in Switzerland. In 2020, Aspen UK ceased writing reinsurance via the reinsurance branch in Switzerland, however, FINMA maintains supervision over the Aspen UK branch while the business is in run off.

Singapore

In February 2021, Aspen Bermuda received approval from the Monetary Authority of Singapore ("MAS") and established a reinsurance branch in Singapore. The activities of this branch are regulated by the MAS pursuant to The Insurance Act of Singapore. Aspen Bermuda is also regulated by the Accounting and Corporate Regulatory Authority ("ACRA") as a foreign company in Singapore.

Aspen UK has a reinsurance branch in Singapore that is regulated by the MAS and pursuant to The Insurance Act of Singapore and by ACRA as a foreign company in Singapore. Action was taken in 2021 to transition the business currently written through our Aspen UK Singapore branch to the Aspen Bermuda branch in Singapore and it is no longer binding new business.

AMAL set up a subsidiary company, Aspen Singapore Pte. Ltd. ("ASPL"), to access insurance business in Singapore and regulatory approval for ASPL to act as an intermediary was received from MAS in 2015. ASPL was incorporated by ACRA in 2015 as a local company regulated by the Companies Act of Singapore. ASPL went into run-off in September 2021, and was subsequently de-authorized on a voluntary basis with effect from August 31, 2023 in accordance with local regulatory requirements. An application to have ASPL struck off from the public company register was accepted by ACRA in September 2024; ASPL's strike off and dissolution took effect on February 20, 2025.

Canada

Aspen UK established a Canadian branch in 2006 whose activities are regulated by the Office of the Superintendent of Financial Institutions ("OSFI"). OSFI is the federal regulatory authority that supervises Canadian and non-Canadian insurance companies operating in Canada pursuant to the Insurance Companies Act (Canada). In addition, the branch is subject to the laws and regulations of each of the provinces and territories in which it is licensed.

Australia

Aspen UK established an Australian branch in 2008 whose activities are regulated by the Australian Prudential Regulation Authority ("APRA"). Aspen UK is also registered by the Australian Securities and Investments Commission as a foreign company in Australia under the Corporations Act of Australia 2001. Aspen UK's Australia branch ceased underwriting new or renewal business as at December 31, 2021; Aspen UK intends for it to enter formal run-off under APRA regulation in due course.

In 2021, the Company formed Aspen Australia Service Company Pty Ltd. ("AASC"), a coverholder which underwrote reinsurance business on behalf of Syndicate 4711 at Lloyd's. AASC ceased writing new or renewal business in AASC effective as at October 31, 2022. AASC's physical office in Australia closed as at March 31, 2023 and the Company is reviewing its strategy for the AASC legal entity.

For additional information on our branches, refer to "Note 21—Commitments and Contingent Liabilities" to our audited consolidated financial statements.

Other Regulated Firms

AUKSSL (previously APJ Services Limited) is authorized and regulated by the FCA. AUKSSL is subject to the Insurance Distribution Directive as adopted into U.K. law. In 2019, HM Treasury has announced its plans to repeal the Insurance Distribution Directive delegated acts and for the requirements of the regulations to be included in the FCA's Handbook. In response, the FCA has issued a consultation paper (CP23/19) on the future regulatory framework for the Insurance Distribution Directive. On December 15, 2023, the final rules that transfer and replace retained E.U. law provisions from the Insurance Distribution Directive were published with an effective date of April 5, 2024. AUKSSL is subject to ongoing monitoring and annual reporting obligations. Accordingly, AUKSSL is required to submit annual reports to the FCA which provide information relating to their controllers and close links, client money and assets, accounts, market data, product sales data, remuneration data and reporting complaints. These reports are also applicable to Aspen UK and AMAL.

Lloyd's Regulation

General. The operations of Syndicate 4711 are subject to regulation and supervision of the PRA, FCA and the Council of Lloyd's. AMAL is the managing agent for Syndicate 4711 and AUL is the sole corporate underwriting member of Syndicate 4711. The FCA and PRA both regulate insurers, insurance intermediaries and Lloyd's. Lloyd's establishes its own byelaws and regulations, including requirements made under those byelaws that all managing agents and members must comply with.

Solvency Requirements. Underwriting capacity of a member of Lloyd's must be supported by providing a deposit (referred to as "Funds at Lloyd's") in the form of cash, securities or letters of credit in an amount determined in accordance with Lloyd's requirements and the Solvency II regime. The amount of such deposit is calculated for each member through the completion of an annual capital adequacy exercise. Under these requirements, it must be demonstrated to Lloyd's that each member has sufficient assets to meet its underwriting liabilities plus a required solvency margin.

Intervention Powers. The Council of Lloyd's has wide discretionary powers to regulate members' underwriting at Lloyd's. It may, for instance, change the basis on which syndicate expenses are allocated or vary the Funds at Lloyd's or the investment criteria applicable to the provision of Funds at Lloyd's. Exercising any of these powers might affect the return on an investment of the corporate member in a given underwriting year. Further, the annual business plans of a syndicate are subject to the review and approval by Lloyd's.

Each member of Lloyd's is required to contribute a percentage of that member's underwriting capacity for the relevant year of account to the Lloyd's central fund (the "Central Fund"). If a member of Lloyd's is unable to pay its debts to policyholders, the Council of Lloyd's may exercise its discretion to pay the policyholder from Lloyd's Central Fund. If Lloyd's determines that the Central Fund needs to be increased, it has the power to assess premium levies on current Lloyd's members. In addition, the Council of Lloyd's has discretion to call or assess up to an additional 5% of a member's underwriting capacity in any one year as a Central Fund contribution. Our syndicate capacity for the 2025 underwriting year is £1,300.0 million (2024— £1,300.0 million).

Lloyd's Insurance Company. Lloyd's Insurance Company is authorized and regulated by the NBB and regulated by the FSMA. Lloyd's Insurance Company is an authorized insurance company licensed to write non-life risks across the EEA and the United Kingdom and also maintains 19 branches across Europe. Lloyd's Insurance Company is able to underwrite non-life risks, which are then 100% reimbursed by Syndicate 4711. In this way, Syndicate 4711 is able to access the European market.

Principles for Doing Business at Lloyd's (the "Principles"): Replacing the Lloyd's Minimum Standards (the previous regime which set out the Lloyd's regulatory requirements for Lloyd's managing agents, the Principles set out the fundamental responsibilities expected of all managing agents, including AMAL and is the basis against which Lloyd's will review and categorize all syndicates and managing agents in terms of their capacity and performance.

Jersey Regulation

In 2010, we purchased APJ Asset Protection, a Jersey Limited registered insurance company ("APJ Jersey"). APJ Jersey was a Jersey registered company, which formerly held a Category B Insurer permit from the Jersey Financial Services Commission ("JFSC"). APJ Jersey ceased underwriting new and renewal business in April 2020 and was placed into run-off in June 2020. APJ Jersey's last policy expired in May 2022, and its Category B insurer permit from the JFSC was voluntarily revoked as of October 14, 2022, with agreement by the JFSC, confirmation having been received earlier in 2022 from both the JFSC and the UK's Financial Conduct Authority of no retroactive fees or further action in relation to potential issues with APJ Jersey's operating model. APJ Jersey satisfactorily completed summary winding up procedures in accordance with Jersey law and was dissolved with effect from September 19, 2024.

Other Matters

In 2017, the European Commission opened an investigation into alleged anti-competitive practices in the aviation insurance segment by Aspen UK and other carriers and brokers in the market, but subsequently confirmed in 2021 that it had discontinued its investigation. A similar investigation was opened by the Competition and Consumer Commission of Singapore ("CCCS") in early 2021, and Aspen UK provided initial responses to the CCCS. No specific feedback or request for further information has been received since such time and it appears that the matter has been removed from the Singapore public register on enforcement actions and investigations. In addition, a similar investigation was commenced in 2017 by the Brazilian anti-trust regulator, CADE, and, in 2022, formal allegations of anti-competitive practices in this segment have been alleged against Aspen UK and others in the market, including both brokers and carriers. A formal defense has been lodged by Aspen UK but has been rejected by CADE. Aspen UK has also filed expert evidence. We continue to engage with local and onshore counsel to address the questions raised by CADE and progress through the dispute resolution process.

U.S. Regulation

General. Our U.S. operations are subject to extensive governmental regulation and supervision by the states and jurisdictions in which insurance entities operating in the United States are domiciled, licensed and/or eligible to conduct business. AAIC is licensed to write insurance on an admitted basis in all 50 U.S. states, the District of Columbia, Puerto Rico, Guam and the U.S. Virgin Islands. Aspen Specialty is licensed in North Dakota and is eligible to write surplus lines policies in all 50 U.S. states, Puerto Rico and the District of Columbia. Aspen UK and Syndicate 4711 are not licensed to write insurance on an admitted basis in any state in the United States, but are alien insurers eligible to write surplus lines business in all 50 U.S. states, the District of Columbia, Puerto Rico and other U.S. jurisdictions based on their listing in the Quarterly Listing of Alien Insurers of the International Insurers Department ("IID") of the National Association of Insurance Commissioners ("NAIC"), the organization that works to promote standardization of best practices and assists state insurance regulatory authorities and insurers in the United States by promulgating model insurance laws and regulations for adoption by the states. However, model insurance laws and regulations are only effective when adopted by the states. Pursuant to IID requirements, Aspen UK and Syndicate 4711 have established a U.S. surplus lines trust fund to secure obligations under U.S. surplus lines policies. As of December 31, 2024, Aspen UK's and Syndicate 4711's surplus lines trust fund was $150.2 million (December 31, 2023 — $126.6 million).

The insurance laws and regulations of our U.S. subsidiaries' domiciliary states have the most significant impact on our U.S. operations as well as the lead state regulator of an insurance holding company system. AAIC is domiciled in Texas and Aspen Specialty is domiciled in North Dakota. AAIC and Aspen Specialty are part of the Apollo Global Management Group holding company system. The lead state insurance regulator for the Apollo Global Management Group holding company system is the Iowa Insurance Division.

Generally, U.S. states regulate insurance holding companies to assure the fairness of inter-affiliate transactions, the propriety of dividends paid to corporate parents and the benefits of any proposed change of control transaction. States also regulate insurer solvency, accounting matters and risk management, as well as a range of operational matters, including authorized lines of business, permitted investments, policy forms and premium rates for admitted companies, maximum single policy risks, adequacy of reserves for losses and unearned premiums and maintenance of in-state deposits for the benefit of policyholders. To monitor compliance, state insurance departments perform periodic market conduct examinations and financial fitness examinations, and require the filing of annual and other reports relating to the financial condition of companies and other matters. Certain U.S. regulatory requirements are highlighted below.

Although the U.S. federal government does not directly regulate the insurance business, federal legislation and administrative policies in several areas can significantly affect the insurance business. The Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act") established the Federal Insurance Office (the "FIO") within the U.S. Department of the Treasury headed by a Director appointed by the Treasury Secretary. While currently not having a general supervisory or regulatory authority over the business of insurance, the Director of the FIO performs various functions with respect to insurance. The Director of the FIO has also submitted reports to the U.S. Congress on (i) modernization of U.S. insurance regulation (provided in December 2013) and (ii) the U.S. and global reinsurance market (provided in November 2013 and January 2015, respectively). Such reports could ultimately lead to changes in the regulation of insurers and reinsurers in the United States. In addition, AAIC is a certified surety company approved by the U.S. Department of the Treasury and is subject to federal regulations related to Treasury certified sureties.

State Insurance Holding Company Acts. All U.S. states have laws regulating insurance holding company systems. These laws require insurance companies, which are formed and chartered in the state (referred to as "domestic insurers"), to register with the state department of insurance (referred to as their "domestic state or regulator") and file information concerning the operations of companies within the holding company system that may materially affect the operations, management or financial condition of the insurers within the system. Insurance holding company regulations principally relate to (i) state insurance approval of the acquisition of domestic insurers, (ii) prior review or approval of certain transactions between the domestic insurer and its affiliates, and (iii) regulation of dividends made by the domestic insurer. All transactions within a holding company system affecting domestic insurers must be determined to be fair and reasonable.

As a result of the NAIC's Solvency Modernization Effort, which dates back to 2008, in 2014, the NAIC adopted the Corporate Governance Annual Disclosure Model Act, which has been enacted by our lead state of Iowa, as well as our domestic states of Texas and North Dakota. The model law requires insurers to make an annual confidential filing regarding their corporate governance policies. In addition, the NAIC adopted the Risk Management and Own Risk and Solvency Assessment Model Act ("ORSA"), which also has been adopted by Iowa, Texas and North Dakota. ORSA requires insurers to maintain a risk management framework and conduct an internal risk and solvency assessment of the insurer's material risks in normal and stressed environments. Many state insurance holding company laws, including those of Iowa, Texas and North Dakota, have also been amended to require insurers to file an annual confidential enterprise risk report with their lead state regulator, disclosing material risks within the entire holding company system that could pose an enterprise risk to the insurer.

Change of Control. The insurance holding company laws and regulations generally provide that no person, corporation, or other entity may acquire control of a domestic insurance company, or a controlling interest in any parent company of such insurance company, without the prior approval of the insurance company's domestic state regulator. A person who acquires, directly or indirectly, 10% or more of the voting interests of an insurance company is presumptively considered to have acquired control of the insurer, although such presumption may be rebutted by a showing that control does not in fact exist. The domestic state regulator may also find that control exists in circumstances in which a person owns or controls less than 10% of voting interest. To obtain approval of any change in control, the proposed acquirer must file an application disclosing, among other information, its background, financial condition, the financial condition of its affiliates, the source and amount of funds by which it will affect the acquisition, the criteria used in determining the nature and amount of consideration to be paid for the acquisition, proposed changes in the management and operations of the insurance company and other related matters.

State Dividend Limitations. Under Texas and North Dakota law, respectively, AAIC and Aspen Specialty may only pay dividends out of earned surplus as distinguished from contributed surplus. In addition, under Texas and North Dakota law, an insurance company's policyholder surplus after payment of a dividend must be reasonable in relation to its outstanding liabilities and adequate for its financial needs.

In addition, Texas and North Dakota law generally limit the ability of AAIC or Aspen Specialty to pay dividends above a specified level, without prior regulatory approval. Dividends or distributions in excess of specified level are deemed "extraordinary" and are subject to prior notice to and approval of the applicable state insurance regulator. The maximum amount of ordinary dividend that can be paid without prior regulatory approval is the greater of 10% of a company's surplus as of December 31 of the preceding year, or the amount of net income from the preceding fiscal year.

Aspen U.S. Holdings, Inc. ("Aspen U.S. Holdings") must also meet its own dividend eligibility requirements under Delaware corporate law in order to distribute any dividends received from AAIC. In particular, any dividend paid by Aspen U.S. Holdings must be declared out of surplus or net profits.

State Risk-Based Capital Regulations. U.S. insurers are subject to risk-based capital ("RBC") guidelines that provide a method to measure the total adjusted capital (statutory capital and surplus plus other adjustments) taking into account the specific risk characteristics of the insurer's investments and products. The risk-based capital requirement for property and casualty insurers measures: (i) underwriting risk, which is the risk of errors in pricing and reserves; (ii) asset risk, which is the risk of asset default for fixed assets and loss-in-market value for equity assets; (iii) credit risk, which is the risk of losses from unrecoverable reinsurance and the inability of insurers to collect agents' balances and other receivables; and (iv) off-balance sheet risk, which is primarily the risk created by excessive growth. The capital requirements for each risk category are determined by applying specified factors to assets, premiums, reserves and other items, with higher factors for items with greater underlying risk and lower factors for items with less risk. The formula is used by insurance regulators as an early warning tool to identify deteriorating or weakly capitalized companies for the purpose of initiating corrective company action or regulatory action. Insurers having less statutory surplus than required by the RBC model formula will be subject to varying degrees of regulatory action depending on the level of capital inadequacy. As of December 31, 2024, AAIC and Aspen Specialty exceeded the levels that would require company action or regulatory action.

Guaranty Fund Assessments and Residual Market Mechanisms. Most states require licensed insurance companies to participate in guaranty funds in order to provide funds for payment of losses for insurers which have become insolvent. Assessments are generally between 1% and 2% of annual premium written in the state. Some states also require licensed and admitted insurers to participate in various state residual market mechanisms whose goal is to provide affordability and availability of insurance to those clients who may not otherwise be able to obtain insurance, including, for example catastrophe insurance in high-risk areas. If losses exceed the funds, the pool is available to pay those losses. The pools have the ability to assess insurers to provide additional funds to the pool. The amounts of the assessment for each company are normally based upon the proportion of each insurer's (and in some cases the insurer's and its affiliates') written premium for coverages similar to those provided by the pool, and are frequently uncapped.

Cybersecurity and Privacy Laws and Regulations. Federal and state laws and regulations require financial institutions, including insurers, to protect, among other things, the security and confidentiality of personally identifiable information and nonpublic personal information, to notify customers and other individuals about their policies and practices relating to their collection and disclosure of customer information and their practices relating to protecting the security and confidentiality of that information, and to notify regulators and consumers in the event of certain data breaches affecting personal information. Federal and state laws and regulations also regulate the ability of financial institutions to make telemarketing calls and to send unsolicited e-mail or fax messages to consumers and customers. The Gramm-Leach-Bliley Act ("GLBA") requires financial institutions to implement administrative, technical, and physical safeguards to ensure the confidentiality, integrity, security, and proper disposal of nonpublic personal information, as well as limitations on the re-disclosure and re-use of such information.

In 2017, cybersecurity rules took effect for financial institutions, insurers and certain other companies supervised by the New York Department of Financial Services (the "NYDFS Cybersecurity Regulation"), such as AAIC, which is licensed in New York. The NYDFS Cybersecurity Regulation imposes significant regulatory requirements intended to protect the confidentiality, integrity and availability of information systems, and the information stored within, such as requirements regarding governance, incident planning, training, data management, system testing and regulator notification in the event of certain cybersecurity events. On November 1, 2023, NYDFS announced its adoption of the second amendment of the NYDFS Cybersecurity Regulation, which includes updated requirements related to: governance; controls to prevent unauthorized access to information systems, such as password controls and monitoring; risk and vulnerability assessment requirements; notification requirements; and cybersecurity training. We anticipate that the NYDFS will continue to examine the cybersecurity programs of financial institutions in the future and such examinations may result in additional expenditure of resources and regulatory scrutiny.

In 2017, the NAIC also adopted the Insurance Data Security Model Law (the "Cybersecurity Model Law"). The Cybersecurity Model Law requires insurers, insurance producers and other entities required to be licensed under state insurance laws to comply with certain requirements under state insurance laws, such as developing and maintaining a written information security program, overseeing the data security practices of third-party vendors, and providing notice of certain data breaches. As with all NAIC model laws, this Insurance Data Security Model Law must be adopted by a state before becoming law in such state. The Cybersecurity Model Law closely resembles the NYDFS Cybersecurity Regulation and, as of February 1, 2025, a version of the Cybersecurity Model Law has been adopted by more than 25 U.S. states.

Several states have enacted broad comprehensive data privacy laws that require businesses in scope to disclose information about their privacy practices and give state residents rights to access, delete, and correct their personal information and to opt out of the use of their information for targeted advertising, profiling that results in the provision or denial of decisions including insurance services, and from having their personal information sold to third parties. Most of these laws broadly exempt entities covered by the GLBA or insurers more generally. However, in 2018 California enacted the California Consumer Privacy Act ("CCPA"), which came into effect on January 1, 2020, and broadly regulates the collection, processing and disclosure of the personal information of California residents, imposes limits on the "sale" of personal information and grants California residents certain rights to, among other things, access and delete data about them in certain circumstances. CCPA also established a private right of action, with potentially significant statutory damages, whereby businesses that fail to implement reasonable security measures to protect against breaches of personal information could be liable to affected consumers. The CCPA was expanded substantially on January 1, 2023, when the California Privacy Rights Act of 2020 ("CPRA") amendments to the CCPA became fully operative. The amended CCPA, among other things, gives California residents the ability to limit use of certain sensitive personal information, further restricts the use of cross-contextual advertising, establishes restrictions on the retention of personal information, expands the types of data breaches subject to the CCPA's private right of action, provides for increased penalties for CCPA violations concerning California residents under the age of 16, and establishes a new California Privacy Protection Agency to implement and enforce the new law. While there is currently an exception for personal information that is subject to the GLBA and the California Financial Information Privacy Act, the CCPA may impact certain of our business activities, such as employment, job applicants, and business-to-business settings. Additionally, this exception does not apply to the private cause of action afforded to individuals for information security incidents.

Multiple states have followed California to legislate comprehensive privacy laws with data privacy rights and have enacted similar legislation which will go into effect in the coming years. While these new laws generally include exemptions for GLBA-covered data or GLBA regulated entities or their affiliates, they add layers of complexity to compliance in the U.S. market, and could increase our compliance costs and adversely affect our business.

The use of artificial intelligence ("AI") in the insurance industry is increasingly the subject to state law, regulation, and guidance, as well as certain NAIC undertakings.

For example, Colorado has enacted an insurance AI law that prohibits insurers from using algorithms or predictive models that use external consumer and information data sources in any way that unfairly discriminates and regulations implementing this law for life insurers that require them to establish internal governance and risk management frameworks that address potential discriminatory effects. Similar guidance has been issued by other state insurance regulators, including NYDFS and insurance regulators in California and Connecticut. AI use in the insurance industry may be a focus for state legislators and regulators into the foreseeable future.

Issues surrounding the use of AI are also a focus for the NAIC. In 2020, the NAIC adopted the Artificial Intelligence (AI) Guiding Principles related to artificial intelligence, its use in the insurance sector, and its impact on consumer protection and privacy, marketplace dynamics and the state-based insurance regulatory framework. In December 2023, the NAIC adopted a model bulletin, The Use of Artificial Intelligence Systems in Insurance, (the "AI Bulletin"), designed to foster uniformity among state insurance regulators regarding expectations for insurance carriers deploying AI. These initiatives have largely come from the NAIC Innovation, Cybersecurity, and Technology (H) Committee and various related working groups focused on the uses of AI in the insurance industry and the development of regulatory frameworks. States have started to adopt the AI Bulletin, which outlines how insurance regulators should govern the development, acquisition and use of AI technologies, as well as the types of information that regulators may request during an investigation or examination of an insurer in regard to AI systems.

We expect that issues related to the use of AI will continue to be an area of focus of the federal government, state legislators and insurance regulators, and the NAIC. We cannot predict what, if any, changes to laws and regulations may be enacted with regard to AI, or the impact any such legislation may have on our business practices, results of operations or financial condition.

Additionally, the NAIC and state insurance regulators have been focused on addressing unfair discrimination in the use of consumer data and technology, and some states have passed laws or introduced legislation targeting unfair discrimination practices. For example, in July 2021, Colorado adopted legislation that restricts the use of consumer data sources, algorithms, and predictive models that unfairly discriminate against an individual based on race, color, national or ethnic origin, religion, sex, sexual orientation, disability or transgender status and would provide the Colorado insurance commissioner with broad rule-making and enforcement authority. Pursuant to such legislation, in September 2023, the Colorado insurance commissioner adopted rules, focused solely on the life insurance industry, establishing expansive requirements for insurers using external consumer data and information sources to establish internal governance and risk management frameworks to ensure that such use does not result in unfairly discriminatory insurance practices. Also, in September 2023, Colorado released a draft artificial intelligence testing regulation for life insurance underwriting to complement the rules that were recently adopted. Several states have also issued guidance regarding the use of big data technology in compliance with anti-discrimination laws. Colorado also recently enacted a comprehensive AI law, Consumer Protections for Interactions with Artificial Intelligence, which will go into effect on February 1, 2026 and will apply to "high-risk AI systems" which include AI systems used in insurance and financial or lending services.

Operations of Aspen UK and Syndicate 4711. As stated above, Aspen UK and Syndicate 4711, are eligible to write surplus lines business as alien, non-admitted insurers in all 50 U.S. states, the District of Columbia and other U.S. jurisdictions. Because Aspen UK and Syndicate 4711 are not licensed under the laws of any U.S. state, U.S. solvency regulation tools otherwise applicable to admitted insurers do not generally apply to them. However, Aspen UK and Syndicate 4711 are subject to federal and state incidental regulations in areas such as those pertaining to federal and state reporting related to terrorism coverage and post-disaster emergency orders.

Credit for Reinsurance. Aspen UK and Aspen Bermuda also provide reinsurance to U.S. cedants. In general, a U.S. domiciled ceding company that obtains reinsurance from a reinsurer that is licensed, accredited or approved by the jurisdiction in which the ceding company is domiciled is permitted to reflect in its statutory financial statements a credit in an aggregate amount equal to the liability for unearned premiums and loss reserves and loss expense reserves ceded to the reinsurer. Many jurisdictions also permit ceding companies to take credit on their statutory financial statements for reinsurance obtained from unlicensed or non-admitted reinsurers if certain prescribed security arrangements are made. Aspen UK and Aspen Bermuda have obtained approval of a multi-beneficiary trust arrangement that satisfies the credit for reinsurance requirements for their U.S. customers. Generally, the minimum trust fund amount is $20.0 million plus an amount equal to 100% of a reinsurer's U.S. reinsurance liabilities collateralized under this arrangement. Aspen Bermuda has obtained approval to post reduced collateral with respect to obligations owed to cedants domiciled in Florida, New York and North Dakota (i.e., 50% versus 100%).

The Dodd-Frank Act authorized the U.S. Department of the Treasury and the Office of the U.S. Trade Representative to negotiate covered agreements governing certain matters relating to insurance with foreign jurisdictions, including reinsurance collateral, group supervision and exchange of information between supervisory authorities. Such covered agreements could pre-empt state insurance laws. Pursuant to this authority, in September 2017, the U.S. federal authorities and the European Union signed a covered agreement (the "E.U. Covered Agreement") to address, among other things, group supervision and reinsurance collateral requirements and, in anticipation of Brexit, the United States and the United Kingdom signed a covered agreement in December 2018 consistent with the U.S. and E.U. agreement (the "U.K. Covered Agreement" and, together with the E.U. Covered Agreement, the "Covered Agreements"). The United States also released a "Statement of the United States on the Covered Agreement with the European Union" (the "Policy Statement") providing the U.S.'s interpretation of certain provisions in the E.U. Covered Agreement. In terms of reinsurance, both Covered Agreements eliminate collateral and local presence requirements for alien reinsurers that satisfy certain criteria, including being domiciled in a "reciprocal jurisdiction." In 2019 the NAIC adopted additional revisions to its Credit for Reinsurance Model Law and Model Regulation (together, the "2019 Amended Credit for Reinsurance Model Act") to conform to the reinsurance collateral elimination requirements of the Covered Agreements. Texas and North Dakota adopted the 2019 Amended Credit for Reinsurance Model Act. The NAIC has approved Bermuda as a "reciprocal jurisdiction." As of the date of this report, Aspen Bermuda has been approved as a reciprocal jurisdiction reinsurer eligible for zero collateral in all 50 states.

Developing International Matters and Group Capital. In November 2019, the International Association of Insurance Supervisors ("IAIS") adopted the Common Framework for the Supervision of Internationally Active Insurance Groups ("ComFrame"). ComFrame is applicable to entities that meet the IAIS's criteria for internationally active insurance groups ("IAIGs") and are designated as such. ComFrame establishes international standards for the designation of a group-wide supervisor for each IAIG and for the imposition of group supervision, group capital requirements, uniform standards for insurer corporate governance, enterprise risk management and other control functions and resolution planning applicable to an IAIG in addition to the current legal entity capital requirements imposed by relevant insurance laws and regulations. The NAIC has also promulgated amendments to the insurance holding company system model law that addresses supervision of IAIGs to allow state insurance regulators in the United States to be designated as group-wide supervisors for U.S.-based IAIGs or acknowledge another regulatory official acting as the group wide supervisor of an IAIG. In November 2019, the IAIS also adopted a revised version of the risk-based global insurance capital standard ("ICS"), which is the group capital component of ComFrame.

In December 2020, the NAIC adopted a group capital calculation ("GCC") tool using an RBC aggregation methodology for all entities within an insurance holding company system group, including non-U.S. entities, and is seeking effective equivalency of such tool to the ICS for U.S.-based IAIGs. The NAIC has also adopted changes to the insurance holding company system model law to require, subject to certain exceptions, the ultimate controlling person of every insurer subject to the holding company registration requirement to file an annual GCC with its lead state regulator. The goal is to provide U.S. regulators with a method to aggregate the available capital and the minimum capital of each entity in a group in a way that applies to all groups regardless of their structure. The Policy Statement with respect to the U.S. participation under the Covered Agreements also provides that the United States expects that the GCC will satisfy the group capital assessment requirement under each of the Covered Agreements. The NAIC has stated that the calculation will be a regulatory tool and will not constitute a requirement or standard. It is not possible to predict what impact any such regulatory tool may have on our business.

On February 6, 2024, the Iowa Insurance Division identified Apollo as meeting the criteria as an IAIG and further identified Athene Holding Ltd. ("Athene Holding") as the head of the IAIG, which is the uppermost entity to which obligations associated with being an IAIG designation attach. The Iowa Insurance Division also identified itself as the Group-Wide Supervisor for Apollo (in a distinct capacity from its role as supervisor for Athene Holding). The Iowa Insurance Division has been effectively serving in this role for a significant period of time; this identification is a formalization of Apollo and the Iowa Insurance Division's existing relationships and processes. As a result of Apollo's designation as an IAIG, we may be subject to a group capital calculation consistent with or comparable to international capital standards in that context. It is possible that the development of these international standards will have an impact on our capital position and capital structure in the future, and Apollo's designation as an IAIG may result in additional operational, reporting, regulatory or similar requirements. We cannot predict with any degree of certainty the additional capital requirements, compliance costs or other burdens these requirements may impose on us.

Legal Proceedings

Similar to the rest of the insurance and reinsurance industry, we are subject to litigation and arbitration in the ordinary course of our business, which could include matters relating to notable natural catastrophe and man-made loss events, such as in relation to the Russian invasion of Ukraine, the Israel-Hamas conflict and COVID-19. Our subsidiaries are regularly engaged in the investigation, conduct and defense of disputes, or potential disputes, resulting from questions of insurance and reinsurance coverage or claims activities. Pursuant to our insurance and reinsurance arrangements, many of these disputes are resolved by arbitration or other forms of alternative dispute resolution. In some jurisdictions, notably the United States, a failure to deal with such disputes or potential disputes in an appropriate manner could result in an award of "bad faith" punitive damages against our Operating Subsidiaries. In addition, we may be subject to lawsuits and regulatory actions in the normal course of business that do not arise from, or directly relate to, insurance and reinsurance coverage or claims. This category of litigation typically involves, among other things, allegations of underwriting errors or omissions, employment claims or regulatory activity.

While any legal or arbitration proceedings contain an element of uncertainty, we do not believe that the eventual outcome of any specific litigation, arbitration or alternative dispute resolution proceedings to which we are currently a party will have a material adverse effect on the financial condition of our business as a whole.

C. Organizational Structure

The Company's ordinary shares are owned by Parent, which is an affiliate of certain investment funds managed by affiliates of Apollo Global Management, Inc., a leading global investment manager. The common stock of Apollo Global Management, Inc. and certain preferred shares of its subsidiary, Apollo Asset Management, Inc., are publicly traded on the NYSE.

The Company's principal operating subsidiaries at December 31, 2024 are as follows:

Name of Subsidiary	Jurisdiction of Incorporation	Ultimate Ownership Interest Held by AIHL
Aspen American Insurance Company	Texas	100.0%
Aspen Bermuda Limited	Bermuda	100.0%
Aspen Insurance UK Limited	United Kingdom	100.0%
Aspen Specialty Insurance Company	North Dakota	100.0%
Aspen Underwriting Limited*	United Kingdom	100.0%

* AUL (as the sole corporate member of Syndicate 4711 which is managed by AMAL; AUL also contributes capital as a corporate member of Carbon Syndicate 4747).

Refer to Exhibit 8.1 to this report for a listing of all the Company's direct and indirect wholly-owned subsidiaries as at December 31, 2024.

D. Property, Plants and Equipment

We lease office space in Hamilton, Bermuda, where we are headquartered. In addition, the Company and its subsidiaries lease office space in the United States, the United Kingdom, Puerto Rico, Singapore and Switzerland. We renew and enter into leases in the ordinary course of business as required. For more information on our leasing arrangements, refer to Item 18, Note 19 of our consolidated financial statements, "Operating Leases."

Item 4A. Unresolved Staff Comments

Not applicable.

Item 5. Operating and Financial Review and Prospects

The following is a discussion and analysis of our financial condition and results of operations for the twelve months ended December 31, 2024 and 2023. This discussion and analysis should be read in conjunction with our audited consolidated financial statements and related notes contained in Item 18 of this report. The discussion below includes forward-looking statements, which, although based on assumptions that we consider reasonable, are subject to risks and uncertainties which could cause actual events or conditions to differ materially from those expressed or implied by the forward-looking statements. See Item 5G, "Safe Harbor" below and Item 3D, "Risk Factors" of this report for a discussion of risks and uncertainties. The discussions below include certain measurements that are considered "non-GAAP financial measures" under SEC rules and regulations. See Item 5H, "Reconciliation of Non-GAAP Financial Measures" for definitions and tables that reconcile these measures to U.S. GAAP.

For a discussion and analysis of our results of operations for 2023 compared to 2022, refer to the disclosures set forth under the heading "Item 5, Operating and Financial Review and Prospects — A. Operating Results", on pages 77-94 of our Annual Report on Form 20-F for the year ended December 31, 2023, filed with the SEC on April 1, 2024.

Executive Overview

We are pleased to report another strong performance across our underwriting and investment portfolios, and from Aspen Capital Markets ("ACM"). Aspen's continued focus on underwriting discipline and operational performance resulted in a combined ratio of 87.9% (adjusted combined ratio of 86.8%) and our net income before tax increasing to $464.1 million from $402.6 million in 2023. This strong performance has resulted in an operating income of $432.5 million, representing an increase of 17.7% over 2023.

Our 2024 results reflect the work we have done over a number of years to reshape our business to drive robust and sustainable value creation. We continue to build a diversified business with meaningful contributions from each of our core earning engines, underwriting, investments and capital market fees, while significantly reducing exposure.

Underwriting Performance. The Company reported an underwriting income of $345.8 million (adjusted underwriting income of $380.8 million) in the twelve months ended December 31, 2024, up from $326.8 million ($355.3 million adjusted underwriting income) in the twelve months ended December 31, 2023. This has resulted in a combined ratio of 87.9% (adjusted combined ratio of 86.8%) compared to 87.5% (adjusted combined ratio of 86.4%) in 2023.

Active management of the portfolio and management's initiatives to mitigate exposure are part of continued portfolio optimization aimed at focusing on classes where Aspen has a distinct market relevance and ability to achieve superior underwriting results. We have exited programs that did not meet our pricing expectations and reduced exposure in certain lines due to concerns around market conditions. By restructuring our approach to buying reinsurance, leveraging our ACM platform and reducing PMLs, we are reducing our catastrophe volatility while maintaining a presence in catastrophe reinsurance.

The business continues to benefit from the LPT agreement with Enstar, which closed in 2022. It has positively impacted our overall capital position and enabled the deployment of capital into the continued attractive market environment, while significantly improving the protection of our balance sheet and future earnings from the potential impact of the reserve volatility on 2019 and prior accident years. As at December 31, 2024, we estimate that we have approximately $379 million of remaining limit available under the terms of the LPT (As at December 31, 2023 — $420 million).

Aspen Capital Markets. ACM reported total fee income of $169.0 million for the twelve months ended December 31, 2024 compared to $135.5 million in 2023, an increase of $33.5 million. This fee income is reflected as an offset to our acquisition costs and therefore benefits underwriting income. Our capital markets franchise has continued to grow with sourced third-party capital increasing to $2,207.4 million at the end of 2024, up from $1,662.6 million at the end of 2023. Our ability to grow and diversify the capital we source, notwithstanding a challenging environment, supports our core proposition that capital markets investors are key partners in Aspen's future growth and innovation efforts.

Investment Performance. In 2024, we generated net investment income of $318.0 million (2023 — $275.7 million), an increase of 15.3% from the prior year. The increase in net investment income was due to the active repositioning of our investments during attractive market conditions to take advantage of higher interest rates. The book yield on the fixed income securities portfolio as at December 31, 2024, was 4.2% compared with 3.8% as at December 31, 2023.

For the year ended December 31, 2024, the Company recognized net realized and unrealized investment losses of $49.5 million (2023 — gains of $14.5 million). This is largely due to realized losses resulting from the active rotations of the investment portfolio and our privately-held investments, partially offset by unrealized gains attributable to market movements.

]A. Operating Results

Our consolidated financial statements are prepared in accordance with U.S. GAAP. The discussions that follow include tables and commentary relating to our consolidated income statement and our segmental operating results for the twelve months ended December 31, 2024, 2023 and 2022 and should be read in conjunction with our audited consolidated financial statements and related notes contained in this report. This discussion contains forward-looking statements that involve risks and uncertainties and that are not historical facts, including statements about our beliefs and expectations. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of various factors, including those discussed below and particularly under the headings "Risk Factors," "Business Overview" and "Cautionary Statement Regarding Forward-Looking Statements" contained in Item 3D and Item 4, and the Explanatory Note of this report, respectively.

Operating highlights

- Gross written premiums of $4,609.3 million in 2024 increased by 16.2% from 2023, primarily due to a combination of increased rates, new business growth, and growth in new and existing partnership arrangements.
- Overall underwriting income of $345.8 million (combined ratio of 87.9%) for 2024, including $187.3 million, or 6.5 combined ratio points, of pre-tax catastrophe losses related to significant industry events, including Hurricane Milton, floods in Dubai, Hurricane Helene, the Francis Scott Key Bridge event and other weather-related events. Underwriting income of $326.8 million (combined ratio of 87.5%) for 2023, which included $120.1 million, or 4.6 combined ratio points, of pre-tax catastrophe losses, related to significant industry events, including Hurricane Idalia, wildfires in Hawaii, the earthquake in Morocco, Cyclone Gabrielle and other weather-related events.
- Net adverse prior year loss reserve development, on accident years 2020 onwards, of $0.6 million, or 0.0 combined ratio points for 2024, compared with net adverse development for 2023 of $32.3 million, or 1.2 combined ratio points.
- Adjusted underwriting income of $380.8 million (adjusted combined ratio of 86.8%) for 2024 includes an adjustment to remove a loss of $35.0 million for the net impact of the LPT. Adjusted underwriting income represents the performance of our business for accident years 2020 onwards. Adjusted underwriting income of $355.3 million (adjusted combined ratio of 86.4%) for 2023 included an adjustment to remove a loss of $28.5 million for the net impact of the LPT.
- Our capital markets business contributed total fee income of $169.0 million in the twelve months ended December 31, 2024, an increase of $33.5 million compared to $135.5 million in 2023. Income from ACM's activities represents ceding commissions and is accounted for as a reduction to acquisition expenses. Third-party capital grew to $2,207.4 million as at December 31, 2024, compared with $1,662.6 million at December 31, 2023.
- Operating return on average equity was 19.4% for 2024 compared with 20.2% in 2023.

Shareholders' equity

Total shareholders' equity increased by $463.4 million, or 15.9%, from $2,908.5 million as at December 31, 2023 to $3,371.9 million as at December 31, 2024, the most significant movements of which were as follows:

- an increase of $236.2 million in retained earnings due to net income of $486.1 million, partially off-set by $195.0 million in dividends on our Ordinary Shares and $54.9 million in dividends on our Preference Shares
- other comprehensive income of $10.2 million, which included $29.4 million of net unrealized gains on available for sale investments, a $14.1 million net loss in foreign currency translation on investments classified as available for sale and a $5.1 million net loss in the value of hedged foreign exchange contracts;
- an increase in shareholders' equity of $217.0 million, comprising of $225.0 million of total liquidation preference less issuance expenses of $8.0 million, relating to the issuance of 9,000,000 depository shares. Each depository share represents 1/1000th interest in a share of the newly designated 7.000% Perpetual Non-Cumulative Preference Shares; and
- on January 1, 2025, the Company redeemed all 11,000,000 shares of its issued and outstanding 5.950% Fixed-to-Floating Rate Perpetual Non-Cumulative Preference Shares. The redemption price was paid on January 2, 2025. To facilitate this redemption, the funds of $275.0 million were transferred to a third party transfer agent on December 30, 2024 and are included in other assets in the consolidated balance sheet. For further details, refer to Note 26, "Subsequent Events" of our audited consolidated financial statements.

As at December 31, 2024, our total shareholders' equity included Preference Shares of $1,000.0 million less issue costs of $29.5 million (2023 — $775.0 million less issue costs of $21.5 million).

Consolidated Group Result

	Twelve Months Ended December 31,		
	2024	2023	2022
	($ in millions, except for percentages)		
Underwriting Revenues			
Gross written premiums	$ 4,609.3	$ 3,967.6	$ 4,338.7
Net written premiums	2,942.6	2,581.9	2,896.0
Net earned premiums	2,889.7	2,614.5	2,688.7
Underwriting Expenses			
Losses and loss adjustment expenses	(1,717.8)	(1,553.0)	(1,680.0)
Acquisition costs	(420.2)	(380.2)	(431.8)
General and administrative expenses	(405.9)	(354.5)	(386.5)
Underwriting income	$ 345.8	$ 326.8	$ 190.4
Other Income and Expense			
Corporate and other net expenses [1]	$ (97.3)	$ (114.0)	$ (83.6)
Non-operating expenses	(29.9)	(35.1)	(36.0)
Net investment income	318.0	275.7	188.1
Realized and unrealized investment (losses)/gains	(49.5)	14.5	(177.6)
Change in fair value of derivatives	(21.1)	26.1	(80.5)
Interest expense	(62.1)	(55.2)	(43.7)
Net realized and unrealized foreign exchange gains/(losses)	60.2	(36.2)	15.9
Income/(loss) before income tax	464.1	402.6	(27.0)
Income tax benefit	22.0	132.1	78.1
Net income	486.1	534.7	51.1
Preference share dividends	(54.9)	(49.9)	(44.6)
Net income available to ordinary shareholders	$ 431.2	$ 484.8	$ 6.5
Other Metrics			
Loss ratio	59.4 %	59.4 %	62.5 %
Expense ratio	28.5	28.1	30.5
Combined ratio	87.9 %	87.5 %	93.0 %
Adjusted combined ratio [2] [3]	86.8 %	86.4 %	92.4 %
Adjusted underwriting income [2] [3]	$ 380.8	$ 355.3	$ 205.5
Operating income [3]	$ 432.5	$ 367.6	$ 202.3
Operating return on average equity [3]	19.4 %	20.2 %	11.9 %
Total return on average cash and investments, pre-tax	4.0 %	5.7 %	(5.1)%

(1) Corporate and other net expenses includes corporate expenses, other income and other expenses.

(2) The adjusted underwriting income and adjusted combined ratio remove the impact of the change in deferred gain on retroactive reinsurance contracts in order to match the loss recoveries under the LPT contract with the underlying loss development of the assumed net loss reserves for the subject business of 2019 and prior accident years. The adjusted underwriting income and adjusted combined ratio represent the performance of our business for accident years 2020 onwards, which management believe reflects the underlying underwriting performance of the ongoing portfolio.

(3) These metrics are non-GAAP financial measures as defined under SEC rules and regulations. Refer to “Reconciliation of Non-GAAP Financial Measures” for further details.

Gross written premiums

The following table sets forth the gross written premiums for our two business segments in the twelve months ended December 31, 2024, 2023 and 2022 and the percentage change in gross written premiums:

Business Segment	Gross Written Premiums for the Twelve Months Ended December 31,				
	2024		2023		2022
	($ in millions)	% change	($ in millions)	% change	($ in millions)
Reinsurance	$ 1,885.8	24.0 %	$ 1,521.0	(15.8)%	$ 1,807.0
Insurance	2,723.5	11.3 %	2,446.6	(3.4)%	2,531.7
Total	$ 4,609.3	16.2 %	$ 3,967.6	(8.6)%	$ 4,338.7

Overall gross written premiums increased by 16.2% in 2024 compared to 2023. Gross written premiums in our Reinsurance segment increased by 24.0% in 2024 compared to 2023, with growth across all lines of business. We saw significant growth in the casualty reinsurance line of business with increased premiums from both existing clients and new business, as a result of a strong rate environment, exposure growth and strategic line size growth resulting from the execution of global client strategies. The remaining lines of business grew modestly predominantly due to a combination of new business growth, a stronger rate environment within the property catastrophe line of business, and positive premium adjustments within our other property reinsurance business.

Gross written premiums in our Insurance segment increased by 11.3%, with growth achieved across most lines of business. We saw significant growth in our other insurance line of business as a result of our new partnership with Ki, offering digital follow capacity through Ki's Lloyd's platform, as well as continued growth in Carbon Syndicate 4747. We also recognized increases in gross written premiums in both our casualty and liability insurance, and specialty insurance lines of business, largely driven by favorable market conditions. We were able to achieve modest growth in our financial and professional lines insurance line of business, despite a depressed IPO and M&A environment globally. This growth was partially offset by a reduction in gross written premiums in our first party insurance business, driven by strategic exits from specific business lines and increased competition in our property business.

Ceded written premiums

The following table sets forth the ceded written premiums for our two business segments in the twelve months ended December 31, 2024, 2023 and 2022 and the percentage change in ceded written premiums:

Business Segment	Ceded Written Premiums for the Twelve Months Ended December 31,				
	2024		2023		2022
	($ in millions)	% change	($ in millions)	% change	($ in millions)
Reinsurance	$ 610.1	44.2 %	$ 423.0	11.1 %	$ 380.6
Insurance	1,056.6	9.8 %	962.7	(9.4)%	1,062.1
Total	$ 1,666.7	20.3 %	$ 1,385.7	(4.0)%	$ 1,442.7

Total ceded written premiums in 2024 increased by $281.0 million, or 20.3%, compared to 2023. Changes in our reinsurance program decreased our retention ratio, which is defined as net written premiums as a percentage of gross written premiums, from 65.1% in 2023 to 63.8% in 2024. Ceded written premiums increased for our Reinsurance segment, primarily due to an increase in the level of reinsurance purchased to protect our property catastrophe reinsurance and casualty reinsurance business lines, including higher cessions to our capital markets partners. Ceded written premiums increased for our Insurance segment in line with the growth in gross written premiums, with the retention ratio remaining consistent year on year.

Net earned premiums

The following table sets forth the net earned premiums for our two business segments in the twelve months ended December 31, 2024, 2023 and 2022 and the percentage change in net earned premiums:

Business Segment	Net Earned Premiums for the Twelve Months Ended December 31,				
	2024		2023		2022
	($ in millions)	% change	($ in millions)	% change	($ in millions)
Reinsurance	$ 1,305.7	13.1 %	$ 1,154.5	(7.8)%	$ 1,251.8
Insurance	1,584.0	8.5 %	1,460.0	1.6 %	1,436.9
Total	$ 2,889.7	10.5 %	$ 2,614.5	(2.8)%	$ 2,688.7

Net earned premiums increased by $275.2 million, or 10.5%, in 2024 compared to 2023 due to an increase of $381.0 million in gross earned premiums, partially offset by an increase of $105.8 million in ceded earned premiums in the twelve months ended December 31, 2024.

Losses and loss adjustment expenses

We have presented the different components of the loss ratios, including adjusting for the impact of the LPT, which includes changes in retroactive reinsurance contracts as we believe that the presentation of adjusted loss ratios reflects the underlying performance of the ongoing portfolio. Additionally, we have also presented current year loss ratios (excluding the impact of catastrophe losses), the impact of catastrophe losses and prior year development for accident years that are not covered by the LPT.

	Twelve Months Ended December 31,					
	2024		2023		2022	
	Net Loss Expense	Loss Ratio	Net Loss Expense	Loss Ratio	Net Loss Expense	Loss Ratio
	($ in millions)	%	($ in millions)	%	($ in millions)	%
Current accident year losses, excluding catastrophe losses	$ 1,494.9	51.8 %	$ 1,372.1	52.5 %	$ 1,345.1	50.0 %
Catastrophe losses	187.3	6.5	120.1	4.6	306.8	11.4
Current accident year	1,682.2	58.3	1,492.2	57.1	1,651.9	61.4
Prior year adverse reserve development — Post-LPT years	0.6	—	32.3	1.2	13.0	0.5
Adjusted losses and loss adjustment expenses [1]	1,682.8	58.3	1,524.5	58.3	1,664.9	61.9
Impact of the LPT	35.0	1.1	28.5	1.1	15.1	0.6
Total losses and loss adjustment expenses	$ 1,717.8	59.4 %	$ 1,553.0	59.4 %	$ 1,680.0	62.5 %

(1) Adjusted losses and loss adjustment expenses and the adjusted loss ratio are non-GAAP financial measures as defined under SEC rules and regulations. The calculation of the adjusted loss ratio is presented above. Refer to “Reconciliation of Non-GAAP Financial Measures” for further details.

The overall loss ratio has remained consistent at 59.4% for both 2023 and 2024, with losses and loss adjustment expenses increasing from $1,553.0 million in 2023 to $1,717.8 million in 2024. This was mainly due to the following:

Current accident year losses, excluding the impact of catastrophe losses. Current accident year losses, excluding the impact of catastrophe losses, contributed $1,494.9 million or 51.8 percentage points for 2024 compared to $1,372.1 million or 52.5 percentage points for 2023. The decrease is mainly due to a change in business mix, with increased net earned premium in specialty reinsurance, which attracts a lower loss ratio specifically within its mortgage portfolio, partially offset by an increase in the frequency and severity of losses in financial and professional lines.

Catastrophe losses. Catastrophe losses contributed $187.3 million or 6.5 percentage points for the twelve months ended December 31, 2024 compared to $120.1 million or 4.6 percentage points for the twelve months ended December 31, 2023. Catastrophe losses in 2024 include losses associated with Hurricane Milton, floods in Dubai, Hurricane Helene, the Francis Scott Key Bridge event and other weather-related events. Catastrophe losses in 2023 were defined as losses associated with Hurricane Idalia, wildfires in Hawaii, the earthquake in Morocco, Cyclone Gabrielle and other weather-related events. Refer to Item 4B, “Natural Catastrophe Risk”, for details on our PMLs.

Prior year development on post-LPT years. Reserve development for accident years 2020 onwards, for the twelve months ended December 31, 2024, contributed development of 0.0 percentage points towards the overall loss ratio, while for the twelve months ended December 31, 2023, contributed adverse development of 1.2 percentage points towards the overall loss ratio.

Adjusted losses and loss adjustment expenses. The adjusted losses and loss adjustment expenses relate to the post-LPT accident years and exclude the change in deferred gain associated with retroactive reinsurance contracts. Adjusted losses and loss adjustment expenses represents the performance of our business for accident years 2020 onwards, which we believe reflects the underlying underwriting performance of the ongoing portfolio. Refer to Item 18, Note 2 of our consolidated financial statements, "Basis of Presentation and Significant Accounting Policies" for additional details of the retroactive reinsurance contracts. The adjusted losses and loss adjustment expenses is the basis on which we report adjusted underwriting income and adjusted combined ratio, as well as the basis in which underwriting income contributes to operating income. Refer to Item 5H, "Reconciliation of Non-GAAP Financial Measures", for further details.

Impact of the LPT. The impact of the LPT includes the impact of prior year reserve development on 2019 and prior accident years, net of the change in the deferred gain recognized in relation to retroactive reinsurance contracts which is primarily driven by the LPT, totaling $35.0 million.

Acquisition costs and general and administrative expenses

We monitor the ratio of expenses to net earned premium as a measure of the cost effectiveness of our acquisition costs, and general and administrative expenses. The table below presents the contribution of the acquisition costs, and general and administrative expenses to the net expense ratios for the twelve months ended December 31, 2024, 2023 and 2022.

	Twelve Months Ended December 31,		
Ratios Based on Net Earned Premiums	**2024**	**2023**	**2022**
Acquisition cost ratio	14.5 %	14.5 %	16.1 %
General and administrative expense ratio	14.0 %	13.6 %	14.4 %
Total expense ratio	28.5 %	28.1 %	30.5 %

The acquisition cost ratio remained consistent at 14.5% in both 2023 and 2024, with the movements within the two segments offsetting one another. The Reinsurance segment saw a reduction in the acquisition cost ratio due to increases in ceding commissions resulting from additional reinsurance purchased, including higher cessions to our capital market partners. Whereas the Insurance segment saw an increase in the acquisition cost ratio, largely due to a change in business mix.

The general and administrative expense ratio increased from 13.6% in 2023 to 14.0% in 2024. This increase in general and administrative expenses of $51.4 million, from $354.5 million in 2023 to $405.9 million in 2024, is largely due to an increase in the number of employees, investment in operational excellence enhancements and expense alignment in our functions which support corporate activities.

Aspen Capital Markets

ACM sources third-party capital and develops reinsurance structures that leverage the Company's underwriting and analytical expertise and earns underwriting, management and performance fees from third-party investors primarily through the placement and management of collateralized quota share sidecar vehicles.

The following table sets forth a summary of fee income and third-party capital with respect to our ACM activity, for the twelve months ended December 31, 2024, 2023 and 2022. The increase in fee income was due to the growth achieved in the third-party capital and greater ceded earned premium, including the expansion of our capital markets business into long-tail casualty lines.

	Twelve Months Ended December 31,		
ACM ($ in millions)	**2024**	**2023**	**2022**
Fee income [1]	$ 169.0	$ 135.5	$ 103.9
	As at December 31,		
	2024	**2023**	**2022**
Third-party capital	$ 2,207.4	$ 1,662.6	$ 1,252.7

(1) Fee income earned through cessions to third-party capital vehicles is recorded through underwriting income/(loss) as a decrease to acquisition costs.

Corporate and other expenses

In 2024, we incurred corporate and other expenses of $97.3 million (2023 — $114.0 million). The decrease in corporate and other expenses in 2024 compared to 2023 was due to expense alignment in our functions which support corporate activities.

Non-operating expenses

In 2024, we incurred non-operating expenses of $29.9 million, which included expenses in relation to consulting fees paid to Apollo of $5.0 million, and non-recurring transformation and change activities of $24.9 million.

In 2023, we incurred non-operating expenses of $35.1 million, which included expenses in relation to consulting fees paid to Apollo of $5.0 million, non-recurring transformation and change activities of $25.2 million, a fixed asset write-off of $3.6 million and other non-recurring costs of $1.3 million.

Investment performance

The following table sets forth a summary of total investment returns, average cash and investments and total return on average cash and investments, pre-tax for the twelve months ended December 31, 2024, 2023 and 2022.

	Twelve Months Ended December 31,		
	2024	**2023**	**2022**
	($ in millions, except for percentages)		
Net investment income	$ 318.0	$ 275.7	$ 188.1
Net realized and unrealized investment (losses)/gains	(49.5)	14.5	(177.6)
Change in unrealized gains/(losses) on available for sale securities (before tax) [1]	34.1	126.2	(391.7)
Total investment returns	$ 302.6	$ 416.4	$ (381.2)
Average cash and investments [2]	$ 7,548.1	$ 7,242.8	$ 7,438.0
Total return on average cash and investments, pre-tax	4.0 %	5.7 %	(5.1)%

(1) For a discussion on the change in unrealized gains/(losses) on available for sale securities, please refer to “Other comprehensive income,” below.

(2) Average cash and investments are calculated by taking the average of the opening period and closing period balances for total investments plus cash and cash equivalents.

In the twelve months ended December 31, 2024, net investment income was $318.0 million, an increase of 15.3% from the prior year (2023 — $275.7 million), largely as a result of the active repositioning of our investments during attractive market conditions to take advantage of higher interest rates. The investment portfolio as at December 31, 2024 largely comprises interest income generating fixed income securities. Book yield on the fixed income securities portfolio as at December 31, 2024 was 4.2% compared with 3.8% as at December 31, 2023. Book yield is the yield of the security after adjusting for accretion/amortization of the difference between par value and purchase price.

Total net realized and unrealized investment losses for the twelve months ended December 31, 2024 were $49.5 million (2023 —gains of $14.5 million), which included net unrealized gains of $45.3 million (2023 — gains of $51.8 million). This is due to a combination of net realized losses from disposals of some of our privately-held investments, realized foreign exchange movements and active rotations of the investment portfolio to benefit future net investment income, partially offset by unrealized gains due to market movements.

Change in fair value of derivatives

We use derivative instruments to economically hedge foreign currency exposure, in the form of foreign currency forward contracts. We also hold an embedded derivative relating to the variable interest expense on the funds withheld arrangement included as part of the Company's LPT contract.

For the twelve months ended December 31, 2024, the impact of these derivative contracts on net income was a loss of $21.1 million (2023 — gain of $26.1 million), attributable to foreign exchange contracts that had a loss of $34.0 million (2023 — gain of $10.9 million), partially offset by a gain within the LPT embedded derivative of $12.9 million (2023 — gain of $15.2 million).

Interest expense

The following table sets forth a summary of the interest expense for the twelve months ended December 31, 2024, 2023 and 2022:

	Twelve Months Ended December 31,		
	2024	2023	2022
	($ in millions)		
Interest on LPT Funds Withheld	$ 41.0	$ 39.6	$ 29.4
Interest on 2023 Senior Notes	—	12.6	14.3
Interest and fees on 2026 Term Loan	21.1	3.0	—
Interest expense	$ 62.1	$ 55.2	$ 43.7

The increase in the interest expense for 2024 was primarily driven by an increase in the interest incurred on the Company's debt. During the fourth quarter of 2023, the Company drew down on its term loan facility to repay the then outstanding 2023 Senior Notes. This change in financing facility resulted in a change in the underlying interest rate, from a fixed rate to a variable rate, leading to the increased expense recognized in the twelve months ended December 31, 2024.

Income tax benefit

The following table sets forth the income tax benefit/(expense) by jurisdiction for the twelve months ended December 31, 2024, 2023 and 2022:

	Twelve Months Ended December 31,		
	2024	2023	2022
	($ in millions)		
Bermuda tax	$ (1.3)	$ 201.1	$ —
U.S. tax	(58.3)	(55.4)	88.1
U.K. tax	81.4	(5.4)	(7.0)
Other	0.2	(8.2)	(3.0)
Income tax benefit	$ 22.0	$ 132.1	$ 78.1

The effective tax rate (defined as the tax expense or benefit, divided by the profit or loss before tax), for the twelve months ended December 31, 2024, on profit before tax was (4.7)% (2023 — (32.8)%), driven by a change in judgment about the recoverability of deferred tax assets in the U.K. operating subsidiaries. As a result, the Company has recognized a $106.6 million tax benefit from the reversal of brought forward valuation allowances, relating mostly to Net Operating Losses, Deferred Syndicate Losses and Fixed Assets. We believe that the deferred tax assets of our U.K. operating subsidiaries relating to these items will more likely than not be fully utilized over time, and therefore the previously recognized valuation allowance in relation to these items has been reversed. A valuation allowance of $48.8 million remains against the deferred tax assets of these subsidiaries that we do not expect to be utilized. Refer to Item 18, Note 11 of our consolidated financial statements, "Income Taxes", for further details.

On December 27, 2023, the Government of Bermuda enacted the CIT Act, which applies a 15% corporate income tax to certain Bermuda businesses in fiscal years beginning on or after January 1, 2025. The CIT Act includes a provision referred to as the economic transition adjustment, which is intended to provide a fair and equitable transition into the new tax regime and resulted in the recognition of a deferred tax benefit of $201.1 million in the fourth quarter of 2023.

The effective tax rate is impacted by the relative profitability of the business underwritten in Bermuda, the United Kingdom and the United States, all of which have different income tax rates.

Other comprehensive income

Other comprehensive income, net of taxes, was $10.2 million for the twelve months ended December 31, 2024 (2023 — $106.0 million). Other comprehensive income includes a net unrealized gain on the available for sale investment portfolio of $29.4 million (2023 — net unrealized gain of $105.6 million), which consists of a net unrealized loss of $18.5 million (2023 — $72.0 million net unrealized gain) and a reclassification adjustment of $47.9 million (2023 — $33.6 million loss) related to the realized loss on the sale of available for sale securities. The net unrealized loss was attributable to the impact of rising interest rates on our bond portfolios. The remaining movement is due to an unrealized loss in foreign currency translation on available for sale investments of $14.1 million (2023 — $14.4 million unrealized gain), and a $5.1 million unrealized loss (2023 — $14.0 million unrealized loss) on the hedged derivative contracts.

Underwriting Results by Business Segment

We are organized into two reportable business segments, Reinsurance and Insurance. We have determined our reportable segments by taking into account the manner in which management and ultimately the chief operating decision maker determines operating decisions and assesses operating performance. Profit or loss for each of the business segments is measured by underwriting income or loss. Underwriting profit is the excess of net earned premiums over the sum of losses and loss adjustment expenses, acquisition costs, and general and administrative expenses. Underwriting income or loss provides a basis for management to evaluate the segment's underwriting performance.

Management measures segment results on the basis of the combined ratio, which is obtained by dividing the sum of the losses and loss adjustment expenses, acquisition costs, and general and administrative expenses by net earned premiums.

Non-underwriting disclosures. We provide additional disclosures for corporate and other (non-operating) income and expenses. Corporate and other income and expenses include: corporate and other expenses, non-operating expenses, net investment income, net realized and unrealized investment gains or losses, changes in fair value of derivatives, interest expenses, net realized and unrealized foreign exchange gains or losses, and income taxes. These income and expense items are not allocated to our business segments as they are not directly related to our business segment operations and is consistent with how management measures the performance of its segments. We do not allocate our assets by business segments as we evaluate underwriting results of each segment separately from the results of our investment portfolio.

Segment profit or loss for each of our business segments is measured by underwriting income or loss. Refer to Item 18, Note 3 of our consolidated financial statements, "Segment Reporting" for information on gross and net premiums written and earned, underwriting income or loss, and combined ratios and reserves for each of our business segments.

Reinsurance

Our Reinsurance segment consists of property catastrophe reinsurance, other property reinsurance, casualty reinsurance and specialty reinsurance. For a more detailed description of this segment, refer to Item 4, "Business Overview — Business Segments — Reinsurance" and Item 18, Note 3 of our consolidated financial statements, "Segment Reporting."

	Twelve Months Ended December 31,				
	2024	% Change	2023	% Change	2022
	($ in millions, except for percentages)				
Underwriting Revenues					
Gross written premiums	$ 1,885.8	24.0 %	$ 1,521.0	(15.8)%	$ 1,807.0
Net written premiums	1,275.7	16.2 %	1,098.0	(23.0)%	1,426.4
Net earned premiums	1,305.7	13.1 %	1,154.5	(7.8)%	1,251.8
Underwriting Expenses					
Current accident year net losses and loss expenses, excluding catastrophe losses	570.1	5.8 %	538.6	(7.8)%	584.0
Catastrophe losses	146.8	68.7 %	87.0	(64.5)%	245.1
Prior year reserve development, post LPT years	(0.2)	(103.5)%	5.7	(123.2)%	(24.6)
Adjusted losses and loss adjustment expenses [1]	716.7	13.5 %	631.3	(21.5)%	804.5
Impact of the LPT	24.6	(221.8)%	(20.2)	(40.9)%	(34.2)
Losses and loss adjustment expenses	741.3	21.3 %	611.1	(20.7)%	770.3
Acquisition costs	227.0	8.8 %	208.6	(17.4)%	252.4
General and administrative expenses	141.7	17.5 %	120.6	(15.4)%	142.5
Underwriting income	$ 195.7	(8.6)%	$ 214.2	147.3 %	$ 86.6
Adjusted underwriting income [2]	$ 220.3	13.6 %	$ 194.0	270.2 %	$ 52.4

Ratios		**% Point Change**		**% Point Change**	
Current accident year loss ratio, excluding catastrophe losses	43.7 %	(3.0)	46.7 %	0.1	46.6 %
Catastrophe losses	11.2 %	3.7	7.5 %	(12.1)	19.6 %
Current accident year loss ratio	54.9 %	0.7	54.2 %	(12.0)	66.2 %
Prior year reserve development ratio, post LPT years	— %	(0.5)	0.5 %	2.5	(2.0)%
Adjusted loss ratio [1]	54.9 %	0.2	54.7 %	(9.5)	64.2 %
Impact of the LPT	1.9 %	3.7	(1.8)%	0.9	(2.7)%
Loss ratio	56.8 %	3.9	52.9 %	(8.6)	61.5 %
Acquisition cost ratio	17.4 %	(0.7)	18.1 %	(2.1)	20.2 %
General and administrative expense ratio	10.9 %	0.5	10.4 %	(1.0)	11.4 %
Combined ratio	85.1 %	3.7	81.4 %	(11.7)	93.1 %
Adjusted combined ratio [2]	83.1 %	(0.1)	83.2 %	(12.6)	95.8 %

(1) Adjusted losses and loss adjustment expenses and the adjusted loss ratio are calculated by adjusting the losses and loss adjustment expenses and loss ratio to remove the impact of the LPT. Adjusted losses and loss adjustment expenses and the adjusted loss ratio are non-GAAP financial measures as defined under SEC rules and regulations. The calculations are presented above. Refer to "Reconciliation of Non-GAAP Financial Measures" for further details.

(2) Adjusted underwriting income and the adjusted combined ratio are calculated by adjusting the underwriting income and the combined ratio to remove the impact of the LPT. Adjusted underwriting income and the adjusted combined ratio are non-GAAP financial measures as defined under SEC rules and regulations. The calculations are presented above. Refer to "Reconciliation of Non-GAAP Financial Measures" for further details.

Gross written premiums

The table below shows our gross written premiums for each line of business in our Reinsurance segment for the twelve months ended December 31, 2024, 2023 and 2022 and the percentage change in gross written premiums for each line of business:

Lines of Business	Twelve Months Ended December 31,				
	2024		2023		2022
	($ in millions)	% change	($ in millions)	% change	($ in millions)
Casualty reinsurance	$ 763.3	36.6 %	$ 558.9	(6.3)%	$ 596.4
Property catastrophe reinsurance	430.2	17.3 %	366.6	3.3 %	354.9
Other property reinsurance	408.8	6.4 %	384.2	(10.4)%	428.8
Specialty reinsurance	283.5	34.2 %	211.3	(50.5)%	426.9
Total	$ 1,885.8	24.0 %	$ 1,521.0	(15.8)%	$ 1,807.0

Gross written premiums increased by 24.0% in 2024 compared to 2023. The increase in casualty reinsurance is driven by increases across all casualty reinsurance business lines, due to a combination of new business growth, growth with existing clients and favorable renewals pricing. The increase in property catastrophe reinsurance was primarily due to a stronger rate environment coupled with new business growth. The increase in other property reinsurance was primarily due to new business growth coupled with positive premium adjustments, partially offset by a reduction in reinstatement premiums. The increase in specialty reinsurance was primarily due to new business growth in the mortgage reinsurance, technical lines, and marine portfolios.

Ceded written premiums

Total ceded written premiums in 2024 were $610.1 million, an increase of $187.1 million compared to 2023. The retention ratio decreased from 72.2% in 2023, to 67.6% in 2024, due to an increase in the level of reinsurance purchased protecting our property catastrophe reinsurance and casualty reinsurance business lines, which included higher cessions to our capital markets partners.

Net earned premiums

The table below shows our net earned premiums for each line of business in our Reinsurance segment for the twelve months ended December 31, 2024, 2023 and 2022 and the percentage change in net earned premiums for each line of business:

Lines of Business	Twelve Months Ended December 31,				
	2024		2023		2022
	($ in millions)	% change	($ in millions)	% change	($ in millions)
Casualty reinsurance	$ 456.7	6.6 %	$ 428.5	13.9 %	$ 376.2
Property catastrophe reinsurance	144.0	14.4 %	125.9	(19.9)%	157.2
Other property reinsurance	384.3	8.3 %	354.7	(15.4)%	419.2
Specialty reinsurance	320.7	30.7 %	245.4	(18.0)%	299.2
Total	$ 1,305.7	13.1 %	$ 1,154.5	(7.8)%	$ 1,251.8

Net earned premiums increased by $151.2 million, or 13.1%, in 2024 compared to 2023. The increase was due to a $260.1 million increase in gross earned premiums, partially offset by a $108.9 million increase in ceded earned premiums.

Losses and loss adjustment expenses

The loss ratio was 56.8% in 2024, an increase of 3.9 percentage points compared to 52.9% in 2023. The main drivers of the change in loss ratio were the following:

- Current accident year loss ratio, excluding catastrophe losses, decreased by 3.1 percentage points from 46.7% in 2023 to 43.6% in 2024, mainly due to a change in business mix, with increased net earned premium in specialty reinsurance, which attracts a lower loss ratio specifically within its mortgage portfolio.
- Catastrophe losses increased from $87.0 million in 2023 to $146.8 million in 2024, increasing the loss ratio by 3.7 percentage points. In 2024, the catastrophe losses included $26.2 million from Hurricane Milton, $22.5 million from floods in Dubai, $14.7 million from the Francis Scott Key Bridge event, $11.1 million from Hurricane Helene, and $72.3 million of other weather-related events. In 2023, the catastrophe losses included $8.1 million from the earthquake in Morocco, $7.6 million from Hurricane Idalia, $7.3 million from wildfires in Hawaii, $5.9 million from floods in New Zealand, $5.9 million from Cyclone Gabrielle and $52.2 million of other weather-related events.

- Prior year reserve development on post-LPT years totaled favorable development of $0.2 million in 2024 compared with adverse development of $5.7 million for the twelve months ended December 31, 2023. This improvement in prior year reserve development resulted in a decrease in the loss ratio of 0.5 percentage points compared to prior year. The prior year reserve development in 2024 consisted of net reserve releases on the specialty reinsurance, property catastrophe reinsurance and other property reinsurance business. This was largely offset by reserve strengthening in the casualty reinsurance line of business. The prior year reserve development in 2023 was primarily due to reserve strengthening on the property catastrophe reinsurance business and other property reinsurance business. This was partially offset by favorable development on casualty and specialty reinsurance business, resulting from better-than-expected loss emergence.
- Impact of the LPT amounts to an unfavorable movement of $24.6 million, or 2.0 percentage points, in the current period compared with a favorable movement of $20.2 million in the twelve months ended December 31, 2023. This reflects reserve development in the 2019 and prior accident years covered by the LPT, net of the movement in the deferred gain on retroactive contracts allocated to the Reinsurance segment.

Acquisition costs

Net acquisition costs were $227.0 million for the twelve months ended December 31, 2024, equivalent to 17.4% of net earned premiums (2023 — $208.6 million or 18.1% of net earned premiums). The decrease in the acquisition cost ratio was mainly attributable to increases in ceding commissions resulting from additional reinsurance purchased, which included higher cessions to our capital market partners.

General and administrative expenses

General and administrative expenses increased by $21.1 million, from $120.6 million in 2023 to $141.7 million in 2024. The general and administrative expense ratio was 10.9% in 2024, an increase of 0.5 percentage points from 2023, largely driven by an increase in the number of employees, investment in operational excellence enhancements and expense alignment in our functions which support corporate activities.

Insurance

Our Insurance segment consists of casualty and liability insurance, first party insurance, specialty insurance, financial and professional lines insurance, and other insurance. For a more detailed description of this segment, refer to Item 4, "Business Overview — Business Segments — Insurance" and Item 18, Note 3 of our consolidated financial statements, "Segment Reporting."

	Twelve Months Ended December 31,				
	2024	% Change	2023	% Change	2022
	($ in millions, except for percentages)				
Underwriting Revenues					
Gross written premiums	$ 2,723.5	11.3 %	$ 2,446.6	(3.4)%	$ 2,531.7
Net written premiums	1,666.9	12.3 %	1,483.9	1.0 %	1,469.6
Net earned premiums	1,584.0	8.5 %	1,460.0	1.6 %	1,436.9
Underwriting Expenses					
Current accident year net losses and loss expenses, excluding catastrophe losses	924.8	11.0 %	833.5	9.5 %	761.1
Catastrophe losses	40.5	22.4 %	33.1	(46.4)%	61.7
Prior year reserve development, post LPT years	0.8	(97.0)%	26.6	(29.3)%	37.6
Adjusted losses and loss adjustment expenses [1]	966.1	8.2 %	893.2	3.8 %	860.4
Impact of the LPT	10.4	(78.6)%	48.7	(1.2)%	49.3
Losses and loss adjustment expenses	976.5	3.7 %	941.9	3.5 %	909.7
Acquisition costs	193.2	12.6 %	171.6	(4.3)%	179.4
General and administrative expenses	264.2	13.0 %	233.9	(4.1)%	244.0
Underwriting income	$ 150.1	33.3 %	$ 112.6	8.5 %	$ 103.8
Adjusted underwriting income [2]	$ 160.5	(0.5)%	$ 161.3	5.4 %	$ 153.1

Ratios		% Point Change		% Point Change	
Current accident year loss ratio, excluding catastrophe losses	58.3 %	1.2	57.1 %	4.1	53.0 %
Catastrophe losses	2.6 %	0.3	2.3 %	(2.0)	4.3 %
Current accident year loss ratio	60.9 %	1.5	59.4 %	2.1	57.3 %
Prior year reserve development ratio, post LPT years	0.1 %	(1.7)	1.8 %	(0.8)	2.6 %
Adjusted loss ratio [1]	61.0 %	(0.2)	61.2 %	1.3	59.9 %
Impact of the LPT	0.6 %	(2.7)	3.3 %	(0.1)	3.4 %
Loss ratio	61.6 %	(2.9)	64.5 %	1.2	63.3 %
Acquisition cost ratio	12.2 %	0.4	11.8 %	(0.7)	12.5 %
General and administrative expense ratio	16.7 %	0.7	16.0 %	(1.0)	17.0 %
Combined ratio	90.5 %	(1.8)	92.3 %	(0.5)	92.8 %
Adjusted combined ratio [2]	89.9 %	0.9	89.0 %	(0.3)	89.3 %

(1) Adjusted losses and loss adjustment expenses and the adjusted loss ratio are calculated by adjusting the losses and loss adjustment expenses and loss ratio to remove the impact of the LPT. Adjusted losses and loss adjustment expenses and the adjusted loss ratio are non-GAAP financial measures as defined under SEC rules and regulations. The calculations are presented above. Refer to "Reconciliation of Non-GAAP Financial Measures" for further details.

(2) Adjusted underwriting income and the adjusted combined ratio are calculated by adjusting the underwriting income and the combined ratio to remove the impact of the LPT. Adjusted underwriting income and the adjusted combined ratio are non-GAAP financial measures as defined under SEC rules and regulations. The calculations are presented above. Refer to "Reconciliation of Non-GAAP Financial Measures" for further details.

Gross written premiums

The table below shows our gross written premiums for each line of business in our Insurance segment for the twelve months ended December 31, 2024, 2023 and 2022 and the percentage change in gross written premiums for each line of business.

Lines of Business	Twelve Months Ended December 31,				
	2024		2023		2022
	($ in millions)	% change	($ in millions)	% change	($ in millions)
Financial and professional lines insurance	$ 1,053.5	5.1 %	$ 1,002.1	(7.3)%	$ 1,081.2
Casualty and liability insurance	738.2	10.0 %	670.9	(1.1)%	678.6
Specialty insurance [1]	481.7	18.2 %	407.6	10.3 %	369.4
First party insurance [1]	289.9	(8.9)%	318.2	(14.6)%	372.5
Other insurance	160.2	235.1 %	47.8	59.3 %	30.0
Total	$ 2,723.5	11.3 %	$ 2,446.6	(3.4)%	$ 2,531.7

(1) Effective January 1, 2023, the Insurance segment restructured its first party and specialty insurance lines of business into two separate lines: first party insurance and specialty insurance, due to changes in management structures. The 2022 period has been re-presented to ensure consistency of information.

Gross written premiums increased by 11.3% in 2024 compared to 2023. The increase in financial and professional lines insurance was largely due to new business growth within our cyber liability business, as well as continued growth with existing clients participating in our cross class binders products. These increases were partially offset by reductions within our management and transactional liability business, resulting from increased competition and deterioration in market conditions globally.

The increase in gross premiums written within casualty and liability insurance was largely attributable to continued rate increases and strong market conditions within our excess casualty business, and increases within our environment liability business, which were largely due to timing of renewal premiums. These increases were partially offset by reductions in our U.S. primary casualty business, driven by an increase in rates which resulted in reductions in both the retention of existing business and new business growth.

The increase in gross written premiums in specialty insurance from 2023 to 2024 was achieved through new business growth in almost all of our specialty insurance portfolios.

The decrease in first party insurance was primarily driven by strategic exits from specific business lines, coupled with increased competition in our property business. This was partially offset by an increase in our inland marine business, due to a combination of new business growth and favorable rate increases.

The significant increase in other insurance is due to the business written via the Company's new partnership with the Lloyd's syndicate, Ki, as well as continued growth in the Carbon Syndicate.

Ceded written premiums

Total ceded written premiums for 2024 was $1,056.6 million, an increase of $93.9 million from 2023. The retention ratio increased from 60.7% in 2023, to 61.2% in 2024 largely due to the significant growth in gross written premiums noted in the other insurance line of business.

Net earned premiums.

The table below shows our net earned premiums for each line of business in our Insurance segment for the twelve months ended December 31, 2024, 2023 and 2022 and the percentage change in net earned premiums for each line of business:

Lines of Business	Twelve Months Ended December 31,				
	2024		2023		2022
	($ in millions)	% change	($ in millions)	% change	($ in millions)
Financial and professional lines insurance	$ 567.4	7.4 %	$ 528.5	0.3 %	$ 526.9
Casualty and liability insurance	374.9	6.5 %	352.0	3.0 %	341.6
Specialty insurance [1]	333.3	17.4 %	284.0	11.0 %	255.9
First party insurance [1]	236.8	(13.5)%	273.8	(9.0)%	301.0
Other insurance	71.6	230.0 %	21.7	88.7 %	11.5
Total	$ 1,584.0	8.5 %	$ 1,460.0	1.6 %	$ 1,436.9

(1) Effective January 1, 2023, the Insurance segment restructured its first party and specialty insurance lines of business into two separate lines: first party insurance and specialty insurance due to changes in management structures. The 2022 period has been re-presented to ensure consistency of information.

Net earned premiums increased by $124.0 million, or 8.5%, in 2024 as compared to 2023. The increase was due to a $120.9 million increase in gross earned premiums, partially offset by a $3.1 million decrease in ceded earned premiums.

Losses and loss adjustment expenses

The loss ratio in 2024 was 61.6%, a decrease of 2.9 percentage points compared to 64.5% in 2023. The main drivers of the change in loss ratio were the following:

- Current accident year loss ratio, excluding catastrophe losses, for 2024 increased by 1.2 percentage points as compared to 2023, primarily due to an increase in the frequency and severity of losses in financial and professional lines.
- Catastrophe losses increased from $33.1 million in 2023 to $40.5 million in 2024, increasing the loss ratio by 0.3 percentage points. In 2024, the catastrophe losses included $10.6 million from Hurricane Milton, $7.9 million from Hurricane Helene and $22.0 million of other weather-related events, while 2023 included $9.3 million from wildfires in Hawaii and $23.8 million of other weather-related events.
- Prior year reserve development on post-LPT years was $0.8 million for the twelve months ended December 31, 2024, compared to development of $26.6 million for the twelve months ended December 31, 2023. This improvement in reserve development resulted in a decrease in the loss ratio of 1.7 percentage points. The adverse prior year reserve development in 2024 was largely due to strengthening on the casualty and liability insurance, financial and professional lines insurance, and other insurance lines of business. This was partially offset by favorable development on our first party insurance line of business, due to better-than-expected loss emergence, and COVID recoveries within our specialty insurance line of business. The prior year reserve development in 2023 was largely due to reserve strengthening on the casualty and liability insurance line of business of $25.3 million.
- Impact of the LPT included an unfavorable movement of $10.4 million or 0.6 percentage points in the current period compared with an unfavorable movement of $48.7 million in the twelve months ended December 31, 2023. This reflects reserve development in the 2019 and prior accident years covered by the LPT, net of the movement in the deferred gain on retroactive contracts allocated to the Insurance segment.

Acquisition costs

Net acquisition costs were $193.2 million in 2024, equivalent to 12.2% of net earned premiums, versus $171.6 million or 11.8% of net earned premiums in 2023. The increase in the acquisition cost ratio in 2024 was primarily driven by a change in business mix, with a larger volume of delegated business written which attract higher acquisition costs.

General and administrative expenses

General and administrative expenses increased by $30.3 million, from $233.9 million in 2023 to $264.2 million in 2024. The general and administrative expense ratio was 16.7% in 2024, an increase of 0.7 percentage points from 2023, largely driven by an increase in the number of employees, investment in operational excellence enhancements and expense alignment in our functions which support corporate activities.

Balance Sheet

Total cash and investments

As at December 31, 2024 and 2023, total cash and investments, including accrued interest receivable, were $7.7 billion and $7.5 billion, respectively. Total cash and investments increased mainly due to cash generated from operating activities of $554.9 million and net proceeds of $217.0 million from the issuance of preference shares. This was partially offset by payments of ordinary and preference share dividends of $249.9 million, and the advance payment of $275.0 million relating to the redemption of preference shares in January 2025.

Our investment strategy is focused on delivering stable investment income and total investment returns through all market cycles while maintaining appropriate portfolio liquidity and credit quality to meet the requirements of our customers, rating agencies and regulators. We also consider how our investments should match the liability characteristics in terms of duration and foreign currencies.

As of December 31, 2024, a significant majority of funds available for investment were deployed in a diversified portfolio of high quality, investment grade securities, including U.S. government, corporate and U.S. agency mortgage-backed securities. As part of our strategic asset allocation, we also invest a portion of our portfolio in investments such as unrated private fixed and floating rate investments, and other investments not categorized as fixed income. These securities generally pay a higher rate of interest or return and may have a higher degree of credit or default risk, or less liquidity.

The duration of total fixed income securities (the aggregate of available for sale and trading) as at December 31, 2024 was 2.9 years compared to 2.6 years as at December 31, 2023. In addition, as at December 31, 2024, the average credit rating of these fixed income securities was “AA-,” with 85.7% being rated “A-” or higher. As at December 31, 2023, the average credit rating of our fixed income securities portfolio was “AA-,” with 86.6% being rated “A-” or higher. The average credit rating is calculated using the Bloomberg Barclays Index credit quality methodology.

As at December 31, 2024, the Company had a 3.5% allocation to investment funds and a 1.8% allocation to middle market loans and other private debt (“MMLs”) and commercial mortgage loans (“CMLs”), representing in total 5.3% of our portfolio. As at December 31, 2023, the Company had a 2.8% allocation to investment funds and a 4.8% allocation to MMLs and CMLs representing in total 7.6% of our portfolio.

Cumulative unrealized losses in the available for sale investment portfolio, net of taxes, were $198.2 million as at December 31, 2024, a decrease of $29.4 million from the net $227.6 million unrealized losses as at December 31, 2023. During 2024, the unrealized loss position was reduced largely as a result of the active rotations of the investment portfolios. As a result, previously unrealized net losses of $47.9 million were realized in the year. This reduction has been partially offset by increases in unrealized losses resulting from increases in U.S. Treasury yields.

As at December 31, 2024, the aggregate fair value of the investment funds was $267.2 million (December 31, 2023 — $209.3 million). For further information regarding these investments, refer to Item 18, Note 4 of our consolidated financial statements, “Investments”.

The composition of our cash and investments as at December 31, 2024 and 2023 is summarized below:

	As at December 31, 2024		As at December 31, 2023	
	Estimated Fair Value	Percentage of Total Cash and Investments	Estimated Fair Value	Percentage of Total Cash and Investments
	($ in millions, except for percentages)			
Fixed income securities — available for sale				
U.S. government	$ 1,480.6	19.3 %	$ 1,202.6	16.2 %
U.S. agency	7.2	0.1	7.2	0.1
Municipal	82.3	1.1	128.1	1.7
Corporate	1,986.4	25.9	1,959.3	26.3
Non-U.S. government-backed corporate	131.3	1.7	100.7	1.4
Non-U.S. government	246.8	3.2	273.8	3.7
Asset-backed	234.5	3.1	—	—
Agency commercial mortgage-backed	4.4	0.1	5.8	0.1
Agency residential mortgage-backed	518.7	6.8	445.1	6.0
Total fixed income securities — available for sale	4,692.2	61.3	4,122.6	55.5
Fixed income securities — trading				
U.S. government	261.3	3.4	245.5	3.3
Municipal	1.6	0.1	3.1	0.1
Corporate	151.1	2.0	171.5	2.3
High yield loans	102.4	1.3	92.1	1.2
Non-U.S. government-backed corporate	2.8	0.1	8.3	0.1
Non-U.S. government	24.4	0.3	34.8	0.5
Asset-backed	625.2	8.2	908.2	12.2
Agency mortgage-backed securities	31.1	0.4	22.2	0.3
Total fixed income securities — trading	1,199.9	15.8	1,485.7	20.0
Investments, equity method	7.3	0.1	7.6	0.1
Other investments	267.2	3.5	209.3	2.8
Catastrophe bonds — trading	1.0	—	1.6	—
Privately-held investments — trading				
Commercial mortgage loans	79.7	1.0	274.9	3.7
Middle market loans and other private debt	61.0	0.8	84.8	1.1
Asset-backed securities	127.6	1.7	82.9	1.1
Global corporate securities	18.5	0.2	14.4	0.2
Short-term investments	—	—	18.0	0.2
Total privately-held investments — trading	286.8	3.7	475.0	6.3
Privately-held investments — available for sale	24.2	0.3	14.9	0.2
Short-term investments — available for sale	261.9	3.4	93.6	1.3
Short-term investments — trading	1.0	—	2.1	—
Cash and cash equivalents	914.2	11.9	1,028.1	13.8
Total cash and investments	$ 7,655.7	100.0 %	$ 7,440.5	100.0 %
Net payable for securities purchased [1]	$ (30.1)		$ (13.3)	
Accrued interest receivable [2]	54.6		51.9	
Total investable assets	$ 7,680.2		$ 7,479.1	

(1) Net payable for securities purchased consists of a payable for securities purchased of $36.9 million (December 31, 2023 — $22.3 million) and a receivable for securities sold of $6.8 million (December 31, 2023 — 9.0 million). The receivable for securities sold is included within other assets on the consolidated balance sheet.

(2) Accrued interest receivable is included within other assets on the consolidated balance sheet.

As at December 31, 2024 and 2023, the Company had no investments in equity securities as part of the Company's strategic asset allocation.

Valuation of Investments

Fair Value Measurements. Our estimates of fair value for financial assets and liabilities are based on the framework established in the fair value accounting guidance included in ASC Topic 820, *Fair Value Measurements and Disclosures*. For a description of the framework, refer to Item 18, Note 6 of our consolidated financial statements, "Fair Value Measurements."

Valuation of Investments, Equity Method. The value of our investments in MVI, Digital Re and Multi-Line Reinsurer are based on our share of the capital position of the entities, which includes income and expenses reported in quarterly management accounts. Each of MVI, Digital Re and Multi-Line Reinsurer is subject to annual audit evaluating the financial statements of the entities. We periodically review the management accounts of MVI, Digital Re and Multi-Line Reinsurer and evaluate the reasonableness of the valuation of our investment.

Valuation of Other Investments. The Company's other investments represent our investments in investment funds. Adjustments to the fair values are made based on the net asset value of the investments. The net valuation criteria established by the manager of such investments are established in accordance with the governing documents and the asset manager's valuation guidelines, which include: the discounted cash flow method and the performance multiple approach, which uses a multiple derived from market data of comparable companies or assets to produce operating performance metrics. Alternative valuation methodologies may be employed for investments with unusual characteristics.

Valuation of Privately-held Investments. Privately-held investments are initially valued at cost or transaction value which approximates fair value. In subsequent measurement periods, the fair values of these securities are largely determined using discounted cash flow models. Investment valuations are performed by an independent valuation vendor which includes an assessment of the reasonableness of the discount rate being used. These models include inputs that are specific to each investment. The inputs used in the fair value measurements include dividend or interest rates and appropriate discount rates. The selection of an appropriate discount rate is judgmental and is the most significant unobservable input used in the valuation of these securities. A significant increase (decrease) in this input in isolation could result in significantly lower (higher) fair value measurements for privately-held investments. In order to assess the reasonableness of the inputs in the discounted cash flow models, the Company maintains an understanding of current market conditions and issuer specific information that may impact future cash flows.

Credit Losses on Available for Sale Debt Securities. Credit losses are recognized through an allowance account for available for sale debt securities, thereby permitting reversals of previously recognized credit losses through net income in the period they occur. Write-offs (of any previously recognized allowance for credit losses) are recorded when amounts are deemed uncollectible, or Aspen intends to sell (or more likely than not will be required to sell) the debt security before recovery of the amortized cost basis. The amortized cost basis will be written down to the debt securities fair value through earnings. Credit losses are limited to the difference between the debt securities amortized cost basis and fair value ('fair-value floor'). Any decline in the debt securities fair value below the amortized cost basis that is not a result of a credit loss is recorded through other comprehensive income, net of applicable taxes. The allowance for credit losses of a security may be increased or reversed upon a change in credit position with the change reflected in net income.

The credit loss models employ a discounted cash flow approach to evaluate whether a credit loss exists at the individual security level and are reviewed at each reporting period. This analysis excludes investments in U.S. Government/Agency bonds and U.S. Government Agency mortgage-backed securities due to being of 'high credit quality' based on the absence of risk. For any available for sale debt securities that were initially purchased with credit deterioration (PCD), the amortized cost basis shall be considered to be the purchase price, plus any allowance for credit losses. Estimated credit losses shall be discounted at the rate that equates the present value of the purchaser's estimate of the security's future cash flows with the purchase price of the asset. As at December 31, 2024 we recognized a credit loss provision of $1.0 million (2023 —$2.9 million), realizing a gain of $1.9 million within the twelve months ended December 31, 2024.

For further discussion, refer to Item 18, Note 2(c) of our consolidated financial statements, "Basis of Presentation and Significant Accounting Policies — Accounting for Investments, Cash and Cash Equivalents."

Reserves for Losses and Loss Adjustment Expenses

Provision is made at the end of each year for the estimated ultimate cost of claims incurred but not settled at the balance sheet date, including the cost of IBNR claims and development of existing reported claims. The estimated cost of claims includes expenses to be incurred in settling claims and a deduction for the expected value of salvage and other recoveries. Estimated amounts recoverable from reinsurers on unpaid losses and loss adjustment expenses are calculated to arrive at a net claims reserve.

Reserves by segment. As at December 31, 2024, we had total net loss and loss adjustment expense reserves of $3,950.6 million (December 31, 2023 — $3,232.8 million). This amount represented our best estimate of the ultimate liability for payment of losses and loss adjustment expenses. Of the total gross reserves for unpaid losses of $8,122.6 million at December 31, 2024, a total of $5,247.7 million, or 64.6%, represented IBNR claims (December 31, 2023 — $4,695.1 million and 60.1%, respectively). The following tables analyze gross and net loss and loss adjustment expense reserves by business segment as at December 31, 2024 and 2023, respectively:

	As at December 31, 2024		
Business Segment	**Gross**	**Reinsurance Recoverable**	**Net**
		($ in millions)	
Reinsurance	$ 3,165.5	$ (1,474.0)	$ 1,691.5
Insurance	4,957.1	(2,698.0)	2,259.1
Total losses and loss adjustment expense reserves	$ 8,122.6	$ (4,172.0)	$ 3,950.6

	As at December 31, 2023		
Business Segment	**Gross**	**Reinsurance Recoverable**	**Net**
		($ in millions)	
Reinsurance	$ 3,129.3	$ (1,756.2)	$ 1,373.1
Insurance	4,681.3	(2,821.6)	1,859.7
Total losses and loss adjustment expense reserves	$ 7,810.6	$ (4,577.8)	$ 3,232.8

Within reinsurance recoverables we have recognized $1,190.9 million of recoverables on the LPT as at December 31, 2024 (December 31, 2023 — $1,627.4 million).

The gross reserves may be further analyzed between outstanding claims and IBNR as at December 31, 2024 and 2023 as follows:

	As at December 31, 2024			
Business Segment	**Gross Case Reserves**	**Gross IBNR**	**Gross Reserve**	**% IBNR**
		($ in millions, except for percentages)		
Reinsurance	$ 1,343.8	$ 1,821.7	$ 3,165.5	57.5 %
Insurance	1,531.1	3,426.0	4,957.1	69.1 %
Total losses and loss adjustment expense reserves	$ 2,874.9	$ 5,247.7	$ 8,122.6	64.6 %

	As at December 31, 2023			
Business Segment	**Gross Case Reserves**	**Gross IBNR**	**Gross Reserve**	**% IBNR**
		($ in millions, except for percentages)		
Reinsurance	$ 1,487.3	$ 1,642.0	$ 3,129.3	52.5 %
Insurance	1,628.2	3,053.1	4,681.3	65.2 %
Total losses and loss adjustment expense reserves	$ 3,115.5	$ 4,695.1	$ 7,810.6	60.1 %

Prior year loss reserves. For the twelve months ended December 31, 2024, there was an overall increase in our estimate of ultimate net claims to be paid in respect of prior accident years. An analysis of this overall net increase/(decrease) by business segment is as follows for each of the twelve months ended December 31, 2024, 2023 and 2022:

	Twelve Months Ended December 31,		
Business Segment	**2024**	**2023**	**2022**
		($ in millions)	
Reinsurance	$ 24.4	$ (14.5)	$ (58.8)
Insurance	11.2	75.3	86.9
Total losses and loss adjustment expense reserves changes	$ 35.6	$ 60.8	$ 28.1

For the twelve months ended December 31, 2024. The analysis of the development by each segment is as follows:

Reinsurance. Net adverse reserve development of $24.4 million in 2024, due to the unfavorable impact of the LPT of $24.6 million, partially offset by favorable development on post-LPT accident years of $0.2 million.

Insurance. Net adverse reserve development of $11.2 million in 2024, due to adverse prior year development on post-LPT accident years of $0.8 million and the unfavorable movement of $10.4 million due to the impact of the LPT.

For the twelve months ended December 31, 2023. The analysis of the development by each segment is as follows:

Reinsurance. Net reserve releases of $14.5 million in 2023, due to the favorable impact of the LPT of $20.2 million, partially offset by adverse reserve development on post-LPT accident years of $5.7 million.

Insurance. Net adverse reserve development of $75.3 million in 2023, due to adverse prior year development on post-LPT accident years of $26.6 million and the unfavorable movement of $48.7 million due to the impact of the LPT and retroactive accounting by deferring the gains on the contract over the settlement period.

We did not make any significant changes to the methodologies used in our reserving process between 2023 and 2024.

Reinsurance Premiums Payable

Reinsurance Premiums Payable. As at December 31, 2024, we had reinsurance premiums payables totaling $901.1 million compared to $1,416.6 million at December 31, 2023, a decrease of $515.5 million, primarily driven by the reduction in the fund withheld balance in regards to the LPT contract with Enstar.

Critical Accounting Policies

We believe that the following are critical accounting policies used in the preparation of our consolidated financial statements. A statement of all the significant accounting policies we use to prepare our financial statements is included in the Notes to the consolidated financial statements. If factors such as those described in Item 3D, “Risk Factors” cause actual events to differ from the assumptions used in applying the accounting policies and calculating financial results, there could be a material adverse effect on our operating results, financial condition and liquidity.

Written Premiums

Written premiums comprise the estimated premiums on contracts of insurance and reinsurance entered into in the reporting period, except in the case of proportional reinsurance contracts, where written premiums relate only to our estimated proportional share of premiums due on contracts entered into by the ceding company prior to the end of the reporting period.

All premium estimates are reviewed regularly, comparing actual reported premiums to expected ultimate premiums along with a review of the collectability of premiums receivable. Based on management’s review, the appropriateness of the premium estimates is evaluated, and any adjustments to these estimates are recorded in the periods in which they become known. Adjustments to original premium estimates could be material and these adjustments may directly and significantly impact earnings in the period they are determined because the subject premium may be fully or substantially earned.

We refer to premiums receivable which are not fixed at the inception of the contract as adjustment premiums. The proportion of adjustment premiums included in the premium estimates varies between business lines with the largest adjustment premiums associated with property and casualty reinsurance business and the smallest with property and liability insurance lines.

Adjustment premiums are most significant in relation to reinsurance contracts. Different considerations apply to non-proportional and proportional treaties as follows:

Non-proportional treaties. A large number of the reinsurance contracts we write are written on a non-proportional or excess of loss treaty basis. As the ultimate level of business written by each cedant can only be estimated at the time the reinsurance is placed, the reinsurance contracts generally stipulate a minimum and deposit premium payable under the contract with an adjustable premium determined by variables such as the number of contracts covered by the reinsurance, the total premium received by the cedant and the nature of the exposures assumed. Minimum and deposit premiums generally cover the majority of premiums due under such treaty reinsurance contracts and the adjustable portion of the premium is usually a small portion of the total premium receivable. For excess of loss contracts, the minimum and deposit premium, as defined in the contract, is generally considered to be the best estimate of the contract’s written premium at inception. Accordingly, this is the amount we generally record as written premium in the period the underlying risks incept.

During the life of a contract, notifications from cedants and brokers may affect the estimate of ultimate premium and result in either increases or reductions in reported revenue. Changes in estimated adjustable premiums do not generally have a significant impact on short-term liquidity as the payment of adjustment premiums generally occurs after the expiration of a contract.

Many non-proportional treaties also include a provision for the payment to us by the cedant of reinstatement premiums based on loss experience under such contracts. Reinstatement premiums are the premiums charged for the restoration of the reinsurance limit of an excess of loss contract to its full amount after payment by the reinsurer of losses as a result of an occurrence. These premiums relate to the future coverage obtained during the remainder of the initial policy term and are included in revenue in the same period as the corresponding losses.

Proportional treaties ("treaty pro rata"). Estimates of premiums assumed under treaty pro rata reinsurance contracts are recorded in the period in which the underlying risks are expected to incept and are based on information provided by brokers and ceding companies and estimates of the underlying economic conditions at the time the risk is underwritten. We estimate premiums receivable initially and update our premium estimates regularly throughout the contract term based on treaty statements received from the ceding company.

The reported gross written premiums for treaty pro rata business include estimates of premiums due to us but not yet reported by the cedant because of time delays between contracts being written by our cedants and their submission of treaty statements to us. This additional premium is normally described as pipeline premium. Treaty statements disclose information on the underlying contracts of insurance written by our cedants and are generally submitted on a monthly or quarterly basis, from 30 to 90 days in arrears. In order to report all risks incepting prior to a period end, we estimate the premiums written between the last submitted treaty statement and the period end. Treaty pro rata premiums are written predominantly in our other property, specialty and casualty reinsurance lines of business.

Property treaty pro rata contributed significantly to our Reinsurance segment where we wrote $270.6 million in gross written premium in 2024 (2023 — $243.4 million), or 14.3% (2023 — 16.0%) of the gross written premiums in our Reinsurance segment, of which $21.5 million was estimated (2023 — $42.6 million) and $249.1 million was reported by the cedants (2023 — $200.8 million). Excluding the impact of costs, such as reinsurance premiums and operating expenses, we estimate that the impact of a $1.0 million increase/decrease in our estimated gross written premiums in our property treaty pro rata business would increase/decrease net income before tax by approximately $0.2 million for the year ended December 31, 2024 (2023 — $0.3 million increase/decrease).

The most likely drivers of change in our premium estimates in decreasing order of magnitude are:

- changes in renewal rate or rate of new business acceptances by cedant insurance companies leading to lower or greater volumes of ceded premiums than our estimate, which could result from changes in the relevant primary market that could affect more than one of our cedants or could be a consequence of changes in marketing strategy or risk appetite by a particular cedant;
- changes in the rates being charged by cedants; and
- differences between the pattern of inception dates assumed in our estimate and the actual pattern of inception dates.

Earned premiums. Premiums are recognized as earned over the policy exposure periods. The premium related to the unexpired portion of each policy at the end of the reporting period is included in the balance sheet as unearned premiums.

Accounting for retroactive reinsurance agreements. Retroactive reinsurance agreements are reinsurance agreements under which a reinsurer agrees to reimburse the Company as a result of past insurable events. For these agreements, the excess of the amounts ultimately collectible under the agreement over the consideration paid is recognized as a deferred gain liability which is amortized into income over the settlement period of the ceded reserves once the paid losses have exceeded the minimum retention. The amount of the deferral is recalculated each period based on actual loss payments and updated estimates of ultimate losses. If the consideration paid exceeds the ultimate losses collectible under the agreement, the net loss on the retroactive reinsurance agreement is recognized within income immediately.

Premiums payable for retroactive reinsurance coverage and meeting the conditions of reinsurance accounting are reported as reinsurance recoverables to the extent that those amounts do not exceed recorded liabilities relating to underlying reinsurance contracts. To the extent that recorded liabilities on an underlying reinsurance contract exceed premiums payable for retroactive coverage, a deferred gain is recognized.

B. Liquidity and Capital Resources

Liquidity

Liquidity is a measure of a company's ability to generate cash flows sufficient to meet short-term and long-term cash requirements of its business operations. Management monitors the liquidity of Aspen Holdings and of each of its Operating Subsidiaries and arranges credit facilities to enhance short-term liquidity and capital resources on a stand-by basis. As a holding company, Aspen Holdings relies on dividends and other distributions from its Operating Subsidiaries to provide cash flow to meet ongoing cash requirements, including claims settlements, any future debt service payments and other expenses, and to pay dividends, if any, to our preference and ordinary shareholders.

Aspen Holdings' principal sources of liquidity include (i) cash, cash equivalents and investments, (ii) dividends, capital distributions and interest payments from our Operating Subsidiaries and (iii) our availability under our revolving credit facility and letter of credit facilities. As at December 31, 2024, Aspen Holdings held $87.8 million (December 31, 2023 — $87.1 million) of cash, cash equivalents and investments. Our Operating Subsidiaries collectively paid dividends to Aspen Holdings of $511.4 million and $364.4 million for the twelve months ended December 31, 2024 and 2023, respectively. As at December 31, 2024, we had $774.0 million of availability for borrowings under our revolving credit facility and letter of credit facilities (December 31, 2023 — $724 million). Management considers the current cash and cash equivalents, together with dividends declared or expected to be declared by subsidiary companies and our credit facilities, sufficient to appropriately satisfy planned and expected liquidity requirements of Aspen Holdings during 2025 and in light of liquidity projections for the period thereafter. Aspen Holdings' liquidity depends on dividends, capital distributions and interest payments from our Operating Subsidiaries. Aspen Holdings also has recourse to the credit facility described under "Letter of Credit Facilities" below.

The ability of our Operating Subsidiaries to pay dividends or other distributions is subject to the laws and regulations applicable to each jurisdiction, as well as the Operating Subsidiaries' need to maintain capital requirements adequate to maintain their insurance and reinsurance operations and their financial strength ratings issued by independent rating agencies. For a further discussion of the various restrictions on our ability and our Operating Subsidiaries' ability to pay dividends, refer to Item 4, "Business Overview — Regulatory Matters." For a discussion of the volatility and liquidity of our other investments, refer to Item 3D, "Risk Factors — Market and Liquidity Risks," and for a discussion of the impact of insurance losses on our liquidity, refer to Item 3D, "Risk Factors — Insurance Risks" and Item 18, Note 14 of our consolidated financial statements, "Statutory Requirements and Dividend Restrictions."

Operating Subsidiaries. As at December 31, 2024, the Operating Subsidiaries held $1,110.2 million (December 31, 2023 — $1,073.8 million) in cash and short-term investments that are readily realizable securities. Management monitors the value, currency and duration of cash and investments held by the Operating Subsidiaries to ensure they are able to meet their insurance and other liabilities as they become due and was satisfied that there was a comfortable margin of liquidity as at December 31, 2024 and for the foreseeable future.

On an ongoing basis, our Operating Subsidiaries' sources of funds primarily consist of premiums written, investment income and proceeds from sales and redemptions of investments. Cash is used primarily to pay reinsurance premiums, losses and loss adjustment expenses, brokerage commissions, general and administrative expenses, taxes, interest, dividends and to purchase new investments. The potential for individual large claims and for accumulations of claims from single events means that substantial and unpredictable payments may need to be made within relatively short periods of time.

We ensure that sufficient cash and short-term investments are held to enable us to meet potential claims without liquidating long term investments and adversely affecting our investment return.

We manage these risks by making regular forecasts of the timing and amount of expected cash outflows and ensuring that we maintain sufficient balances in cash and short-term investments to meet these estimates. Notwithstanding this policy, if these cash flow forecasts are incorrect, we could be forced to liquidate investments prior to maturity, potentially at a significant loss.

Where we incur losses in currencies which are not normally held, we will convert funds into the appropriate currencies to mitigate our currency risk and also make funds available to settle claims in local currencies as and when they become due. For local regulatory reasons, we hold assets in trusts which limits our liquidity to some degree. The process of matching assets with liabilities in currency means, however, that at any one time we will hold cash and short-term assets in all major currencies which are available to settle claims.

The liquidity of our Operating Subsidiaries is also affected by the terms of our contractual obligations to policyholders and by undertakings to certain regulatory authorities to facilitate the issue of letters of credit or maintain certain balances in trust funds for the benefit of policyholders, or restricted for other reasons. The following table shows the forms of collateral or other security provided in respect of these obligations and undertakings as at December 31, 2024 and December 31, 2023:

	As at December 31, 2024	As at December 31, 2023
	($ in millions, except for percentages)	
Regulatory trusts and deposits:		
Affiliated transactions	$ 433.4	$ 660.8
Third party	2,713.5	2,714.4
Letters of credit / guarantees	153.2	172.0
Total restricted assets (excluding illiquid assets)	3,300.1	3,547.2
Other investments — illiquid assets	267.2	209.3
Total restricted assets and illiquid assets	$ 3,567.3	$ 3,756.5
Total as percent of cash and invested assets	46.4 %	50.2 %

Refer to Item 18, Note 21(a), “Commitments and Contingent Liabilities — Restricted Assets” of our consolidated financial statements for further detail on our trust fund balances which we are required to maintain in accordance with contractual obligations to policyholders and in compliance with regulatory requirements.

Consolidated cash flows for the twelve months ended December 31, 2024 and December 31, 2023:

	Twelve Months Ended December 31,	
	2024	2023
	($ in millions)	
Cash flows from operating activities	$ 554.9	$ 324.7
Cash flows from investing activities	(352.8)	(172.2)
Cash flows from financing activities	(307.9)	(90.2)
Effect of exchange rate movements on cash and cash equivalents	(8.1)	6.6
(Decrease)/increase in cash and cash equivalents	(113.9)	68.9
Cash and cash equivalents at beginning of period	1,028.1	959.2
Cash and cash equivalents at end of period	$ 914.2	$ 1,028.1

Total net cash flow provided by operations for the twelve months ended December 31, 2024 was $554.9 million, a $230.2 million increase in cash flow from the equivalent period in 2023. The increase in cash generated through operating activities was mainly due to an improved underwriting performance, an improvement on the returns generated by our investment portfolio, and a reduction in claim payments.

We utilized net cash of $352.8 million for investing during the period.

Cash flows from financing activities were an outflow of $307.9 million, largely due to the advanced payment of $275.0 million for the redemption of preference shares, and the payment of ordinary and preference share dividends of $249.9 million. This was partially offset by net proceeds of $217.0 million from the issuance of preference shares. At December 31, 2024, we had a balance of cash and cash equivalents of $914.2 million.

Total net cash flow provided by operations for the twelve months ended December 31, 2023 was $324.7 million, a $379.7 million increase in cash flow from the equivalent period in 2022. The increase in cash generated through operating activities was mainly due to an improved underwriting performance, an improvement on the returns generated by our investment portfolio, and a decrease in reinsurance recoverables for payments made on gross claims and not yet collected from the reinsurer. We paid net claims of $1,173.0 million in 2023, and utilized cash of $172.2 million for investing during the period. Cash flows from financing activities were an outflow of $90.2 million, due to the payment of ordinary and preference share dividends.

Capital Resources

We maintain our capital at an appropriate level as determined by our internal risk appetite and the financial strength required by our customers, regulators and rating agencies, sufficient to address such capital requirements during 2025 and in light of projected capital requirements for the period thereafter. We monitor and review the Aspen Group and the Operating Subsidiaries' capital and liquidity positions on an ongoing basis. The following table shows our capital structures as at December 31, 2024 compared to December 31, 2023:

	As at December 31, 2024	As at December 31, 2023
	($ in millions)	
Share capital, additional paid-in capital, retained income and accumulated other comprehensive loss	$ 2,401.4	$ 2,155.0
Preference shares (net of issue costs)	970.5	753.5
Long-term debt	300.0	300.0
Total capital	$ 3,671.9	$ 3,208.5

As at December 31, 2024, total shareholders' equity was $3,371.9 million compared to $2,908.5 million as at December 31, 2023. Our total shareholders' equity as at December 31, 2024 includes four classes of preference shares with a total value of $970.5 million net of share issuance costs (December 31, 2023 — $753.5 million, three classes of preference shares).

On November 26, 2024, the Company issued 9,000 AHL PRF Shares, which are represented by 9,000,000 depositary shares, each of which represents 1/1000th interest in an AHL PRF Share. Each AHL PRF Share has a liquidation preference of $25,000 per share. Net proceeds were $217.0 million, comprising $225.0 million of total liquidation preference less $8.0 million of issuance expenses. The depositary shares are listed on the NYSE under the symbol "AHL PRF".

Our preference shares are classified in our balance sheet as equity but may receive a different treatment in some cases under the capital adequacy assessments made by certain rating agencies. Such securities are often referred to as "hybrids" as they have certain attributes of both debt and equity. Management monitors the ratio of the total of debt and hybrids to total capital which was 34.6% as of December 31, 2024 (December 31, 2023 — 32.8%). Total capital is defined as being shareholders' equity plus outstanding debt.

On July 26, 2023, the Company entered into a $300.0 million term loan facility at a borrowing rate of Term SOFR plus an applicable margin (ranging from 1.13% to 1.75% based on the Company's credit ratings and 1.38% as of December 31, 2024 (December 31, 2023 —1.38%)) and a SOFR adjustment of 0.10% pursuant to the Term Loan Credit Agreement (where "SOFR" refers to the secured overnight financing rate). On November 9, 2023, the Company drew down $300.0 million on the 2026 Term Loan due November 9, 2026 (the "2026 Term Loan") and the proceeds were used to redeem the 2023 Senior Notes. Subject to applicable law, the 2026 Term Loan will be the senior unsecured obligations of Aspen Holdings and will rank equally in right of payment with all of our other senior unsecured indebtedness from time to time outstanding.

Management monitors the ratio of debt to total capital which was 8.2% as at December 31, 2024 (December 31, 2023 — 9.4%).

On January 1, 2025, the Company redeemed all 11,000,000 shares of its issued and outstanding 5.950% Fixed-to-Floating Rate Perpetual Non-Cumulative Preference Shares. Taking this redemption into account the ratio of the total debt and hybrids to total capital would be 8.8% and the ratio of debt to total capital would be 29.3% as at December 31, 2024. The redemption price was paid on January 2, 2025. To facilitate this redemption, the funds of $275.0 million were transferred in advance to a third party transfer agent on December 30, 2024 and are included in other assets in the consolidated balance sheet. The cash flow has been included under financing activities above. For further details, refer to Note 26, "Subsequent Events".

Other than those listed above, there were no principal capital management transactions during 2024 or 2023. Additionally, during the twelve months ended December 31, 2024, we paid aggregate dividends of $195.0 million on our ordinary shares to Parent

Access to capital. Our business operations are in part dependent on our financial strength, the opinions of the independent rating agencies thereof, as discussed elsewhere in this report, and the market's perception thereof, as measured by total shareholders' equity, which was $3,371.9 million as at December 31, 2024 (December 31, 2023 — $2,908.5 million). Our ability to access the capital markets is dependent on, among other things, our operating results, market conditions and our perceived financial strength. We regularly monitor our capital and financial position, as well as investment and securities market conditions, both in general and with respect to Aspen Holdings' securities. Our preference shares and depositary shares are listed on the NYSE.

Letter of Credit Facilities. Refer to Item 18, Note 24 of our consolidated financial statements, "Credit Facilities and Long-term Debt" for discussion of our credit agreements and letter of credit facilities.

C. Research and Development, Patents and Licenses, etc.

Not applicable.

D. Trend Information

We actively manage our insurance and reinsurance portfolios across market cycles and identify the most attractive risk versus return opportunities to allocate capital. We adopt a dynamic capital allocation approach, utilizing our strong balance sheet and our multiple platforms across the United States, the United Kingdom ("U.K."), Lloyd's of London ("Lloyd's") and Bermuda to match risk with the most appropriate source of capital, and to drive efficiencies and optimal outcomes for our customers. Our ability to offer our broker and client partners holistic and customized solutions across our entire platform of Insurance and Reinsurance, and third-party capital offerings through ACM, provides us the opportunity to execute larger, more complex deals which frequently result in more attractive terms and conditions.

During 2024, the (re)insurance market experienced rate increases across a number of classes of business. Underlying underwriting conditions, including increased natural catastrophe activity and sustained higher inflation, alongside tighter (re)insurance capacity, means we expect pricing to remain generally favorable. We believe Aspen is well placed to take advantage of the current market environment. We have proactively managed our business to reduce volatility and our underwriting portfolio is well diversified by class and geography, supported by a strong capital position and a clear focus on cost management and operational efficiency. We remain focused on profitable growth, optimizing our underwriting returns and prudentially managing catastrophe risk.

Our Markets, General Economic Conditions and Opportunities

We operate within the global (re)insurance market, where we have significant opportunities to capture attractive risk-adjusted returns across the cycle through our multi-platform capabilities. The global macroeconomic and social environment continues to drive demand for increasingly complex (re)insurance solutions delivered as a joined-up offering, which is where we thrive. In recent years, rate increases have been driven by the increased frequency and severity of natural catastrophe events globally (impacted by changing weather patterns), inflation (both social and economic), increased geopolitical tensions and other risks that have grown and emerged, increasing the demand for specialty solutions. As a result, the global commercial insurance industry has seen 33 consecutive quarters of price increases according to WTW's Commercial Lines Insurance Pricing Survey Q3 2024.

We generally expect these hard market conditions will persist, as they are driven by uncorrelated and continuing macroeconomic and social dynamics. This will provide opportunities for us to deliver profitable growth as we target new business and clients at favorable risk adjusted rates and with improved terms and conditions, while maintaining disciplined risk selection. Furthermore, our chosen lines of business within Insurance have high barriers to entry requiring the bespoke tailoring of products and the need for specialized and experienced underwriters with tenured distribution relationships.

The higher interest rate environment provides additional tailwinds for our business. Higher returns from our fixed income portfolio complement our underwriting income with attractive investment income and contribute to our ability to generate strong risk-adjusted returns for our shareholders. With a low-risk fixed income portfolio of relatively short duration of 2.9 years as of December 31, 2024, we are well placed to take advantage of attractive investment yields as we rotate and reinvest.

Insurance and Reinsurance Market Trends and Developments

Insurance Segment: While market conditions remain competitive, despite increased competition, our market relevance and positioning remain strong across all portfolios (casualty and liability lines, financial and professional lines, specialty lines, and first party lines). Inflation (both social and economic) continue to be material considerations in risk selection and pricing. While casualty and liability lines has seen continued rate increases with six consecutive years of positive movement and a meaningful compound effect, we continue to closely monitor the impact of social inflation, litigation funding and large mass tort verdicts, and accordingly our growth in casualty and liability lines of business is limited. Within our financial and professional lines portfolio, market conditions are beginning to reflect some stabilization after a period of softening within cyber insurance products. This is likely attributable in part to recent industry claim activity. Rates in professional lines remain strong, but market conditions appear to be softening more rapidly in some classes of business.

Reinsurance Segment: Overall, the reinsurance market is moving through the pricing cycle from the peak profit margins realized in 2023 and 2024 to more modest but acceptable profitability for 2025. The property catastrophe market is noticeably more competitive with rates adjusting down by single digits. The reinsurance market has maintained its discipline with respect to the amounts of catastrophe risk covered and reinsurers have not compromised their risk appetite and associated attachment points. We actively monitor our property catastrophe portfolio, have conviction in the pricing of this business and consider the long-term return adequate. The other property reinsurance and specialty reinsurance lines such as Marine, Energy and Terrorism exhibited similar dynamics with pressure on rates and increased commissions. Similar to property catastrophe, these classes of business remain well-priced and attractive. The casualty reinsurance lines renewal remained competitive in January 2025. These renewals reflected higher pricing, responding to the market wide concerns about adverse development from accident years 2015 through 2019 as a result of elevated loss inflation.

Tax Updates

On December 27, 2023, the Government of Bermuda enacted the CIT Act, which applies a 15% corporate income tax to certain Bermuda businesses in fiscal years beginning on or after January 1, 2025. The CIT Act includes a provision referred to as the economic transition adjustment, which is intended to provide a fair and equitable transition into the tax regime, and results in a deferred tax benefit for the Company. Pursuant to this legislation, the Company recorded a net deferred tax asset in the fourth quarter of 2023. On January 15, 2025, the OECD issued administrative guidance on Article 9.1 of the GloBE Rules. This guidance, if incorporated into the laws of the jurisdictions in which we operate, could cause additional top-up taxes pursuant to the GloBE Rules to the extent the net deferred tax asset we established upon enactment of the CIT in 2023 pursuant to the economic transition adjustment reverses after 2026. It is uncertain whether the jurisdictions in which we operate will incorporate this guidance. Further, the amount of such deferred tax asset that reverses in any given year, if any, is uncertain. To the extent the jurisdictions in which we operate incorporate this guidance into their own laws, our overall cash tax savings from the reversal of the deferred tax asset could be limited to the lesser of 20% of the gross deferred tax asset or the portion of the deferred tax asset that reverses in 2025 and 2026.

Inflation, climate change and exposure to man-made events are expected to continue to impact global insurance markets. Refer to Item 3D, “Risk Factors” and “Cautionary Statement Regarding Forward-Looking Statements” included in this report.

E. Critical Accounting Estimates

Our consolidated financial statements contain certain amounts that are inherently subjective in nature and require management to make assumptions and best estimates to determine the reported values. We believe that the following critical accounting estimates are the most significant estimates used in the preparation of our consolidated financial statements.

Reserving Approach

We are required by U.S. GAAP to establish loss reserves for the estimated unpaid portion of the ultimate liability for losses and loss adjustment expenses (“ultimate losses”) under the terms of our policies and agreements with our insured and reinsured customers. Our loss reserves comprise the following components:

- the cost of claims reported to us but not yet paid, known as case reserves (“case reserves”);
- reserves to cover the anticipated cost of IBNR claims. Within this, we also include the potential development of reported claims; and
- the expenses associated with settling claims, including legal and other fees and the general expenses of administering the claims adjustment process, known as the loss adjustment expenses (“LAE”).

Case Reserves. For reported claims, reserves are established on a case-by-case basis within the parameters of coverage provided in the insurance policy or reinsurance agreement. The method of establishing case reserves for reported claims differs among our operations. With respect to our insurance operations, we are advised of potential insured losses and our claims handlers’ record reserves for the estimated amount of the expected indemnity settlement, loss adjustment expenses and cost of defense where appropriate. The reserve estimate reflects the judgment of the claims personnel and is based on claim information obtained to date, general reserving practices, the experience and knowledge of the claims personnel regarding the nature of the specific claim and where appropriate and available, advice from legal counsel, loss adjusters and other claims experts.

With respect to our reinsurance claims operations, claims handlers set case reserves for reported claims generally based on the claims reports received from our ceding companies and take into consideration our cedants’ own reserve recommendations and our prior loss experience with the cedant. Additional case reserves (“ACR”), in addition to the cedants’ own recommended reserves, may be established by us to reflect our estimated ultimate cost of a loss. ACRs are generally the result of either a claims handler’s own experience and knowledge of handling similar claims, general reserving practices or the result of reserve recommendations following an audit of cedants’ reserves.

Case reserves are based on a subjective judgment of facts and circumstances and are established for the purposes of internal reserving only. Accordingly, they do not represent a commitment to any course of conduct or admission of liability on our behalf in relation to any specific claim.

IBNR Reserves. The need for IBNR reserves arises from time lags between when a loss occurs and when it is actually reported and settled. By definition, we do not have specific information on IBNR claims so they need to be estimated by actuarial methodologies. IBNR reserves are therefore generally calculated at a class of business level and cannot generally be identified as reserves for a particular loss or contract. We calculate IBNR reserves by class of business within each line of business. Where appropriate, analyses may be conducted on sub-sets of a class of business. IBNR reserves are calculated by projecting our ultimate losses on each class of business and subtracting paid losses and case reserves. IBNR reserves also cover the anticipated cost of claims incurred but not reported, within this we also include any potential development of reported claims. Over recent years, we have begun to place greater reliance on our actual actuarial experience for our long-tail lines of business that we have written since our inception in 2002. We believe that our earliest accident years are now capable of providing us with meaningful actuarial indications. Estimates and judgments for new insurance and reinsurance lines of business are more difficult to make than those made for more mature lines of business because we have more limited historical information through December 31, 2024.

Sources of Information. Claims information received typically includes the loss date, details of the claim, the recommended reserve and reports from the loss adjusters dealing with the claim. In respect of pro rata treaties and any business written through managing general agents, we receive regular statements (bordereaux) which provide paid and outstanding claims information, often with large losses separately identified. Following widely reported loss events, such as catastrophes, we adopt a proactive approach to establish our likely exposure to claims by reviewing policy listings and contacting brokers and policyholders as appropriate.

Actuarial Methodologies. The main projection methodologies that are used by our actuaries are as follows:

- *Initial expected loss ratio ("IELR") method:* This method calculates an estimate of ultimate losses by applying an estimated loss ratio to an estimate of ultimate earned premium for each accident year. The estimated loss ratio may be based on pricing information and/or industry data and/or historical claims experience revalued to the year under review.
- *Bornhuetter-Ferguson ("BF") method:* The BF method uses as a starting point an assumed IELR and blends in the loss ratio, which is implied by the claims experience to date using benchmark loss development patterns on paid claims data ("Paid BF") or reported claims data ("Reported BF"). Although the method tends to provide less volatile indications at early stages of development and reflects changes in the external environment, it can be slow to react to emerging loss development and can, if the IELR proves to be inaccurate, produce loss estimates which take longer to converge with the final settlement value of loss.
- *Loss development ("Chain Ladder") method:* This method uses actual loss data and the historical development profiles on older accident years to project more recent, less developed years to their ultimate position.
- *Exposure-based method:* This method is typically used for specific large catastrophic events such as a major hurricane. All exposure is identified and we work with known market information and information from our cedants to determine a percentage of the exposure to be taken as the ultimate loss.

In addition to these methodologies, our actuaries may use other approaches depending upon the characteristics of the class of business and available data. In addition, as required pursuant to Bermuda law, we have appointed a third party as loss reserve specialist for Aspen Bermuda Limited and as group actuary in relation to Aspen Holdings, in each case to provide an external view on the Company's reserves.

In general terms, the IELR method is most appropriate for classes of business and/or accident years where the actual paid or reported loss experience is not yet mature enough to modify our initial expectations of the ultimate loss ratios. Typical examples would be recent accident years for classes of business in casualty reinsurance. The BF method is generally appropriate where there are few reported claims and a relatively less stable pattern of reported losses. Typical examples would be our treaty risk excess class of business in our Reinsurance segment and marine hull class of business in our Insurance segment. The Chain Ladder method is appropriate when there are relatively stable patterns of loss emergence and a relatively large number of reported claims. Typical examples are the U.K. commercial property and U.K. commercial liability classes of business in our international insurance business.

Reserving Procedures and Process. Our actuaries calculate the IELR, BF and Chain Ladder and, if appropriate, other methods for each class of business and each accident year. They then calculate a single point actuarial central estimate ("ultimate") for each class of business. The actuarial methodologies involve significant subjective judgments reflecting many factors, including but not limited to, changes in legislative conditions, changes in judicial interpretation of legal liability policy coverages and heightened inflation. Our actuaries collaborate with our underwriting, claims, legal and finance teams in identifying factors which are incorporated in their range of ultimates in which management's best estimate is most likely to fall.

There are no differences between our year-end and our quarterly internal reserving procedures and processes because our actuaries perform the basic projections and analyses described above for each class of business quarterly.

Selection of Reported Gross Reserves. The Reserve Committee signs off on the group-level reserves, which reflects, amongst other matters, key areas of reserving uncertainty within the group actuarial central estimate. Levels of uncertainty are factored into the management best estimate, which provides the basis for management's recommendation to the Audit Committee and the Board regarding the reserve amounts to be recorded in the financial statements.

As at December 31, 2024, the Reserve Committee was chaired by the Group Chief Actuarial Officer and its membership includes members of senior management from various functions of the business.

Each significant class of business is reviewed in detail by management through its Reserve Committee at least once a year. The timing of such reviews varies throughout the year. Additionally, we review the emergence of actual losses relative to expectations every fiscal quarter for all classes of business. If warranted from this analysis, we may accelerate the timing of our detailed actuarial reviews.

Uncertainties. While the management selected reserves make a reasonable provision for unpaid loss and loss adjustment expense obligations, we note that the process of estimating required reserves, by its very nature, involves uncertainty and therefore the ultimate claims may fall outside the actuarial range. The level of uncertainty can be influenced by such factors as the existence of coverage with long duration reporting patterns and changes in claims handling practices, as well as the other factors described above.

Given many of the coverages underwritten involve claims that may not be ultimately settled for many years after they are incurred, subjective judgments as to the ultimate exposure to losses are an integral and necessary component of the loss reserving process. We review our reserves regularly, using a variety of statistical and actuarial techniques to analyze current claims costs, frequency and severity data, and prevailing economic, social and legal factors. Reserves established in prior periods are adjusted as claims experience develops and new information becomes available.

Estimates of IBNR are generally subject to a greater degree of uncertainty than estimates of the cost of settling claims already notified to us, where more information about the claim event is generally available. IBNR claims often may not be apparent to the insured until many years after the event giving rise to the claims has happened. Classes of business where the IBNR proportion of the total reserve is high, such as casualty insurance, will typically display greater variations between initial estimates and final outcomes because of the greater degree of difficulty of estimating these reserves.

Classes of business where claims are typically reported relatively quickly after the claim event tend to display lower levels of volatility between initial estimates and final outcomes. Reinsurance claims are subject to a longer time lag both in their reporting and in their time to final settlement. The time lag is a factor which is included in the projections to ultimate claims within the actuarial analyses and helps to explain why in general a higher proportion of the initial reinsurance reserves are represented by IBNR than for insurance reserves for business in the same class. Delays in receiving information from cedants are an expected part of normal business operations and are included within the statistical estimate of IBNR to the extent that current levels of backlog are consistent with historical data. Currently, there are no processing backlogs which would materially affect our financial statements.

Allowance is made, however, for changes or uncertainties which may create distortions in the underlying statistics or which might cause the cost of unsettled claims to increase or reduce when compared with the cost of previously settled claims, including:

- changes in our processes which might accelerate or slow down the development and/or recording of paid or incurred claims;
- changes in the legal environment (including challenges to tort reform);
- the effects of inflation, which rose rapidly over 2022 and 2023;
- changes in the mix of business;
- the impact of large losses; and
- changes in our cedants' reserving methodologies.

These factors are incorporated in the management's best estimate of reserves. We take all reasonable steps to ensure that we utilize all appropriate information and actuarial techniques in establishing our IBNR reserves. However, given the uncertainty in establishing claims liabilities, it is likely that the final outcome will prove to be different from the original provision established at the balance sheet date. Changes to our previous estimates of prior period loss reserves impact the reported calendar year underwriting results by worsening our reported results if the prior year reserves prove to be deficient or improving our reported results if the prior year reserves prove to be redundant. As at December 31, 2024, a 5% change in the gross reserve for IBNR losses would have equated to a change of approximately $262.4 million (2023 — $234.8 million) in loss reserves.

A 5% change in our net loss reserves equates to $197.5 million and represents 5.9% of shareholders' equity as at December 31, 2024.

There are specific areas of our selected reserves which have additional uncertainty associated with them. Refer to Item 3D, "Risk Factors — Insurance Risks — Our financial condition and operating results may be adversely affected if actual claims exceed our loss reserves" for a discussion of the specific areas of our selected reserves which have additional uncertainty. In each case, management believes they have selected an appropriate best estimate based on current information and current analyses.

Loss Reserving Sensitivity Analysis. The most significant key assumptions identified in the reserving process are that (i) the historic loss development and trend experience is assumed to be indicative of future loss development and trends, (ii) the information developed from internal and independent external sources can be used to develop meaningful estimates of the initial expected ultimate loss ratios, and (iii) no significant losses or types of losses will emerge that are not represented in either the initial expected loss ratios or the historical development patterns.

We believe that there is potentially significant risk in estimating loss reserves for long-tail lines of business and for immature accident years that may not be adequately captured through traditional actuarial projection methodologies. As discussed above, these methodologies usually rely heavily on projections of prior year trends into the future. In selecting our best estimate of future liabilities, we consider both the results of actuarial point estimates of loss reserves in addition to the stochastic distribution of reserves. In determining the appropriate best estimate, we review (i) the result of bottom up analysis by accident year reflecting the impact of parameter uncertainty in actuarial calculations, and (ii) specific qualitative information on events that may have an effect on future claims development but which may not have been adequately reflected in actuarial best estimates, such as the potential for outstanding litigation or claims practices of cedants to have an adverse impact.

Effect if Actual Results Differ From Assumptions. Given the risks and uncertainties associated with the process for estimating reserves for losses and loss expenses, management has performed an evaluation of the potential variability in loss reserves and the impact this variability may have on reported results, financial condition and liquidity. Because of the inherent uncertainties discussed above, we have developed a reserving philosophy which attempts to incorporate prudent assumptions and estimates.

Management's best estimate of the net reserve for losses and loss expenses as at December 31, 2024 was $3,950.6 million. The following tables show the effect on estimated net reserves for losses and loss expenses as at December 31, 2024 of a change in two of the most critical assumptions in establishing reserves: (i) loss emergence patterns, accelerated or decelerated by three and six months; and (ii) expected loss ratios varied by plus or minus five and ten percent. Accelerated loss emergence patterns indicates a higher development percentage of losses, therefore requiring lower IBNR than previously expected and hence resulting in a lower ultimate.

Management believes that these scenarios present a reasonable range of variability around the booked reserves using standard actuarial techniques. Loss reserves may vary beyond these scenarios in periods of heightened or reduced claim activity. The reserves resulting from the changes in the assumptions are not additive and should be considered separately. The following tables vary the assumptions employed therein independently. In addition, the tables below do not adjust any parameters other than the ones described above.

Net reserve for losses and loss adjustment expenses as at December 31, 2024 — Sensitivity to loss emergence patterns

Change in assumption	Reserve for losses and loss adjustment expenses	
	($ in millions)	
Six month acceleration	$	3,712.6
Three month acceleration	$	3,822.6
No change (selected)	$	3,950.6
Three month deceleration	$	4,110.5
Six month deceleration	$	4,304.6

Net reserve for losses and loss adjustment expenses as at December 31, 2024 — Sensitivity to expected loss ratios

Change in assumption	Reserve for losses and loss adjustment expenses
	($ in millions)
10% favorable	$ 3,575.2
5% favorable	$ 3,762.9
No change (selected)	$ 3,950.6
5% unfavorable	$ 4,138.3
10% unfavorable	$ 4,326.0

The most significant variance in the above scenarios (i.e., a 10% unfavorable movement in expected loss ratios) would have the effect of increasing losses and loss expenses by $375.4 million.

Management believes that the reserve for losses and loss adjustment expenses is sufficient to cover expected claims incurred before the reporting date on the basis of the methodologies and judgments used to support its estimates. However, there can be no assurance that actual payments will not vary significantly from total reserves. The reserve for losses and loss adjustment expenses and the methodology of estimating such reserve are regularly reviewed and updated as new information becomes known. Any resulting adjustments are reflected in income in the period in which they become known.

Recoverability of Deferred Tax Asset

In assessing the recoverability of deferred tax assets, and the recognition/de-recognition of associated valuation allowances, the Company considered a number of factors that required significant judgement, such as successive years of achieving three-year cumulative net taxable income, recent operating trends, growth and profitability forecasts, premium and investment return assumptions, etc. when making its determination. For the year ended December 31, 2024, the valuation allowance for Aspen UK was reduced by $106.6 million since it was the third consecutive year meeting the aforementioned benchmarks. At December 31, 2024, the valuation allowance reflects management's assessment that it is more likely than not that the deferred tax assets in the branches of the U.K. and Bermuda operating subsidiaries, on foreign tax credit carryforwards and on trapped net operating losses will not be realized. Management believe that all other deferred tax assets will more likely than not be fully utilized over time.

Valuation of Investments Measured Using Significant Unobservable Inputs

The Company's estimates of fair value for financial assets and liabilities are based on the framework established in the fair value accounting guidance included in ASC Topic 820, "Fair Value Measurements and Disclosures." The framework prioritizes the inputs, which refer broadly to assumptions market participants would use in pricing an asset or liability.

The Company considers prices for actively traded securities to be derived based on quoted prices in an active market for identical assets.

The Company considers prices for other securities that may not be as actively traded which are priced via pricing services, vendors and broker-dealers, or with reference to interest rates and yield curves, to be derived based on inputs that are observable for the asset, either directly or indirectly.

The Company considers securities, other financial instruments, privately-held investments and derivative insurance contracts subject to fair value measurement whose valuation is derived by internal valuation models to be based largely on unobservable inputs. Unobservable inputs are assumptions used by the Company using the best available information at the time of making these valuation assumptions. Level 3 financial instruments have the least use of observable market inputs used to determine fair value. As at December 31, 2024, the Company classified privately-held investments of $311.0 million as Level 3 as a result of significant unobservable inputs used to determine fair value (2023 — $489.9 million).

Privately-held investments are initially valued at cost or transaction value which approximates fair value. In subsequent measurement periods, the fair values of these securities are determined using discounted cash flow models. These models include inputs that are specific to each investment. The inputs used in the fair value measurements include dividend or interest rates and appropriate discount rates. The selection of an appropriate discount rate is judgmental and is the most significant unobservable input used in the valuation of these securities. A significant increase (decrease) in this input in isolation could result in significantly lower (higher) fair value measurement for privately-held investments. In order to assess the reasonableness of the inputs the Company uses in the discounted cash flow models, the Company maintains an understanding of current market conditions, issuer specific information that may impact future cash flows as well as collaboration with independent vendors for most securities to assess the reasonableness of the discount rate being used.

The Company's other investments represent our investments in investment funds. Adjustments to the fair values are made based on the net asset value of the investments. The net valuation criteria established by the manager of such investments are established in accordance with the governing documents and the asset manager's valuation guidelines, which include: the discounted cash flows method and the performance multiple approach, which uses a multiple derived from market data of comparable companies or assets to produce operating performance metrics. Alternative valuation methodologies may be employed for investments with unusual characteristics.

See also "Quantitative and Qualitative Disclosures about Market Risk" in Item 11 of this report for further details on interest rate and credit spread risk and a sensitivity analysis of interest rate on the valuation of the Company's investments.

F. Tabular Disclosure of Obligations

The following table summarizes our obligations (other than our obligations to employees) under long-term debt, operating leases (net of subleases) and reserves relating to insurance and reinsurance contracts as at December 31, 2024:

	2025	2026	2027	2028	2029	Later Years	Total
				($ in millions)			
Operating lease obligations	$ 15.4	$ 14.6	$ 13.2	$ 13.0	$ 10.9	$ 21.5	$ 88.6
Long-term debt obligations	—	300.0	—	—	—	—	300.0
Long-term debt obligations, annual interest [1]	20.0	17.1	—	—	—	—	37.1
Reserves for losses and LAE [2]	1,662.0	1,327.6	1,095.0	865.0	685.0	2,488.0	8,122.6
Total	$ 1,697.4	$ 1,659.3	$ 1,108.2	$ 878.0	$ 695.9	$ 2,509.5	$ 8,548.3

(1) The long-term debt accrues interest at a variable rate of Term Secured Overnight Financing Rate plus an applicable margin. In estimating our annual interest obligation on our long-term debt, the borrowing rate as of December 31, 2024 has been used.

(2) In estimating the time intervals into which payments of our reserves for losses and loss adjustment expenses fall, as set out above, we have utilized actuarial assessed payment patterns. By the nature of the insurance and reinsurance contracts under which these liabilities are assumed, there can be no certainty that actual payments will fall in the periods shown and there could be a material acceleration or deceleration of claims payments depending on factors outside our control. The total amount of payments in respect of our reserves, as well as the timing of such payments, may differ materially from our current estimates for the reasons set out under Item 18, Note 2 of our consolidated financial statements, "Basis of Presentation and Significant Accounting Policies - Reserves."

For a detailed description of our operating lease obligations, refer to Item 18, Note 19 of our consolidated financial statements, "Operating Leases."

G. Safe Harbor

Cautionary Statement Regarding Forward-Looking Statements

This report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), that are made pursuant to the "safe harbor" provisions of The Private Securities Litigation Reform Act of 1995. Forward-looking statements include all statements that do not relate solely to historical or current facts. In particular, statements that use the words such as "believe," "anticipate," "expect," "assume," "objective," "target," "plan," "estimate," "project," "seek," "will," "may," "aim," "likely," "continue," "intend," "guidance," "outlook," "trends," "future," "could," "would," "should," "target," "predict," "potential," "on track" or their negatives or variations and similar terminology and words of similar import generally involve forward-looking statements.

The inclusion of forward-looking statements in this report should not be considered as a representation by us or any other person that our current objectives or plans will be achieved. Numerous factors could cause our actual results to differ materially from those addressed by the forward-looking statements, including the following:

- The occurrence, timing and results of, and market reaction to, our Potential Initial Public Offering;
- the occurrence of natural disasters, severe weather events and other catastrophic events;
- global climate change and governmental responses thereto;
- war, terrorism and political unrest, government action that is hostile to commercial interests and from sovereign, sub-sovereign and corporate defaults;

- emerging claim and coverage issues in our business and social inflation;
- cyclical changes in the insurance and reinsurance industries;
- our reinsurers may not reimburse us for claims on a timely basis, or at all;
- the reliance on third parties for the assessment and pricing of individual risks;
- the failure of any risk management and loss limitation methods we employ;
- the reinsurance that we purchase may not always be available on favorable terms or we may choose to retain a higher proportion of particular risks compared to previous years;
- actual claims exceeding our loss reserves;
- economic inflation;
- increases in the frequency and severity of cyber-attacks on our policyholders;
- interest rate risk, credit risk, real estate related risks, market risk, servicing risk, loss from catastrophic events and other risks;
- adverse developments affecting the financial services industry and the potential contagion impact to, and resulting stress on, the financial services sector generally;
- failing to realize profits from or losing some or all of the principal amount of our invested assets if we are required to sell our invested assets at a loss to meet our insurance, reinsurance or other obligations;
- volatility and uncertainty in general economic conditions and in financial and mortgage markets;
- the determination of the amount of allowances and impairments taken on our investments;
- currency fluctuations that we may not be effective at mitigating;
- the failure of policyholders, brokers or other intermediaries or reinsurers to honor their payment obligations;
- competition and consolidation in the (re)insurance industry;
- a decline in any of the ratings of our Operating Subsidiaries could adversely affect our standing among brokers and customers and cause our premiums and earnings to decrease;
- increasing scrutiny and evolving expectations from investors, customers, regulators, policymakers and other stakeholders regarding environmental, social and governance matters;
- future acquisitions, growth of our operations through the addition of new lines of (re)insurance business, expansion into new geographic regions and/or joint ventures or partnerships;
- the loss of business provided by brokers that account for a large portion of our insurance and reinsurance revenues;
- our management of alternative reinsurance platforms on behalf of investors in any entities ACM manages or could manage in the future;
- the inability to obtain additional capital or to only obtain capital on unfavorable terms;
- our debt, credit and ISDA agreements may limit our financial and operational flexibility;
- political, regulatory, governmental and industry initiatives;
- changes in regulations that adversely affect the U.S. mortgage insurance and reinsurance market;
- the United Kingdom’s withdrawal from the European Union;
- changes in Bermuda law and regulations, and the political environment in Bermuda;
- changes in current accounting practices and future pronouncements;
- our internal controls over financial reporting have gaps or other deficiencies;
- the loss of one or more of our senior underwriters or other members of our senior management team or an inability to attract and retain senior staff;

- third-party outsourced service providers failing to satisfactorily perform certain technology and business process functions;
- general employee and third-party litigation risks;
- management turnover;
- the loss of our foreign private issuer or "controlled company" status;
- the execution of internal processes to maintain our operations and the operational risks that are inherent to our business, including those resulting from fraud or employee errors or omissions;
- the failure in our data security and/or technology systems or infrastructure or those of third parties, including those caused by security breaches or cyber-attacks;
- compliance with ever evolving national, federal, state, and international laws relating to the handling of information;
- actual results differing materially from model outputs and related analyses;
- the influence that our controlling shareholder will continue to have over us;
- our holding company structure and certain regulatory and other constraints may limit our ability to pay dividends;
- U.S. persons who own our securities may have more difficulty in protecting their interests than U.S. persons who are shareholders of a U.S. corporation; and
- changes in government regulations or tax laws in jurisdictions where we conduct business.

All forward-looking statements rely on a number of assumptions, estimates and data concerning future results and events that are subject to a number of risks, uncertainties, assumptions and other factors, many of which are outside our control that could cause actual results to differ materially from such forward-looking statements. Accordingly, there are other important factors that could cause our actual results to differ materially from those anticipated in the forward-looking statements. We believe that these factors include, but are not limited to, those set forth in Item 3D under "Risk Factors" as those factors may be updated from time to time in our periodic filings with the United States Securities and Exchange Commission (the "SEC") which are accessible on the SEC's website at http://www.sec.gov.

The inclusion of forward-looking statements in this report should not be considered as a representation by us that current plans or expectations will be achieved. Forward-looking statements speak only as of the date on which they are made and we undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future developments or otherwise, except as required by law.

Effects of Inflation

Economic inflation has increased in recent quarters and there is a risk of inflation remaining elevated for an extended period, which could further increase claims and claim expenses, impact the performance of our investment portfolio or have other adverse effects. The onset, duration and severity of an inflationary period cannot be estimated with precision.

The potential exists after a catastrophe or other large property loss for the development of inflationary pressures in a local economy as the demand for services, such as construction, typically surges. The cost of settling claims may also be increased by global commodity price inflation. We seek to take both these factors into account when setting reserves for any events where we think they may be material. In addition, this risk may be exacerbated by the steps taken by governments and central banks throughout the world in responding to the COVID-19 pandemic and any future pandemics, the impact from the war in Ukraine, global supply chain issues.

The anticipated effects of inflation are considered in our pricing models, reserving processes and exposure management, across all lines of business and types of loss, including natural catastrophe events, and this includes assumptions about future payments for settlement of claims and claims-handling expenses. To the extent inflation causes these costs to increase above reserves established for these claims, we will be required to increase our loss reserves with a corresponding reduction in earnings.

The actual effects of the current and potential future increase in inflation on our results cannot be accurately known until, among other items, claims are ultimately settled.

In addition to general price inflation, social inflation has increased, and, accordingly, we may be exposed to a persisting long-term upwards trend in the cost of judicial awards for damages. We seek to take this into account in our pricing and reserving of our lines of business, notably casualty business.

We also seek to take into account the projected impact of inflation on the likely actions of central banks in the setting of short-term interest rates and consequent effects on the yields and prices of fixed interest securities. A potentially prolonged high inflationary environment poses a risk to the performance of our investment portfolio or have other adverse effects. In particular, rising inflation, interest rates and bond yields may result in a decrease in the market value of certain of our fixed interest investments. Refer to Item 3D, "Risk Factors — Market and Liquidity Risks — Our investments are subject to interest rate, credit, and real estate related risks, which may adversely affect our net income and may adversely affect the adequacy of our capital" and also to "Risk Factors — Market and Liquidity Risks — We may be adversely impacted by economic inflation and social inflation."

H. Reconciliation of Non-GAAP Financial Measures

In presenting Aspen's results, management has included and discussed certain measurements that are considered "non-GAAP financial measures" under SEC rules and regulations. Management believes that these non-GAAP financial measures, which may be defined differently by other companies, help explain and enhance the understanding of Aspen's results of operations. However, these measures should not be viewed as a substitute for those determined in accordance with GAAP.

Average equity, a non-GAAP financial measure, is used in calculating ordinary shareholders return on average equity. Average equity is calculated by taking the arithmetic average of total shareholders' equity on a quarterly basis for the stated periods excluding the average value of preference shares less issue expenses. Operating return on average equity is calculated by dividing operating income by average equity.

	As at December 31,		
	2024	2023	2022
		($ in millions)	
Total shareholders' equity	$ 3,371.9	$ 2,908.5	$ 2,358.0
Preference shares less issue expenses	(970.5)	(753.5)	(753.5)
Average adjustment	(174.0)	(336.2)	101.5
Average equity	$ 2,227.4	$ 1,818.8	$ 1,706.0
Operating return on average equity	19.4 %	20.2 %	11.9 %
Net income, adjusted for preference share dividends, on average equity	19.4 %	26.7 %	0.4 %
Net income, adjusted for preference share dividends, on closing equity	18.0 %	22.5 %	0.4 %

Operating income is a non-GAAP financial measure. Operating income is an internal performance measure used by Aspen in the management of its operations and represents after-tax operating results. Operating income includes an adjustment for the change in deferred gain on retroactive reinsurance contracts in order to economically match the loss recoveries under the LPT contract with the underlying loss development of the assumed net loss reserves for the subject business of 2019 and prior accident years. Operating income also excludes certain costs related to the LPT contract with a subsidiary of Enstar Group Limited, net foreign exchange gains or losses, including net realized and unrealized gains and losses from foreign exchange contracts, net realized gains or losses on investments and non-operating expenses and income.

Aspen excludes the items above from its calculation of operating income because management believes they are not reflective of underlying performance or the amount of these gains or losses is heavily influenced by, and fluctuates according to, prevailing investment market and interest rate movements. Aspen believes these amounts are either largely independent of its business and underwriting process, not aligned with the economics of transactions undertaken, or including them would distort the analysis of trends in its operations. In addition to presenting net income determined in accordance with GAAP, Aspen believes that showing operating income enables users of its financial information to analyze Aspen's results of operations in a manner consistent with how management analyzes Aspen's underlying business performance. Operating income should not be viewed as a substitute for GAAP net income.

Operating Income Reconciliation	Twelve Months Ended December 31,		
	2024	2023	2022
	($ in millions)		
Net income available to Aspen Insurance Holdings Limited's ordinary shareholders	$ 431.2	$ 484.8	$ 6.5
Add/(deduct) items before tax			
Net foreign exchange (gains)/losses	(39.1)	10.1	64.6
Net realized and unrealized investment losses/(gains)	49.5	(14.5)	177.6
Non-operating expenses	29.9	35.1	36.0
Impact of the LPT, net of certain costs related to the LPT contract with Enstar	62.6	50.5	22.8
Non-operating income tax (benefit)	(101.6)	(198.4)	(105.2)
Operating income	$ 432.5	$ 367.6	$ 202.3

Retention ratio is calculated by dividing net written premiums by gross written premiums.

Retention ratio	Twelve Months Ended December 31, 2024			Twelve Months Ended December 31, 2023		
	Reinsurance	Insurance	Total	Reinsurance	Insurance	Total
	($ in millions, except for percentages)			($ in millions, except for percentages)		
Gross written premiums	$ 1,885.8	$ 2,723.5	$ 4,609.3	$ 1,521.0	$ 2,446.6	$ 3,967.6
Net written premiums	$ 1,275.7	$ 1,666.9	$ 2,942.6	$ 1,098.0	$ 1,483.9	$ 2,581.9
Retention ratio	67.6 %	61.2 %	63.8 %	72.2 %	60.7 %	65.1 %

General Insurance:

Underwriting result or income/ loss is a non-GAAP financial measure. Income or loss for each of the business segments is measured by underwriting income or loss. Underwriting income or loss is the excess of net earned premiums over the underwriting expenses. Underwriting expenses are the sum of losses and loss adjustment expenses, acquisition costs and general and administrative expenses. Underwriting income or loss provides a basis for management to evaluate the segment's underwriting performance.

Adjusted losses and loss adjustment expenses is a non-GAAP financial measure. It is the sum of current accident year losses, catastrophe losses and prior year reserve strengthening/(releases) post LPT years. Adjusted losses and loss adjustment expenses excludes the change in the deferred gain on retroactive reinsurance contracts and represents the performance of our business for accident years 2020 onwards, which management believes reflects the underlying underwriting performance of the ongoing business.

Adjusted underwriting income or loss is a non-GAAP financial measure. It is the underwriting profit or loss adjusted for the change in deferred gain on retroactive reinsurance contracts in order to economically match the loss recoveries under the LPT contract with the underlying loss development of the assumed net loss reserves for the subject business of 2019 and prior accident years. Adjusted underwriting income or loss also excludes certain costs related to the LPT contract with Enstar that closed in the second quarter of 2022. Adjusted underwriting income represents the performance of our business for accident years 2020 onwards, which management believes reflects the underlying underwriting performance of the ongoing portfolio.

Along with most property and casualty insurance companies, we use the loss ratio, the expense ratio and the combined ratio as measures of underwriting performance. These ratios are relative measurements that describe, for every $100 of net earned premiums, the amount of losses and loss adjustment expenses, and the amount of other underwriting expenses that would be incurred. A combined ratio of less than 100 indicates an underwriting profit and a combined ratio of over 100 indicates an underwriting loss.

Combined ratio is the sum of the loss ratio and expense ratio. The loss ratio is calculated by dividing losses and loss adjustment expenses by net earned premiums. The expense ratio is calculated by dividing the sum of acquisition costs and general and administrative expenses, by net earned premiums.

Adjusted combined ratio is a non-GAAP financial measure. It is the sum of the adjusted loss ratio and the expense ratio. The adjusted loss ratio is calculated by dividing the adjusted losses and loss adjustment expenses by net earned premiums. The expense ratio is calculated by dividing the sum of acquisition costs and general and administrative expenses, by net earned premium.

Combined ratios differ from U.S. statutory combined ratios primarily due to the deferral of certain third-party acquisition expenses for GAAP reporting purposes and the use of net earned premiums rather than net written premiums in the denominator when calculating the acquisition cost and the general and administrative expense ratios.

Underwriting Income, Adjusted Underwriting Income, Adjusted Combined Ratio and Adjusted Loss Ratio	**Twelve Months Ended December 31,**		
	2024	**2023**	**2022**
	($ in millions, except for percentages)		
Net earned premium	$ 2,889.7	$ 2,614.5	$ 2,688.7
Current accident year net losses and loss expenses	1,494.9	1,372.1	1,345.1
Catastrophe losses	187.3	120.1	306.8
Prior year reserve development, post LPT years	0.6	32.3	13.0
Adjusted losses and loss adjustment expenses	1,682.8	1,524.5	1,664.9
Impact of the LPT	35.0	28.5	15.1
Losses and loss adjustment expenses	1,717.8	1,553.0	1,680.0
Acquisition costs	420.2	380.2	431.8
General and administrative expenses	405.9	354.5	386.5
Underwriting expenses	$ 2,543.9	$ 2,287.7	$ 2,498.3
Underwriting income	$ 345.8	$ 326.8	$ 190.4
Combined ratio	87.9 %	87.5 %	93.0 %
Adjusted underwriting income [(1)]	$ 380.8	$ 355.3	$ 205.5
Adjusted combined ratio [(1)]	86.8 %	86.4 %	92.4 %
Adjusted loss ratio [(1)]	58.3 %	58.3 %	61.9 %

(1) The adjusted underwriting income, adjusted combined ratio and adjusted loss ratio remove the impact of the change in deferred gain on retroactive reinsurance contracts in order to match the loss recoveries under the LPT contract with the underlying loss development of the assumed net loss reserves for the subject business of 2019 and prior accident years. The adjusted underwriting income, adjusted combined ratio and adjusted loss ratio represent the performance of our business for accident years 2020 onwards, which management believes reflects the underlying underwriting performance of the ongoing portfolio.

Item 6. Directors, Senior Management and Employees

A. Directors and Executive Officers

The following are the directors and executive officers (as contemplated by SEC rules and regulations) of the Company as of the date of this report.

Name	Position with the Company	Date Appointed to Role
Directors		
Mark Cloutier	Director, Executive Chair, and Group Chief Executive Officer	February 2019
David Altmaier *	Director, Chair of the Compensation Committee, Member of the Risk, Audit and Conflicts Committees	March 2023
Albert J. Beer *	Director, Chair of the Conflicts Committee, Member of Audit, Investment and Risk Committees	July 2019[(1)]
Christian Dunleavy	Director and Group President	March 2025
Theresa Froehlich *	Director, Chair of Risk Committee, Member of Compensation and Nominating and Corporate Governance Committees	June 2020
Alexander Humphreys ^	Director, Member of Risk Committee	February 2019
Michael Lagler ^	Director	March 2025
Richard Lightowler *	Director, Chair of Audit Committee, Member of Conflicts Committee	December 2020
Gernot Lohr ^	Director	February 2019
Tammy L. Richardson-Augustus *	Director, Chair of Investment Committee, Chair of Nominating and Corporate Governance Committee	March 2021
Michael Saffer ^	Director, Member of Risk, Investment, Compensation and Nominating and Corporate Governance Committees	February 2019
Executive Officers		
Mark Cloutier	Director, Executive Chair and Group Chief Executive Officer	February 2019
David Amaro	Group General Counsel & Company Secretary	January 2023
Mark Pickering	Group Chief Financial Officer & Treasurer	August 2024
Christian Dunleavy	Director and Group President	August 2024
Bruce Eisler	Chief Underwriting Officer - Insurance	June 2020
Rob Houghton	Group Chief Operating Officer	January 2022
Aileen Mathieson	Group Chief Investment Officer	November 2021
Brian Tobben	Chief Executive Officer of Aspen Capital Partners	May 2021
John Welch	Chief Underwriting Officer - Reinsurance	June 2023

(1) Mr. Beer previously served as a Director of the Company from February 4, 2011 until February 15, 2019.
* Independent, Non-Executive Director
^ Non-Executive Director

Biographical information

Directors:

- **Mark Cloutier, Director, Executive Chair & Group Chief Executive Officer**

Mr. Cloutier was appointed Executive Chair and Group Chief Executive Officer of Aspen in February 2019. He had previously been Executive Chairman of the Brit Group, a Lloyd's of London insurer, since January 2017 and prior to this, he was Chief Executive Officer of the Brit Group from October 2011 following its acquisition by Apollo and certain other private equity firms. As Chief Executive Officer of the Brit Group, Mr. Cloutier led a major restructuring of Brit's global business, the successful listing on the London Stock Exchange through an initial public offering in 2014 as well as the subsequent acquisition of the business by Fairfax Financial Holdings in 2015.

With over 35 years' experience working in the international insurance and reinsurance sector in multiple jurisdictions including Canada, the United States, the United Kingdom, Bermuda, continental Europe, Asia, China and South Africa, Mr. Cloutier has held a number of Chief Executive Officer and senior executive positions, including Chief Executive Officer of the Alea Group, Chief Executive Officer of Overseas Partners Re and President of E.W. Blanch Insurance Services Inc. He served as a member of the Franchise Board and Audit Committee of the Society of Lloyd's between February 2015 and June 2020 and was appointed to the Nomination and Governance Committee in February 2017.

He currently serves on the Board of Overseers of the Maurice R. Greenberg School of Risk Management, Insurance and Actuarial Science in New York and was appointed Deputy Chair of the Association of Bermuda Insurers and Reinsurers ("ABIR") in December 2023.

Mr. Cloutier has worked with a variety of private equity investors including Apollo, CVC Capital Partners, Kohlberg Kravis Roberts & Co. L.P. and Fortress Investment Group LLC. He started his career in British Columbia, Canada with Brouwer and company independent loss adjusters before moving on to found his own firm, Maxwell Cloutier Adjusters Ltd.

- **David Altmaier, Independent Director, Chair of the Compensation Committee and Member of the Risk, Audit and Conflicts Committees**

Mr. Altmaier was appointed to the Board in March 2023. Since March 2023, Mr. Altmaier has worked as a consultant at The Southern Group, a full-service lobbying firm. Prior to joining The Southern Group, Mr. Altmaier was the Commissioner of Insurance for the State of Florida from 2016 to 2022. In this role, Mr. Altmaier led the Office of Insurance Regulation (the "OIR") and worked to cultivate a market in Florida in which insurance products are reliable, available, and affordable. He started at the OIR in 2008, serving in a number of increasingly senior roles, including as Director of Property & Casualty Financial Oversight and, prior to assuming the role of Commissioner, as Deputy Commissioner of Property and Casualty Insurance.

Among other market leadership roles, Mr. Altmaier is a member of Florida's Blockchain Task Force and, during the COVID-19 pandemic, was selected as a member of Florida's Re-Open Florida Task Force Industry Working Group on Agriculture, Finance, Government, Healthcare, Management and Professional Services. Mr. Altmaier has also held multiple leadership positions within The National Association of Insurance Commissioners, most recently as President.

- **Albert J. Beer, Independent Director, Chair of the Conflicts Committee and Member of Audit, Investment and Risk Committees**

Mr. Beer was appointed to the Board in July 2019 after having previously served on the Board from February 2011 to February 2019. Since July 2014, he has also served as a director of Aspen Bermuda Limited. Mr. Beer previously held various executive roles at American Re-Insurance Corporation/Munich Re America, which included the active supervision of principal financial and accounting officers. Mr. Beer has over 40 years of actuarial and management experience in the insurance industry.

Mr. Beer is the Michael J. Kevany/XL Professor of Risk Management, Insurance and Actuarial Science at The Peter J. Tobin College of Business School of Risk Management, Insurance and Actuarial Science at St. John's University. Mr. Beer graduated Phi Beta Kappa from Manhattan College with a B.S. in Mathematics and holds an M.A. in Mathematics from the University of Colorado.

- **Christian Dunleavy, Director and Group President**

Mr. Dunleavy was appointed to the Board in March 2025 and was appointed Group President and Chief Executive Officer of Aspen Bermuda Limited in August 2024 after holding several leadership positions at Aspen since joining in 2015, most recently Group Chief Underwriting Officer. During his tenure, he has served as Head of Global Property Catastrophe, Chief Underwriting Officer of Aspen Re and Chief Executive Officer and Chief Underwriting Officer of Aspen Bermuda.

Prior to joining Aspen, Mr. Dunleavy spent several years at Axis Capital, where he was a Senior Vice President, and responsible for U.S. Property Treaty, Caribbean Property and Workers Compensation Catastrophe business. Before joining Axis Capital in 2002, he was a Senior Analyst at Renaissance Re, where he focused on multi-peril modeling, pricing and portfolio analysis.

In addition to his responsibilities at Aspen, Mr. Dunleavy is also Chair of the Association of Bermuda International Companies, as well as an Independent Director of CG Coralisle Group.

- **Theresa Froehlich, Independent Director, Chair of the Risk Committee, Member of Compensation and Nominating and Corporate Governance Committees**

Ms. Froehlich was appointed to the Board in June 2020. She has over 25 years of management experience in the financial services industry. From 2010 to 2016, Ms. Froehlich held senior roles at Lloyd's of London, including interim director of performance management, where she was responsible for all commercial aspects of oversight of the marketplace and setting underwriting standards, and also head of underwriting performance. Prior to working at Lloyd's of London, she worked in Zurich as a Managing Director for Swiss Reinsurance Company Ltd., holding various senior management roles which included portfolio management of structured reinsurance products, driving transformation and strategic initiatives and serving as the Head of Transactions UK at Admin Re.

She currently serves as Chair of Brown & Brown Europe Limited, as a Non-executive Director of Aegon U.K. PLC and other companies in that group and has served as a Non-executive Director and Chair of the Audit Committee of Managing Agency Partners Ltd since 2017. From 2017 to 2020, Ms. Froehlich served as a Non-executive Director of Starr International Europe Limited and Starr Managing Agents Limited, where she chaired the Remuneration Committee and was a member of the Audit and Risk and Capital Committees. In addition, Ms. Froehlich has served as the Chair of Aspen Insurance U.K. Limited since November 2019 and as a Non-executive Director of Aspen Managing Agency Limited, where she chaired the Risk Management Committee from November 2019 to June 2022 and the Board since November 2021. Ms. Froehlich started her career as a commercial solicitor in Scotland before moving into mergers and acquisitions and structured finance.

- **Alexander Humphreys, Director and Member of the Risk Committee**

Mr. Humphreys was appointed to the Board in February 2019. Mr. Humphreys is a Partner at Apollo, which he joined in 2008. Prior to this, Mr. Humphreys worked at Goldman Sachs & Co. LLC on its financial institutions mergers and acquisitions team. Mr. Humphreys also currently serves on the boards of various Apollo portfolio companies, including Athora Holding, Ltd, Catalina Holdings (Bermuda) Ltd., Athene Life Re Ltd. and Athene Co-Invest Reinsurance Holdings Ltd. He previously served on the board of directors of Miller Homes, HD Finance Holdings Limited (parent of Haydock Finance Holdings Limited), Latecoere S.A., Seguradoras Unidas S.A. (parent of Tranquilidade), Luminescence Cooperatief U.A., and Amissima Holdings, S.r.l.

- **Michael Lagler, Director**

Mr. Lagler was appointed to the Board in March 2025. Mr. Lagler joined Apollo in 2021, where he is currently an Associate on the London Private Equity team. Prior to joining Apollo, he was a member of the investment banking team in the financial institutions group and subsequently the mergers and acquisitions group at Perella Weinberg Partners in London from July 2018 to April 2021. Mr. Lagler has been involved in various private equity transactions, including in relation to Aspen Insurance Holdings Limited and the acquisition of Banks and Acquirers International Holding S.A.S. (known as Ingenico) by investment funds affiliated with Apollo. Mr. Lagler graduated from the WHU - Otto Beisheim School of Management with a BSc degree in International Business Administration. We believe Mr. Lagler is qualified to serve on the Board due to his experience operating and investing in a variety of market sectors, including the insurance and financial services industries.

- **Richard Lightowler, Independent Director, Chair of the Audit Committee and Member of the Conflicts Committee**

Mr. Lightowler was appointed to the Board in December 2020. Mr. Lightowler has over 25 years' experience in financial services public accounting focused on reinsurance and insurance clients, including non-life and life, primary and reinsurance, run off as well as specialized risk vehicles. He was a Partner at KPMG from 1998 to 2016, where he spent over 16 years serving as global lead audit partner for reinsurance groups listed on the New York and London Stock Exchanges. Mr. Lightowler also served as Head of the KPMG Bermuda Insurance Practice.

Mr. Lightowler has significant private and public equity and debt offering experience and has worked on many cross-border mergers and acquisitions. Mr. Lightowler is currently a Non-Executive Director of Phoenix Re Limited, Hansa Investment Company Limited, Geneva Re Limited and Oakley Capital Investments Limited.

- **Gernot Lohr, Director**

Mr. Lohr was appointed to the Board in February 2019. Mr. Lohr joined Apollo in May 2007, where he is a Partner and Co-Chair of the Global Financial Institutions Group. Prior to joining Apollo, Mr. Lohr was a founding partner at Infinity Point LLC, Apollo's joint venture partner for the financial services industry, since 2005.

Before that time, Mr. Lohr spent eight years in financial services investment banking at Goldman Sachs & Co. LLC in New York and also worked at McKinsey & Company and B. Metzler Corporate Finance in Frankfurt.

Currently, Mr. Lohr serves on the board of directors of Athora Holding, Ltd. and Catalina Holdings. Mr. Lohr has previously served on the board of directors of Athene Holding Ltd., Oldenburgische Landesbank, Seguradoras Unidas, S.A. (f/k/a Companhia de Seguros Tranquilidade, S.A.).

Mr. Lohr has a joint Master's Degree in Economics and Engineering from the University of Karlsruhe, Germany, and he received a Master of Business Administration from the MIT Sloan School of Management.

- **Tammy L. Richardson-Augustus, Independent Director, Chair of the Investment Committee, Chair of Nominating and Corporate Governance Committee**

Ms. Richardson-Augustus was appointed to the Board in March 2021. Ms. Richardson-Augustus has 25 years of legal experience and since 2007 has been a partner and a member of the Bermuda corporate department of Appleby, a leading global provider of offshore legal and fiduciary services. Ms. Richardson-Augustus provides transactional and corporate governance advice to corporate clients (including but not limited to developing a framework of prudent and effective policies for board committees). Ms. Richardson-Augustus maintains a diversified business transactions practice, with emphasis on domestic and international mergers and acquisitions, joint ventures, capital markets and securities, secured and unsecured lending transactions and general corporate governance matters. She has extensive experience working with clients in a wide range of industries, including in energy, oil and gas exploration, and maritime shipping. Ms. Richardson-Augustus currently serves on numerous boards including on the regulatory board (Bermuda Monetary Authority), statutory board (Bermuda Deposit Insurance Corporation) and on the board of Polaris (a company listed on the Bermuda Stock Exchange) and is a member of the Bermuda Bar Association and is a justice of the peace.

- **Michael Saffer, Director, Member of the Risk, Investment, Compensation and Nominating and Corporate Governance Committees**

Mr. Saffer was appointed to the Board in February 2019. Mr. Saffer joined Apollo in 2015, where he is a Managing Director in the London Private Equity team. Prior to joining Apollo, he was a member of the mergers and acquisitions group at Credit Suisse in London. Mr. Saffer has been involved in various private equity transactions including the acquisition of Oldenburgische Landesbank (formerly known as Bremer Kreditbank AG), Catalina Holdings (Bermuda) Ltd., Aspen Insurance Holdings Limited, Lottomatica S.p.A. (f/k/a Gamenet Group S.p.A.),Covis Group S.a r.l. and Evri by investment funds affiliated with Apollo. He also serves on the board of directors of Lottomatica S.p.A. and Evri.

Mr. Saffer graduated from the University of Nottingham with a BSc in Economics.

Senior Management

- **Mark Cloutier, Director, Executive Chair & Group Chief Executive Officer**

See Mr. Cloutier's Biographical Information under Directors above.

- **David Amaro, Group General Counsel & Company Secretary**

Mr. Amaro was appointed as Group General Counsel & Company Secretary in January 2023. He joined Aspen in July 2021 as General Counsel of Aspen Bermuda and assumed the role of Group Head of Legal & Company Secretary as of January 2022. Before joining Aspen, Mr. Amaro spent seven years with Hamilton Insurance Group and Hamilton Re, most recently, until June 2021 as Vice President and Associate General Counsel for Hamilton Re. Prior to that, he was an in-house solicitor with Ark Syndicate Management in London, having previously completed his training contract at Clyde & Co LLP's London office. Mr. Amaro is a member of the Group Executive Committee and the Executive Committee of Aspen Bermuda.

Mr. Amaro is a member in good standing of the Bermuda Bar Association and the Law Society of England & Wales.

- **Mark Pickering, Group Chief Financial Officer & Treasurer**

Mr. Pickering was appointed as Group Chief Financial Officer and Treasurer in August 2024. He has over 20 years of experience in the reinsurance industry, and has held a number of senior roles at Aspen since joining in September 2015. His previous responsibilities included Group Chief Capital Management Officer, Chief Executive Officer at Aspen Bermuda, Chief Financial Officer of Aspen Bermuda and Director of Aspen Bermuda.

Prior to joining Aspen, he served as Senior Vice President, Treasurer with Platinum Underwriters Holdings, Ltd. from 2006 to 2015. He is a Chartered Financial Analyst, Chartered Professional Accountant and also an Associate in Reinsurance.

- **Christian Dunleavy, Director and Group President**

See Mr. Dunleavy's's Biographical Information under Directors above.

- **Bruce Eisler, Chief Underwriting Officer - Insurance**

Mr. Eisler was appointed Chief Executive Officer U.S. and Chief Underwriting Officer, Insurance in June 2020. Mr. Eisler has held various senior level roles with Reliance National, ACE USA and Liberty International Underwriters — part of Liberty Mutual Group — where he was the Senior Vice President of Professional Liability Underwriting before joining Aspen in January 2010.

- **Rob Houghton, Group Chief Operating Officer**

Mr. Houghton joined Aspen as Group Chief Operating Officer in January 2022. In his role, he oversees Aspen's group operations, AI / data analytics and IT strategy. Mr. Houghton joined from MS Amlin, where he was Group Chief Operating Officer and, more recently, MS Amlin Business Services' Chief Executive Officer. He has more than 20 years of operations, data science, IT and transformation experience across a range of sectors, including strong insurance experience.

Mr. Houghton has lived and operated on a global basis with recent experience across North America and Europe.

- **Aileen Mathieson, Group Chief Investment Officer**

Ms. Mathieson joined Aspen in November 2021, as Group Chief Investment Officer. She brings more than 30 years of experience as a finance leader in a number of industry sectors, including more than 17 years in financial services and investments.

Prior to Aspen, Ms. Mathieson served at Aberdeen Standard Investments, where she was Global Head of Insurance and at Zurich UK between 2014 and 2019 where she was Chief Investment Officer and Head of Wealth Management. During her career, she also held senior finance roles at Nucleus Financial Group plc, Standard Life Group, Diageo plc and EMI Music. Ms. Mathieson started her career at KPMG and is a qualified Chartered Accountant (Scotland) and Chartered Member of the Chartered Institute for Securities and Investment.

- **Brian Tobben, Chief Executive Officer, Aspen Capital Partners**

Mr. Tobben was appointed Chief Executive Officer of Aspen Capital Partners in June 2021. Prior to this, he served as the Chief Executive Officer for Aspen Capital Markets. Before joining Aspen, Mr. Tobben was at Partner Reinsurance for almost 10 years, most recently as Head of Insurance Linked Securities where he managed a portfolio of catastrophe ILS, life ILS, weather and commodity investments. Prior to his time at Partner Reinsurance, Mr. Tobben was at Aquila Energy where he held a number of roles, including Vice President, Business Development, Weather.

- **John Welch, Chief Underwriting Officer - Reinsurance**

Mr. Welch was appointed Chief Underwriting Officer-Reinsurance in June 2023. Mr. Welch has over 30 years of global experience in reinsurance and insurance, including executive roles across global companies. Most recently, from January 2020 to August 2022, Mr. Welch was Chief Executive, Domestic Markets at AXA XL Re, where he led local reinsurance underwriting teams around the world. Mr. Welch previously held a number of senior roles at AXA XL, XL Catlin Group and XL Group.

B. Compensation

Director Compensation

The Company paid approximately $1.5 million as aggregate compensation to non-executive directors for their services to the Company during 2024. In the case of Albert Beer and Theresa Froehlich, this also includes fees paid for their services as directors of certain of the Company's subsidiaries.

Mr. Cloutier, our Group Chief Executive Officer and Executive Chairman of the Board, did not receive any compensation for his services as a director in 2024. Likewise, Messrs. Humphreys, Lohr, and Saffer did not receive any compensation for their services as a director in 2024. All directors are reimbursed for travel and other related expenses incurred while attending Board meetings.

Senior Management Compensation

In relation to 2024, the members of senior management identified in Item 6A (including Mr. Cloutier) have been awarded approximately $21.3 million in aggregate compensation. This is comprised of: (i) base salary of approximately $5.9 million; (ii) discretionary bonuses, which include annual bonuses paid in 2025 for service during 2024 of approximately $13.1 million ; and (iii) pension, retirement, and other benefits of approximately $2.2 million.

As of December 31, 2024, there were no equity compensation plans under which equity securities of the Company were authorized for issuance.

C. Board Practices

The Board currently consists of 11 directors (see Item 6A above). The current directors on the Board have been elected to serve until the next Annual General Meeting of the Company or until their appointment is terminated in accordance with the Bye-Laws of the Company.

There are no service contracts between the Company and any of the Company's non-executive directors providing for benefits upon termination of their service.

Audit Committee

The Audit Committee is comprised of Messrs. Lightowler (Chair), Beer and Altmaier, each of whom is independent for purposes of the NYSE rules and Rule 10A-3 under the Securities Exchange Act of 1934, as amended. Pursuant to its charter, the Audit Committee has general responsibility to assist the Board in its oversight of: (i) the integrity of the Company's financial statements, including the accounting and financial reporting process of the Company and audits of the Company's financial statements; (ii) the Company's compliance with legal and regulatory requirements, as well as conflict of interest matters (to the extent not within the remit of the Conflicts Committee); (iii) the independent auditors' qualifications, performance and independence; and (iv) the performance of the Company's internal audit function. Among other things, the Audit Committee annually reviews and makes recommendations to the Board as to their selection and reviews the plan, fees (as otherwise determined by management) and results of the audit of the independent auditors, as well as the fees (as otherwise determined by management) and proposed scope of any non-audit services to be provided by the independent auditor. Such matters may be considered pursuant to the terms of the pre-approval policy adopted by the Board. The Audit Committee also is directly responsible for the appointment, compensation, retention and oversight of the work of the Company's independent auditors (including resolution of disagreements between management and the auditor regarding financial reporting), and the Company's independent auditors must report directly to the Audit Committee.

The Board determined that each of the members of the Audit Committee are financially literate as such term is defined by applicable NYSE and SEC requirements. In addition, the Board has determined that Mr. Lightowler qualifies as having accounting or related financial management expertise pursuant to NYSE requirements and is an "audit committee financial expert" pursuant to the rules and regulations of the SEC.

Other Standing Committees

The Board currently has a Risk Committee, Investment Committee and a Conflicts Committees. The Board is not required to have a remuneration or compensation committee. Notwithstanding the foregoing, the Board has established a Compensation Committee and a Nominating and Corporate Governance Committee, each of which will formally take effect upon completion of the Potential Initial Public Offering. See "Item 4B - Business Overview - Risk Management" for more information regarding these committees and "Item 16G – Corporate Governance" for a summary of ways in which our corporate governance practices differ from those followed by U.S. domestic companies listed on the NYSE.

D. Employees

As at December 31, 2024, we employed 1,128 persons in the following countries:

Country	As at December 31, 2024	As at December 31, 2023	December 31, 2022
United Kingdom	569	524	459
United States	452	426	391
Bermuda	71	70	57
Switzerland	21	20	21
Singapore	15	13	14
Australia	—	—	4
Total	1,128	1,053	946

The increase in the number of employees in 2024 compared to 2023 was primarily in the United Kingdom and the United States. We believe that relations with our employees, none of which are subject to collective bargaining agreements, are good.

E. Share Ownership

Not applicable. 100% of the Company's ordinary shares are owned by Parent and there are no other ordinary shares or classes of ordinary shares issued and no share-based compensation plans issued or administered by Aspen Holdings as of December 31, 2024. The Company's non-voting preference shares and depositary shares, as at the date of issuing this report, are listed on the NYSE under the following symbols: AHL PRD, AHL PRE and AHL PRF.

F. Disclosure of a Registrant's Action to Recover Erroneously Awarded Compensation

Not applicable.

Item 7. Major Shareholders and Related Party Transactions

A. Major Shareholders

As more fully described in Item 18, Note 1 to our consolidated financial statements, "History and Organization," Parent owns 100% of the Company's ordinary shares. Parent is an affiliate of certain investment funds managed by affiliates of Apollo.

B. Related Party Transactions

Relationships and Related Party Transactions with Apollo or its Affiliates

Parent, an affiliate of certain investment funds managed by Apollo, owns all of the Company's ordinary voting shares. Additionally, certain of our directors are employees of Apollo and its affiliates. Namely, Messrs. Humphreys, Lagler, Lohr, and Saffer are employees of Apollo.

For a disclosure of other related party transactions, refer to Item 18, Note 20 of our consolidated financial statements, "Related Party Transactions."

C. Interests of Experts and Counsel

Not applicable.

Item 8. Financial Information

A. Consolidated Statements and Other Financial Information

Reference is made to Item 18 of this report, for the consolidated financial statements and reports of the Company and the Notes thereto, as well as the schedules to the consolidated financial statements.

The Company's dividend approach is to declare and pay any dividends on our ordinary shares at the discretion of the Board, which may take into account general and economic conditions, our financial condition and results of operations, our available cash and current and anticipated cash needs, capital requirements, contractual, legal, tax and regulatory restrictions and implications on the payment of dividends by us to our shareholders or by our subsidiaries to us, including restrictions under any of our then outstanding indebtedness, the terms of our Preference Shares (as defined below) and such other factors as the Board may deem relevant. If we elect to pay dividends in the future, we may reduce or discontinue entirely the payment of such dividends at any time.

At the Board's discretion, we declare and pay quarterly dividends on our 5.625% Perpetual Non-Cumulative Preference Shares (NYSE: AHL PRD) ("AHL PRD Shares"), our 5.625% Perpetual Non-Cumulative Preference Shares ("AHL PRE Shares"), which are represented by depositary shares, each representing 1/1000th interest in an AHL PRE Share (NYSE: AHL PRE), and our depositary shares, each representing a 1/1000th interest in our 7.00% Perpetual Non-Cumulative Preference Shares (NYSE: AHL PRF) ("AHL PRF Shares" and, together with our AHL PRD Shares and our AHL PRE Shares, the "Preference Shares"). Such Preference Shares rank senior to our ordinary shares with respect to the payment of dividends and distributions of assets upon our liquidation, dissolution or winding-up.

On November 26, 2024, the Company issued 9,000,000 depositary shares, each of which represents 1/1000th interest in a share of the 7.00% Perpetual Non-Cumulative Preference Shares, of the AHL PRF Shares. Dividends of $612.50 were declared on the AHL PRF Shares on February 28, 2025, to be paid on or around April 1, 2025.

On November 29, 2024, the Company issued a notice of redemption in connection with all of its issued and outstanding 5.950% Fixed-to-Floating Perpetual Non-Cumulative Preference Shares (the "AHL PRC Shares") (NYSE: AHL PRC). The redemption took place on January 1, 2025, to be paid on January 2, 2025, and was conducted pursuant to the terms of the certificate of designation, dated May 2, 2013, governing the AHL PRC Shares.

During the twelve months ended December 31, 2024, we paid aggregate dividends of $26.8 million, $14.1 million and $14.0 million on our AHL PRC Shares, AHL PRD Shares and AHL PRE Shares, respectively. The terms of our Preference Shares contain restrictions on our ability to pay dividends to holders of our ordinary shares.

Additionally, during the twelve months ended December 31, 2024, we paid aggregate dividends of $195.0 million on our ordinary shares to Highlands Bermuda Holdco, Ltd., the holder of all of our ordinary shares.

B. Significant Changes

None.

Item 9. The Offer and Listing

A. Offer and Listing Details

The Company's preference shares and depositary shares are listed on the NYSE under the following symbols: AHL PRD, AHL PRE and AHL PRF.

B. Plan of Distribution

Not applicable.

C. Markets

The Company's preference shares and the depositary shares are listed and traded on the NYSE. The AHL PRD Shares began trading on September 21, 2016. The AHL PRE Shares began trading on August 13, 2019. The AHL PRF Shares began trading on November 26, 2024.

D. Selling Shareholders

Not applicable.

E. Dilution

Not applicable.

F. Expenses of the Issue

Not applicable.

Item 10. Additional Information

A. Share Capital

Not applicable.

B. Memorandum and Articles of Association

The information required by this section, including a summary of certain key provisions of the Company's Memorandum of Association and Amended and Restated Bye-laws were included in our Form S-3 (Registration No. 333-231937) filed with the SEC on June 4, 2019 (the "Registration Statement"), which summary is incorporated herein by reference. Our Memorandum of Association was filed as Exhibit 3.1 to a Form 6-K filed with the SEC on July 29, 2019, which Form 6-K was incorporated by reference into the Registration Statement. Our Amended and Restated Bye-laws were filed as Exhibit 3.4 to the Registration Statement.

C. Material Contracts

Management Consulting Agreement with Apollo Management

In March 2019, the Company entered into a Management Consulting Agreement (the "Management Consulting Agreement"), by and between the Company and Apollo Management Holdings, L.P., a Delaware limited partnership ("Apollo Management"). Pursuant to the Management Consulting Agreement, Apollo Management will provide the Aspen Group with management consulting and advisory services related to the business and affairs of the Aspen Group and Aspen will pay to Apollo Management in consideration for its services under the Management Consulting Agreement an annual management consulting fee equal to the greater of (i) 1% of the consolidated net income of the Aspen Group for the applicable fiscal year, and (ii) $5 million.

For more information about the Management Consulting Agreement, refer to Note 20 to the consolidated financial statements, "Related Party Transactions" in Item 18 of this report.

Information Technology Outsourcing Agreement:

In August 2018, Aspen Insurance UK Services Limited, Aspen Insurance U.S. Services Inc. and Aspen Bermuda entered into an Outsourcing Agreement (the "Original IT Outsourcing Agreement") with Cognizant Worldwide Limited, a company registered in England ("Cognizant"). Pursuant to the Original IT Outsourcing Agreement, Cognizant provided the Company with information technology services to enable us to deliver greater operating effectiveness and efficiencies. The Original IT Outsourcing Agreement became effective in August 2018 and had an initial term period of five years beginning in October 2018. The Company had the right to extend the Original IT Outsourcing Agreement for an additional two-year term.

In December 2020, Aspen Insurance UK Services Limited, Aspen Insurance U.S. Services Inc. and Aspen Bermuda entered into a new Outsourcing Agreement (the "IT Outsourcing Agreement") with Cognizant, which replaced and superseded the Original IT Outsourcing Agreement and significantly reduced the information technology services provided thereunder. The IT Outsourcing Agreement became effective in December 2020 and has an initial term of four years. The Company has the right to extend the IT Outsourcing Agreement for an additional two-year term.

In November 2024, the Company signed a new contract with Cognizant for a further three-year term (with an option for an additional two years). The total contract value for the latest agreement for Application Development and Management Services with Cognizant is $16.5 million over three years.

In 2024, the Company paid Cognizant approximately $11.6 million (2023 — $11.5 million, 2022 — $10.5 million) for services rendered under the Original IT Outsourcing Agreement.

The IT Outsourcing Agreement contains customary representations and warranties and indemnity, termination and default provisions. We may terminate the IT Outsourcing Agreement for any reason by providing ninety days' prior written notice. In addition, we may terminate the IT Outsourcing Agreement on shorter notice as a result of, among other things, a material breach if not cured within a specified time, insolvency, persistent breaches, failure to meet key milestones, a material adverse change (as defined in the IT Outsourcing Agreement) occurs in relation to Cognizant or particular circumstances constituting a change in control.

Business Process Outsourcing Agreement:

In March 2023, Aspen Insurance UK Services Limited, Aspen Insurance U.S. Services, Inc. and Aspen Bermuda entered into an Amended and Restated Outsourcing Agreement (as amended, the "BPO Outsourcing Agreement") with Genpact (UK) Limited, a company incorporated in England, United Kingdom ("Genpact"). Pursuant to the agreement, Genpact will provide us with a range of operational business processes, primarily from their offshore service center in Gurugram, India, to enable us to deliver greater operating effectiveness and efficiencies. Under the BPO Outsourcing Agreement, Genpact provides a range of operational services across core and support functions, including, but not limited to, Insurance and Reinsurance, Finance, Actuarial and Compliance. The BPO Outsourcing Agreement has minimum service levels that Genpact must meet or exceed.

The BPO Outsourcing Agreement became effective in March 2023 and was amended in January 2024. The BPO Outsourcing Agreement has an initial term period of three years. We have the right to extend the BPO Outsourcing Agreement for three additional one year terms. This agreement extended the relationship with Genpact that was contracted in the 2018 agreement for a five year period.

Under the terms of the BPO Outsourcing Agreement, Genpact will provide support function services to the Company. The compensation structure under the BPO Outsourcing Agreement includes a combination of fixed and variable fees which may fluctuate, as set forth in the BPO Outsourcing Agreement, based on our actual use of Genpact's services. In 2024, the Company paid Genpact approximately $12.3 million (2023 — $10.8 million, 2022 — $8.5 million) for services rendered under the BPO Outsourcing Agreement.

The BPO Outsourcing Agreement contains customary representations and warranties and indemnity, termination and default provisions. We may terminate the BPO Outsourcing Agreement for any reason by providing ninety (90) days' prior written notice. In addition, we may terminate the BPO Outsourcing Agreement as a result of, among other things, a material breach if not cured within a specified time, persistent breaches, insolvency, change of control, failure to meet key milestones or a material adverse change as defined in the BPO Outsourcing Agreement.

IT Infrastructure Outsourcing Agreement

In June 2022, Aspen Insurance UK Services Limited entered into a Master Services Agreement: ITO Services (the "IT Infrastructure Outsourcing Agreement") with Mindtree Limited, a company incorporated in India ("LTIMindtree"). Pursuant to the IT Infrastructure Outsourcing Agreement, LTIMindtree will provide us with a range of IT infrastructure and cybersecurity-related services, including, but not limited to, in relation to network services, database service, cybersecurity management and protection and cloud-related services. Such services will be provided primarily from their offshore service center in Bangalore, India, to enable us to deliver greater operating effectiveness and efficiencies.

The IT Infrastructure Outsourcing Agreement became effective in June 2022 and has an initial term period of three years. We have the right to extend the initial term on the IT Infrastructure Outsourcing Agreement by up to two further periods of one year from the expiry of the initial term, by giving written notice to the service provider at least ninety (90) days prior to the expiry of the initial term or an extension period, as applicable.

The IT Infrastructure Outsourcing Agreement has minimum service levels that LTIMindtree must meet or exceed. The compensation structure under the IT Infrastructure Outsourcing Agreement includes a combination of fixed and variable fees which are both applicable and may fluctuate based on our actual use of LTIMindtree's services, as set forth in the IT Infrastructure Outsourcing Agreement. In 2024, the Company paid LTIMindtree $8.3 million, (2023 — $5.7 million, 2022 — $1.0 million approximately) for services rendered under the IT Infrastructure Outsourcing Agreement.

The IT Infrastructure Outsourcing Agreement contains customary representations and warranties and indemnity, termination and default provisions. We may terminate the IT Infrastructure Outsourcing Agreement for any reason by providing three months' prior written notice and by paying for (i) the services satisfactorily performed and accepted by Aspen up to the effective date of such termination and (ii) any other pre-agreed termination charges ranging from $0 to $750,000, depending on the circumstances. In addition, we may terminate the IT Infrastructure Outsourcing Agreement as a result of, among other things, a material breach if not cured within a specified time, persistent breaches, insolvency, change of control, failure to meet key milestones or material adverse change as defined in the IT Infrastructure Outsourcing Agreement.

Loss Portfolio Transfer ("LPT") Agreement:

In January 2022, Aspen Holdings and certain of its subsidiaries entered into an Amended and Restated Reinsurance Agreement with a subsidiary of Enstar, which we refer to as the LPT, which amended and restated the Original Agreement. The transaction successfully closed in May 2022.

Under the terms of the LPT, Enstar's subsidiary will reinsure net losses incurred on or prior to December 31, 2019 on all of the Company's net loss reserves of $3,120.0 million as of September 30, 2021. The LPT provides for a limit of $3,570.0 million in consideration for a premium of $3,160.0 million. The amount of net loss reserves ceded, as well as the premium and limit amounts provided under the LPT, have been adjusted for claims paid between October 1, 2021 and the closing date of the transaction. The premium includes $770.0 million of premium previously paid with respect to reserves ceded under the Original Agreement, which will continue to be held in trust accounts to secure the Enstar subsidiary's obligations under the LPT. The incremental new premium will initially be held in funds withheld accounts in their original currencies maintained by the Company but will be released to the trust accounts maintained by the Enstar subsidiary no later than September 30, 2025. The funds withheld by the Company will be credited with interest at an annual rate of 1.75% plus, for periods after October 1, 2022, an additional amount equal to 50% of the amount by which the total return on the Company's investments and cash and cash equivalents exceeds 1.75%. Under the LPT, the Enstar subsidiary has assumed claims control of the subject business, pursuant to the provisions of an administrative services agreement subsequently entered into between the parties in June 2022.

2026 Term Loan

On July 26, 2023, the Company entered into a $300.0 million term loan facility at a borrowing rate of term SOFR plus an applicable margin (ranging from 1.13% to 1.75% based on the Company's credit ratings and 1.38% as of December 31, 2023) and a SOFR adjustment of 0.10% pursuant to a term loan credit agreement among the Company, the several lenders from time to time party thereto, HSBC Bank Bermuda Limited, as structuring agent, Lloyds Bank Plc, as syndication agent, and Citibank, N.A., as administrative agent (the "Term Loan Credit Agreement"). On November 9, 2023, the Company drew down $300.0 million on the 2026 Term Loan due November 9, 2026 and the proceeds were used to redeem the 2023 Senior Notes. Subject to applicable law, the 2026 Term Loan will be the senior unsecured obligations of Aspen Holdings and will rank equally in right of payment with all of our other senior unsecured indebtedness from time to time outstanding. Under the Term Loan Credit Agreement, the Company must not permit (a) consolidated tangible net worth as at the last day of each fiscal quarter of the Company to be less than the sum of (i) $2,019,600,000, (ii) 25% of consolidated net income during the period from January 1, 2021 to and including such last day of such fiscal quarter (if positive) and (iii) 25% of the aggregate net cash proceeds of all issuances by the Company of shares of its capital stock during the period from January 1, 2021 to and including such last day of such fiscal quarter, but excluding (x) any amount included in the Company's accumulated other comprehensive income or loss related to unrealized gains or losses on available for sale securities and (y) during the period from January 1, 2022, any amount included in net unrealized investment gains or losses, related to unrealized gains or losses on trading securities, (b) the ratio of its total consolidated debt to the sum of such debt plus our consolidated tangible net worth to exceed 35% as at the last day of any fiscal quarter of the Company or (c) any material insurance subsidiary to have a financial strength rating of less than "B++" from A.M. Best. The Credit Agreement contains other customary affirmative and negative covenants, including (subject to various exceptions) restrictions on the ability of the Company and its subsidiaries to incur indebtedness, create or permit liens on their assets, engage in mergers or consolidations, dispose of assets, pay dividends or other distributions, purchase or redeem the Company's equity securities, make investments and enter into transactions with affiliates. In addition, the Term Loan Credit Agreement has customary events of default, including (subject to certain materiality thresholds and grace periods) payment default, failure to comply with covenants, material inaccuracy of representation or warranty, bankruptcy or insolvency proceedings, change of control and cross-default to other debt agreements.

D. Exchange Controls

Securities may be offered or sold in Bermuda only in compliance with the provisions of the Investment Business Act of 2003 (as amended), and the Exchange Control Act 1972, and related regulations of Bermuda that regulate the sale of securities in Bermuda. In addition, specific permission is required from the BMA, pursuant to the provisions of the Exchange Control Act 1972 and related regulations, for all issuances and transfers of securities of Bermuda companies, other than in cases where the BMA has granted a general permission. The BMA in its policy dated June 1, 2005 provides that where any equity securities of a Bermuda company are listed on an appointed stock exchange (the NYSE is such an exchange), general permission is given for the issue and subsequent transfer of any securities of the company from and/or to a non-resident of Bermuda, for as long as any equity securities of the company remain so listed.

E. Taxation

Bermuda Taxation

Currently, there is no Bermuda income, corporate or profits tax or withholding tax, capital gains tax or capital transfer tax, estate or inheritance tax payable by holders of our Preference Shares, other than shareholders ordinarily resident in Bermuda, if any. However, on December 27, 2023, Bermuda passed the CIT Act, which became fully operative with respect to the imposition of corporate income tax on January 1, 2025.

Under the CIT Act, Bermuda corporate income tax will be chargeable in respect of fiscal years beginning on or after January 1, 2025 and will apply only to Bermuda entities that are part of Bermuda Constituent Entity Groups. Where corporate income tax is chargeable to a Bermuda Constituent Entity Group, the amount of corporate income tax chargeable for a fiscal year shall be (1) 15% of the net taxable income of the Bermuda Constituent Entity Group less (2) tax credits applicable to the Bermuda Constituent Entity Group under Part 4 of the CIT Act, or as prescribed. Bermuda will continue to monitor further developments around the world as other jurisdictions address the OECD's standards. The CIT Act includes the ETA and OTLC, which are intended to provide a fair and equitable transition into the new tax regime and have resulted in the recognition of a deferred tax asset of $158.9 million in respect of the ETA and $40.0 million in respect of an OTLC for the twelve months ended December 31, 2024.

Pursuant to the Payroll Tax Act 1995 and the Payroll Tax Rates Act 1995 of Bermuda (together, the "Payroll Tax Act"),an employer is required to pay payroll tax on remuneration paid to each employee, up to a maximum of $1 million (no tax liability accrues on sums above $1 million). Liability for payroll tax is calculated by reference to services provided wholly or mainly in Bermuda during four tax periods, being periods of three months commencing on the first day of April, July, October and January. The meaning of "employee" under the Payroll Tax Act includes deemed employees and covers a broad range of employment structures. Subject to certain express exclusions, "remuneration" is also very broadly defined, to capture any benefit of any kind paid to employees or deemed employees, whether in cash or otherwise. This includes, for example, any gain obtained by the exercise, assignment or release of any option awarded under any option plans. Payroll tax is levied on employers and employees separately, with different marginal rates; however, employers are liable to pay the full amount of payroll tax and are permitted to deduct and remit to the Bermuda Tax Commissioner the amount of the employee's liability from their remuneration.

United States Taxation

The following summary sets forth the material U.S. federal income tax considerations related to the purchase, ownership and disposition of the Company's preference shares, including the preference shares represented by the depositary shares (collectively, the "Preference Shares"). Unless otherwise stated, this summary deals only with shareholders who are U.S. Persons (as defined below) who purchase Preference Shares. The following discussion is only a discussion of the material U.S. federal income tax matters as described herein and does not purport to address all of the U.S. federal income tax consequences that may be relevant to a particular shareholder in light of such shareholder's specific circumstances. In addition, the following summary does not address the U.S. federal income tax consequences that may be relevant to special classes of shareholders, such as financial institutions, insurance companies, regulated investment companies, real estate investment trusts, financial asset securitization investment trusts, dealers or traders in securities or currencies, tax-exempt organizations, U.S. expatriates, partnerships or other pass-through entities (or investors in such entities), persons whose functional currency is not the U.S. dollar, persons subject to any alternative minimum tax, accrual basis taxpayers subject to special tax accounting rules under Section 451(b) of the Code, persons who are 10% U.S. Shareholders (except as specifically addressed below), or persons who hold their shares as part of a hedging or conversion transaction or as part of a short-sale or straddle, who may be subject to special rules or treatment under the Code. This discussion is based upon the Code, the Treasury Regulations promulgated thereunder and any relevant administrative rulings or pronouncements or judicial decisions, all as in effect on the date hereof and as currently interpreted, and does not take into account possible changes in such tax laws or interpretations thereof, which may apply retroactively. This discussion does not include any description of the tax laws of any state or local governments within the United States or of any non-U.S. government. Persons owning or considering making an investment in the Preference Shares should consult their own tax advisors concerning the application of the U.S. federal tax laws to their particular situations as well as any tax consequences arising under the laws of any state, local or foreign taxing jurisdiction prior to making such investment.

If a partnership (or other entity or arrangement treated as a partnership for U.S. federal income tax purposes) holds the Preference Shares, the tax treatment of the partners will generally depend on the status of the partner, the activities of the partnership, and certain determinations made at the partner level. If you are a partner in a partnership owning the Preference Shares you should consult your tax advisor.

For purposes of this discussion, the term "U.S. Person" means a beneficial owner of the Preference Shares that is (i) an individual citizen or resident of the United States, (ii) a corporation created in or organized under the laws of the United States, or organized under the laws of any political subdivision thereof, (iii) an estate the income of which is subject to U.S. federal income taxation regardless of its source, (iv) a trust if either (x) a court within the United States is able to exercise primary supervision over the administration of such trust and one or more U.S. Persons have the authority to control all substantial decisions of such trust or (y) the trust has a valid election in effect to be treated as a U.S. Person for U.S. federal income tax purposes or (v) any other person or entity that is treated for U.S. federal income tax purposes as if it were one of the foregoing.

Taxation of the Company. Aspen Holdings and its non-U.S. subsidiaries (other than AUL and Aspen UK) intend to manage their business so that they are not treated as engaged in a trade or business within the United States and thus not subject to U.S. federal income tax on their net income. However, because there is considerable uncertainty as to the activities which constitute being engaged in a trade or business within the United States, we cannot be certain that the IRS will not contend successfully that one or more of these companies is engaged in a trade or business in the United States. If any of these companies is considered to be engaged in a trade or business in the United States during a taxable year, it generally will be subject to U.S. federal income tax (including an additional branch profits tax) on its net income that is treated as effectively connected with the conduct of a U.S. trade or business for such year (except to the extent an applicable income tax treaty provides otherwise), in which case its operating results could be materially adversely affected.

Non-U.S. corporations not engaged in a trade or business within the United States are nonetheless subject to United States income tax imposed by withholding on certain "fixed or determinable annual or periodical gains, profits and income" derived from sources within the United States (such as dividends and certain interest on investments), subject to exemption under the Code or reduction by applicable treaties.

The United States also imposes FET paid to non-U.S. insurers or reinsurers that are not eligible for the benefits of a U.S. income tax treaty that provides for an exemption from the FET with respect to risks (i) of a U.S. entity or individual, located wholly or partially within the United States and (ii) of a non-U.S. entity or individual engaged in a trade or business in the U.S., located within the United States. The rates of tax are 4% for property casualty insurance premiums and 1% for reinsurance premiums.

Treatment of Depositary Shares. A holder of depositary shares evidenced by depositary receipts generally should be treated for U.S. federal income tax purposes as the owner of such holder's proportionate interest in the Preference Shares held by the depositary (or its custodian) that are represented and evidenced by such depositary receipts and the discussion herein assumes such treatment. Accordingly, any deposit or withdrawal of the Preference Shares by a U.S. Person in exchange for depositary shares generally will not result in the realization of gain or loss to such U.S. Person for U.S. federal income tax purposes.

Taxation of Distributions. Subject to the discussions below relating to the potential application of the CFC, RPII and PFIC rules, and the discussion below relating to redemptions of Preference Shares, cash distributions, if any, made with respect to the Preference Shares will constitute dividends for U.S. federal income tax purposes to the extent paid out of current or accumulated earnings and profits of Aspen Holdings (as computed using U.S. tax principles). To the extent such distributions exceed Aspen Holdings' earnings and profits, they will be treated first as a return of the U.S. Person's basis in their shares to the extent thereof, and then as gain from the sale of a capital asset. If, as expected, Aspen Holdings does not compute its earnings and profits under U.S. tax principles, all distributions generally will be treated as dividends for U.S. federal income tax purposes. Dividends paid by us to U.S. Persons who are corporations generally will not be eligible for a dividends received deduction. We believe dividends paid by us on the Preference Shares to non-corporate U.S. Persons should be eligible for reduced rates of taxation as "qualified dividend income" if, as is intended, the Preference Shares remain listed on the NYSE and provided certain requirements, including stock holding period requirements, are satisfied. Qualified dividend income is subject to tax at long-term capital gains rates rather than the higher rates applicable to ordinary income.

Dividends that exceed certain thresholds in relation to a U.S. Person's tax basis in the Preference Shares could be characterized as "extraordinary dividends" under the Code. A non-corporate U.S. Person that receives an extraordinary dividend will be required to treat any losses on the sale of such Preference Shares as long-term capital losses to the extent of the extraordinary dividends such U.S. Person receives that are treated as qualified dividend income.

Classification of Aspen Holdings or Its Non-U.S. Subsidiaries as CFCs. Each 10% U.S. Shareholder of a non-U.S. corporation that is a CFC at any time during a taxable year must include in its gross income for U.S. federal income tax purposes its pro rata share of the CFC's subpart F income and tested income (with various adjustments) with respect to any shares that such 10% U.S. Shareholder owns in such non-U.S. corporation (directly or indirectly through certain entities) on the last day in the non-U.S. corporation's taxable year on which it is a CFC, even if the subpart F income or tested income is not distributed. A "10% U.S. Shareholder" generally is a U.S. person that owns (directly, indirectly through non-U.S. entities or by attribution by application of the constructive ownership rules of Section 958(b) of the Code (i.e., "constructively")) at least 10% of the total combined voting power or value of all classes of stock of a non-U.S. corporation. Subpart F income of a CFC generally includes "foreign personal holding company income" (such as interest, dividends and other types of passive income), as well as insurance and reinsurance income (including underwriting and investment income), and tested income is generally any income of the CFC other than subpart F income and certain other categories of income. An entity treated as a non-U.S. corporation for U.S. federal income tax purposes is generally considered a CFC if 10% U.S. Shareholders own (directly, indirectly through non-U.S. entities or constructively), in the aggregate, more than 50% of the total combined voting power of all classes of stock of that non-U.S. corporation or more than 50% of the total value of all stock of that non-U.S. corporation. However, for purposes of taking into account insurance income, these 50% thresholds are generally reduced to 25%. Further, special rules apply for purposes of taking into account any RPII of a non-U.S. corporation, as described below.

Whether Aspen Holdings is a CFC for a taxable year will depend upon facts regarding our direct and indirect shareholders, about which we have limited information. Accordingly, no assurance can be provided that Aspen Holdings will not be a CFC. Further, regardless of whether Aspen Holdings is a CFC, most or all of our non-U.S. subsidiaries are generally treated as CFCs because our U.S. subsidiaries generally are treated as constructively owning the stock of our non-U.S. subsidiaries. Accordingly, any 10% U.S. Shareholders of Aspen Holdings may be required to include in gross income for U.S. federal income tax purposes for each taxable year their pro rata shares of all or a portion of the subpart F and tested income generated by our non-U.S. companies (with various adjustments), regardless of whether any distributions are made to them. Any such 10% U.S. Shareholders should consult their own tax advisors regarding the application of these rules to them.

The RPII CFC Provisions. In general, if a non-U.S. corporation is a RPII CFC at any time during a taxable year, a U.S. RPII Shareholder must include in its gross income for U.S. federal income tax purposes its pro rata share of the non-U.S. corporation's RPII with respect to any shares that such U.S. RPII Shareholder owns (directly or indirectly through certain entities) on the last day in the non-U.S. corporation's taxable year, even if the RPII is not distributed. Further, a U.S. RPII Shareholder's pro rata share of any RPII is determined as if all RPII for the taxable year were distributed proportionately only to U.S. RPII Shareholders on that date but generally may not exceed the U.S. RPII Shareholder's pro rata share of the non-U.S. corporation's earnings and profits for the taxable year. In addition, a U.S. RPII Shareholder is required to comply with certain reporting requirements, regardless of the number of shares owned by the U.S. RPII Shareholder.

For these purposes, a "RPII CFC" is any non-U.S. corporation if, on any day of its taxable year, U.S. RPII Shareholders collectively own (directly, indirectly through non-U.S. entities or constructively) 25% or more of the total combined voting power of all classes of stock of such corporation entitled to vote or 25% or more of the total value of the stock of such corporation. A "U.S. RPII Shareholder" is any U.S. person who owns (directly or indirectly through certain entities) any shares of the non-U.S. corporation. "RPII" is any "insurance income" (as described below) attributable to policies of insurance or reinsurance with respect to which the person (directly or indirectly) insured is a U.S. RPII Shareholder or a "related person" (as defined below) to such U.S. RPII Shareholder. In general, and subject to certain limitations, "insurance income" is income (including premium and investment income) attributable to the issuing of any insurance or reinsurance contract which would be taxed under the portions of the Code relating to insurance companies if the income were the income of a U.S. insurance company. Generally, the term "related person" for this purpose means someone who controls or is controlled by the U.S. RPII Shareholder or someone who is controlled by the same person or persons who control the U.S. RPII Shareholder. Control generally is measured by a greater than 50% ownership interest, applying certain constructive ownership principles. However, the RPII rules generally do not apply with respect to a non-U.S. corporation if either (i) at all times during its taxable year less than 20% of the total combined voting power of all classes of stock of the corporation entitled to vote and less than 20% of the total value of the corporation is owned (directly or indirectly) by persons who are (directly or indirectly) insured under any policy of insurance or reinsurance issued by the corporation or who are related persons to any such person (the "ownership exception"), or (ii) the RPII (determined on a gross basis) of the corporation for the taxable year is less than 20% of its gross insurance income for the taxable year (the "de minimis exception").

We believe that each of our non-U.S. Operating Subsidiaries and Peregrine is a RPII CFC. Nonetheless, we expect that each such company will qualify for one or both of the ownership exception and the de minimis exception in the current taxable year and for the foreseeable future. However, no assurances can be provided that any of our companies will satisfy either exception.

Computation of RPII. In order to determine how much RPII, if any, a non-U.S. insurance subsidiary (including for this purpose, Peregrine) has earned in each taxable year, our non-U.S. insurance subsidiaries may obtain and rely upon information from their insureds and reinsureds to determine whether any of the insureds, reinsureds or persons related thereto own (directly or indirectly through certain entities) shares of Aspen Holdings and are U.S. Persons. Aspen Holdings may not be able to determine whether any of the underlying direct or indirect insureds to which our non-U.S. insurance subsidiaries provide insurance or reinsurance are direct or indirect shareholders or related persons to such shareholders. Consequently, Aspen Holdings may not be able to determine accurately the gross amount of RPII earned by each of our non-U.S. insurance subsidiaries in a given taxable year. For any year in which the special RPII CFC inclusion rules apply, Aspen Holdings may also seek information from its shareholders as to whether beneficial owners of the Preference Shares at the end of the year are U.S. Persons so that the RPII may be determined and apportioned among such persons; to the extent Aspen Holdings is unable to determine whether a beneficial owner of the Preference Shares is a U.S. Person, Aspen Holdings may assume that such owner is not a U.S. Person, thereby increasing the per share RPII amount for all known U.S. RPII Shareholders.

Basis Adjustments. A U.S. RPII Shareholder's tax basis in its Preference Shares will be increased by the amount of any RPII that the shareholder includes in income. The U.S. RPII Shareholder may exclude from income the amount of any distributions by Aspen Holdings out of previously taxed RPII income. The U.S. RPII Shareholder's tax basis in its Preference Shares will be reduced by the amount of such distributions that are excluded from income.

Uncertainty as to Application of RPII Provisions. The RPII provisions have never been interpreted by the courts, and regulations interpreting the RPII provisions exist only in proposed form. It is not certain whether these regulations will be adopted in their proposed form or what changes or clarifications might ultimately be made thereto or whether any such changes, as well as any interpretation or application of the RPII provisions by the IRS, the courts or otherwise, might have retroactive effect. The U.S. Treasury Department has authority to impose, among other things, additional reporting requirements with respect to RPII. Accordingly, the meaning of the RPII provisions and the application thereof to us is uncertain. Further, the applicability of the ownership and de minimis exceptions and the RPII rules more generally depends upon facts regarding our direct and indirect shareholders and insureds, about which we have limited information. Accordingly, no assurances can be provided that any of our companies will satisfy either exception. Moreover, to the extent the exceptions do not apply, we may be unable to correctly determine the amount of RPII that any U.S. RPII Shareholder is required to take into account. Any U.S. Person considering an investment in the Preference Shares should consult their tax advisors as to the effects of these uncertainties.

Tax-Exempt Shareholders. A tax-exempt U.S. Person generally will recognize unrelated business taxable income if it is required to include in gross income any of our insurance income under the CFC rules described above (including the RPII provisions). U.S. Persons that are tax-exempt entities are urged to consult their tax advisors as to the potential impact of the unrelated business taxable income provisions of the Code. A tax-exempt organization that is treated as a 10% U.S. Shareholder or a U.S. RPII Shareholder also must file IRS Form 5471 in the circumstances described below.

Redemption of Preference Shares. A redemption of the Preference Shares will be treated under Section 302 of the Code as a distribution with respect to the Preference Shares, unless the redemption satisfies one of the tests set forth in Section 302(b) of the Code enabling the redemption to be treated as a disposition (as discussed below), subject to the discussion herein relating to the potential application of the CFC, RPII and PFIC rules. Under the relevant Code Section 302(b) tests, the redemption generally will be treated as a sale or exchange only if it (1) is substantially disproportionate, (2) constitutes a complete termination of the holder's stock interest in us or (3) is "not essentially equivalent to a dividend." In determining whether any of these tests are met, shares considered to be owned by the holder by reason of certain constructive ownership rules set forth in the Code, as well as shares actually owned, must generally be taken into account. It may be more difficult for a U.S. Person who owns, actually or constructively by operation of certain attribution rules, any of our other shares to satisfy any of the above requirements. The determination as to whether any of the alternative tests of Section 302(b) of the Code is satisfied with respect to a particular holder of the Preference Shares depends on the facts and circumstances as of the time the determination is made.

Dispositions of Preference Shares. Subject to the discussion above relating to redemptions and the discussions below relating to the potential application of Section 1248 of the Code and the PFIC rules, U.S. Persons that hold Preference Shares generally should recognize capital gain or loss for U.S. federal income tax purposes on the sale, exchange, redemption or other disposition of such Preference Shares in the same manner as on the sale, exchange, redemption or other disposition of any other shares held as capital assets. If the holding period for these Preference Shares exceeds one year, under current law any gain will be subject to tax at the rates applicable to long-term capital gain. Moreover, gain, if any, generally will be U.S. source gain and generally will constitute "passive category income" for foreign tax credit limitation purposes.

Section 1248 of the Code provides that if a U.S. Person sells or exchanges stock in a non-U.S. corporation and such person owned, directly, indirectly through certain non-U.S. entities or constructively, 10% or more of the voting power of the corporation at any time during the five-year period ending on the date of disposition when the corporation was a CFC, any gain from the sale or exchange of the shares will be treated as a dividend to the extent of the CFC's earnings and profits (determined under U.S. federal income tax principles) during the period that the shareholder held the shares and while the corporation was a CFC (with certain adjustments). A U.S. Person who owns or owned, directly, indirectly through certain non-U.S. entities or constructively, 10% or more of the voting power of Aspen Holdings may be subject to these rules if Aspen Holdings is or was treated as a CFC.

A 10% U.S. Shareholder may in certain circumstances be required to report a disposition of shares of a CFC by attaching IRS Form 5471 to the U.S. federal income tax or information return that it would normally file for the taxable year in which the disposition occurs. In the event this is determined necessary, Aspen Holdings will provide upon request the relevant information necessary to complete the Form.

Pursuant to the RPII provisions, Section 1248 of the Code also generally applies if a U.S. Person disposes of shares in a RPII CFC (determined without regard to the ownership or de minimis exceptions) that would be taxable as an insurance company under the Code if it were a U.S. corporation, in which case any gain from the disposition generally will be treated as a dividend to the extent of the U.S. Person's share of the corporation's undistributed earnings and profits that were accumulated during the period that the U.S. Person owned the shares (whether or not such earnings and profits are attributable to RPII). In addition, such U.S. Person will be required to comply with certain reporting requirements, regardless of the number of shares owned by the U.S. Person. Existing proposed regulations do not address whether Section 1248 of the Code would apply if a non-U.S. corporation is not an insurance company but the non-U.S. corporation has a subsidiary that is a CFC and that would be taxed as an insurance company if it were a domestic corporation. We believe that these rules should not apply to dispositions of the Preference Shares because Aspen Holdings will not itself be directly engaged in the insurance business. We cannot be certain, however, that the IRS will not interpret the RPII provisions in a contrary manner or that the U.S. Treasury Department will not adopt regulations that provide that these rules will apply to dispositions of Preference Shares. U.S. Persons should consult their tax advisors regarding the effects of these rules on a disposition of Preference Shares.

Tax on Net Investment Income. A U.S. Person that is an individual, estate or a trust that does not fall into a special class of trusts that is exempt from such tax will be subject to a 3.8% tax on the lesser of (1) the U.S. Person's "net investment income" (or "undistributed net investment income" in the case of estates and trusts) for the relevant taxable year and (2) the excess of the U.S. Person's modified adjusted gross income for the taxable year over a certain threshold (which in the case of an individual will be between $125,000 and $250,000, depending on the individual's circumstances). A U.S. Person's net investment income will generally include its dividend income and its net gains from the disposition of Preference Shares, unless such dividend income or net gains are derived in the ordinary course of the conduct of a trade or business (other than a trade or business that consists of certain passive or trading activities). Unless a U.S. Person elects otherwise or holds Preference Shares in connection with certain trades or businesses, the CFC and PFIC provisions generally will not apply for purposes of determining a U.S. Person's net investment income with respect to the Preference Shares.

Passive Foreign Investment Companies. In general, a non-U.S. corporation will be a PFIC during a given year if (i) 75% or more of its gross income constitutes "passive income" (the "75% test") or (ii) 50% or more of its assets produce (or are held for the production of) passive income (the "50% test"). For these purposes, passive income generally includes interest, dividends, annuities and other investment income. However, the PFIC provisions contain a look-through rule under which a non-U.S. corporation that directly or indirectly owns at least 25% of the value of the stock of another corporation generally is treated, for purposes of determining whether it is a PFIC, as if it received directly its proportionate share of the income, and held its proportionate share of the assets, of the other corporation (the "look-through rule"). As a result, it is expected that the PFIC status of Aspen Holdings should generally depend on the application of the look-through rule to its subsidiaries and whether the income and assets of its subsidiaries will be characterized as passive or active for this purpose. In addition, pursuant to an insurance exception, (a) passive income does not include income that a QIC derives in the active conduct of an insurance business or income of a QDIC, and (b) passive assets do not include assets of a QIC available to satisfy liabilities of the QIC related to its insurance business, if the QIC is engaged in the active conduct of an insurance business, or assets of a QDIC.

Generally, a non-U.S. corporation will be a QIC for a taxable year if it would be taxable as an insurance company if it were a U.S. corporation and its applicable insurance liabilities constitute more than 25% of its total assets for a taxable year. Further, under the 2021 Proposed Regulations, a QIC is in the "active conduct" of an insurance business only if it satisfies either a "factual requirements test" or an "active conduct percentage test." The factual requirements test requires that the officers and employees of the QIC carry out substantial managerial and operational activities on a regular and continuous basis with respect to its core functions (generally its underwriting activities, investment activities, contract and claims management activities and sales activities) and that they perform virtually all of the active decision-making functions relevant to underwriting functions. The active conduct percentage test generally requires that (i) the total costs incurred by the QIC with respect to its officers and employees for services rendered with respect to its core functions (other than investment activities) equal or exceed 50% of the total costs incurred by the QIC with respect to its officers and employees and any other person or entities for services rendered with respect to its core functions (other than investment activities) and (ii) to the extent the QIC outsources any part of its core functions to unrelated entities, officers and employees of the QIC with experience and relevant expertise must select and supervise the person that performs the outsourced functions, establish objectives for performance of the outsourced functions and prescribe rigorous guidelines relating to the outsourced functions which are routinely evaluated and updated. Under certain exceptions, however, a QIC that has no or only a nominal number of employees or that is a vehicle that has the effect of securitizing or collateralizing insurance risks underwritten by other insurance or reinsurance companies or is an insurance linked securities fund that invests in securitization vehicles generally is deemed not engaged in the active conduct of an insurance business. The officers and employees of certain related entities generally may be taken into account for these purposes, provided that the QIC exercises regular oversight and supervision over the services performed by the related entity's officers and employees. The 2021 Proposed Regulations will not be effective unless and until adopted in final form, but taxpayers may rely on them for taxable years beginning after December 31, 2017 if they are consistently followed.

We believe that, based on the implementation of our current business plan and the application of the insurance exception, our non-U.S. insurance subsidiaries should be considered QICs engaged in the active conduct of an insurance business under one or both of the "factual requirements test" or the "active conduct percentage test," our U.S. insurance subsidiaries should be considered QDICs and none of the income or assets of such insurance subsidiaries should be treated as passive. In addition, the income and assets attributable to our non-U.S. subsidiaries that are not insurance subsidiaries are minimal, relative to the income and assets attributable to our other subsidiaries. As a result, based on the application of the look-through rule, we believe that Aspen Holdings should not be characterized as a PFIC for the current year or the foreseeable future. However, because of legal uncertainties with respect to the interpretation of the PFIC rules and whether the 2021 Proposed Regulations will be adopted as final regulations in their current form, and factual uncertainties with respect to our planned operations, there is a risk that Aspen Holdings will be characterized as a PFIC in one or more years.

If Aspen Holdings is characterized as a PFIC for any year during which a U.S. Person holds Preference Shares of Aspen Holdings, it generally will continue to be treated as a PFIC for the years during which such U.S. Person holds such shares unless the U.S. Person has made a "qualified electing fund" election, described below.

If Aspen Holdings were characterized as a PFIC during a given year, each U.S. Person holding Preference Shares of Aspen Holdings generally would be subject to a penalty tax at the time of the sale at a gain of, or receipt of an "excess distribution" with respect to, their Preference Shares, unless such person is a 10% U.S. Shareholder subject to tax under the CFC rules or such person made a "qualified electing fund" election or "mark-to-market" election (which mark-to-market election would generally require the shareholder to include as ordinary income any appreciation in the value of its shares at the end of a taxable year and allow a shareholder to deduct any depreciation in the value of its shares (up to the amount of prior gain inclusions) at the close of the taxable year). If Aspen Holdings is considered a PFIC for any taxable year and the Preference Shares are treated as "marketable stock" in such year, then a U.S. Person may make a mark-to-market election with respect to its Preference Shares. The Preference Shares will be marketable if they are regularly traded on certain qualifying stock exchanges, including the NYSE. However, there can be no assurance that such election will be available. Additionally, because a mark-to-market election usually cannot be made for any lower-tier PFICs, a U.S. Person will generally continue to be subject to the special tax rules discussed above with respect to its indirect interest in any non-U.S. subsidiary of Aspen Holdings classified as a PFIC. As a result, it is possible that any mark-to-market election with respect to the Preference Shares will be of limited benefit. Further, it is uncertain whether Aspen Holdings would be able to provide its shareholders with the information necessary for a U.S. Person to make a "qualified electing fund" election. In addition, if Aspen Holdings were considered a PFIC, upon the death of any U.S. individual owning Preference Shares, such individual's heirs or estate would not be entitled to a "step-up" in the basis of the Preference Shares that might otherwise be available under U.S. federal income tax laws. In general, a shareholder receives an "excess distribution" if the amount of the distribution is more than 125% of the average distribution with respect to the shares during the three preceding taxable years (or shorter period during which the taxpayer held the shares). In general, the penalty tax is equivalent to the taxes that are deemed due during the period the shareholder owned the shares, computed by assuming that the excess distribution or gain (in the case of a sale) with respect to the shares was earned in equal portions and taxable at the highest applicable tax rate on ordinary income throughout the shareholder's period of ownership, and an interest charge for the failure to pay such taxes for prior periods. The interest charge is equal to the applicable rate imposed on underpayments of U.S. federal income tax for such periods. In addition, a distribution paid by Aspen Holdings to U.S. shareholders that is characterized as a dividend and is not characterized as an excess distribution would not be eligible for reduced rates of tax as qualified dividend income if Aspen Holdings were considered a PFIC in the taxable year in which such dividend is paid or in the preceding taxable year. A U.S. Person that is a shareholder in a PFIC may also be subject to additional information reporting requirements, including the filing of an IRS Form 8621.

U.S. investors are urged to consult with their tax advisors and to consider making a "protective" QEF election with respect to the Preference Shares to preserve the possibility of making a retroactive QEF election. A U.S. Person that makes a QEF election with respect to a PFIC is currently taxable on its pro rata share of the ordinary earnings and net capital gain of such company during the years it is a PFIC (at ordinary income and capital gain rates, respectively), regardless of whether or not distributions were received. In addition, any of the PFIC's losses for a taxable year will not be available to U.S. Persons and may not be carried back or forward in computing the PFIC's ordinary earnings and net capital gain in other taxable years. A U.S. Person generally increases the basis of its PFIC shares, and the basis of any other property of the U.S. Person by reason of which such U.S. Person is considered to indirectly own PFIC shares, by amounts included in such U.S. Person's gross income pursuant to the QEF election. Therefore, an electing U.S. Person will generally increase the basis of its Preference Shares by amounts included in the U.S. Person's gross income pursuant to the QEF election. Distributions of income that had previously been taxed pursuant to the QEF election will result in a corresponding reduction of basis in the Preference Shares and will not be taxed again as a distribution to the U.S. Person. A U.S. Person holding Preference Shares will generally be required to file an IRS Form 8621 (which is a form that is required to be filed by holders of equity in a PFIC) for each tax year that it holds Preference Shares and we are characterized as a PFIC, regardless of whether such U.S. Person has a QEF election in effect or receives an excess distribution.

If Aspen Holdings is a PFIC for any taxable year, a U.S. Person who holds the Preference Shares would be treated as owning a proportionate amount of the shares of any PFICs in which Aspen Holdings directly, or in certain cases indirectly, owns an interest, and the PFIC rules described above generally would apply with respect to the U.S. Person's indirect ownership of such PFICs.

Foreign Tax Credit. If U.S. Persons own a majority of our shares, only a portion of the current income inclusions, if any, under the CFC, RPII and PFIC rules and of dividends paid by us (including any gain from the sale of shares that is treated as a dividend under Section 1248 of the Code) will be treated as foreign source income for purposes of computing a shareholder's U.S. foreign tax credit limitations. We will consider providing shareholders with information regarding the portion of such amounts constituting foreign source income to the extent such information is reasonably available. It is also likely that substantially all of the "subpart F income," RPII and dividends that are foreign source income will constitute "passive category income" for foreign tax credit limitation purposes. Additionally, tested income will constitute a separate basket for foreign tax credit purposes. There are also significant and complex limits on a U.S. Person's ability to claim foreign tax credits, and recently issued U.S. Treasury Regulations that apply to foreign income taxes paid or accrued in taxable years beginning on or after December 28, 2021 restrict the availability of foreign tax credits based on the nature of the tax imposed by the foreign jurisdiction. Through subsequently issued guidance, the IRS suspended the application of these rules for periods beginning on or after December 28, 2021, and ending on or before December 31, 2023 (the "relief period"), and subsequently further extended such relief until the publication of a notice or other guidance suspending the relief period. Thus, it may not be possible for most shareholders to utilize excess foreign tax credits to reduce U.S. tax on such income. The rules relating to the determination of the U.S. foreign tax credit are complex, and U.S. Persons should consult their tax advisors regarding the availability of a foreign tax credit in their particular circumstances and the possibility of claiming an itemized deduction (in lieu of the foreign tax credit) for any foreign taxes paid or accrued.

Information Reporting and Backup Withholding. Information returns may be filed with the IRS in connection with distributions on our Preference Shares and the proceeds from a sale or other disposition of the Preference Shares unless the holder of the Preference Shares establishes an exemption from the information reporting rules. A holder of the Preference Shares that does not establish such an exemption may be subject to U.S. backup withholding tax on these payments if the holder is not a corporation or other exempt recipient or fails to provide its taxpayer identification number or otherwise comply with the backup withholding rules. The amount of any backup withholding from a payment to a U.S. Person will be allowed as a credit against the U.S. Person's U.S. federal income tax liability and may entitle the U.S. Person to a refund, provided that the required information is furnished to the IRS.

Under certain circumstances, U.S. Persons owning stock in a non-U.S. corporation are required to file IRS Form 5471 with their U.S. federal income tax returns. Generally, information reporting on IRS Form 5471 is required by (i) a person who is treated as a U.S. RPII Shareholder, (ii) a 10% U.S. Shareholder of a non-U.S. corporation that is a CFC at any time during the taxable year and who owned the stock on the last day of that year on which it was a CFC and (iii) under certain circumstances, a U.S. Person who acquires stock in a non-U.S. corporation and as a result thereof owns 10% or more of the voting power or value of such non-U.S. corporation, whether or not such non-U.S. corporation is a CFC. Aspen Holdings will, upon request, provide to all U.S. Persons registered as shareholders of its Preference Shares the relevant information necessary to complete Form 5471 in the event Aspen Holdings determines this is necessary.

Certain U.S. Persons who are individuals may be required to report information relating to an interest in the Preference Shares on IRS Form 8938, subject to certain exceptions (including an exception for Preference Shares held in accounts maintained by certain financial institutions).

U.S. Persons who own directly or indirectly more than 50% of the voting power or the total value of our shares should consider their possible obligation to file FinCEN Form 114, Report of Foreign Bank and Financial Accounts, with respect to our financial accounts. Additionally, such U.S. Persons should consider their possible obligations to annually report certain information with respect to the Form with their U.S. federal income tax returns.

U.S. Persons who fail to report the required information could be subject to substantial penalties, and, in such circumstances, the statute of limitations for assessment of tax could be suspended, in whole or part. U.S. Persons should consult their tax advisors regarding the potential application of these and any other applicable information reporting requirements, including the IRS Form 8621 filing requirements described above, that may apply to their purchase, ownership or disposition of Preference Shares.

Possible Changes in U.S. Tax Law. On August 16, 2022, the U.S. government enacted the IRA. The IRA contains a number of tax-related provisions, including a 15% minimum corporate income tax on certain large corporations as well as an excise tax on stock repurchases. The impact of the IRA on our financial position will depend on the facts and circumstances each year. Further, it is possible that other legislation that may be introduced and enacted by the current Congress or future Congresses, could have an adverse impact on us or holders of Preference Shares. Any such legislation could have a retroactive effect.

Additionally, the U.S. federal income tax laws and interpretations regarding whether a company is engaged in a trade or business within the United States or is a PFIC, or whether U.S. Persons would be required to include in their gross income the "subpart F income," "tested income" or RPII of a CFC, are subject to change, possibly on a retroactive basis. Certain of the regulations regarding the application of the PFIC rules to insurance companies and the regulations regarding RPII are still in proposed form. New regulations or pronouncements interpreting or clarifying such rules may be forthcoming. We cannot be certain if, when or in what form such regulations or pronouncements may be provided and whether such guidance will have a retroactive effect.

E.U. Taxation

Common Reporting Standard. The Common Reporting Standard ("CRS") has been introduced as an initiative by the OECD and is imposed on members of the European Union by the European Directive on Administrative Co-operation. Similar to the legislation commonly known as the Foreign Account Tax Compliance Act introduced by the United States, the CRS requires financial institutions which are subject to the rules to report certain financial information in respect of account holders. The CRS became effective as of January 1, 2016 and E.U. member states generally began to exchange the required information pursuant to the CRS from the end of September 2017 onwards. We intend to operate in compliance with CRS.

F. Dividends and Paying Agents

Not applicable.

G. Statement by Experts

Not applicable.

H. Documents on Display

The Company maintains an internet site at www.aspen.co that contains Annual Reports on Form 20-F and Current Reports on Form 6-K filed or furnished with the U.S. Securities and Exchange Commission ("SEC"). Reports and other information we file with the SEC are also available on the internet site maintained by the SEC at www.sec.gov. Registration statements, reports and other information we file may be reviewed and copied at the SEC's Public Reference Room at 100 F Street, N.E., Washington, DC 20549. Copies of these documents may also be requested upon payment of a duplicating fee by writing to the SEC.

I. Subsidiary Information

Not applicable.

J. Annual Report to Security Holders

Not applicable.

Item 11. Quantitative and Qualitative Disclosures about Market Risk

We believe we are principally exposed to three types of market risk: interest rate risk, foreign currency risk and credit risk.

Interest rate risk. Our investment portfolio consists primarily of fixed income securities. Fluctuations in interest rates have a direct impact on the market valuation of these securities. Accordingly, our primary market risk exposure is to changes in interest rates. As interest rates rise, the market value of our fixed-income portfolio falls and the converse is also true. We manage interest rate risk by maintaining a short to medium duration to reduce the effect of interest rate changes on book value.

The table below depicts interest rate change scenarios and the effect on our interest rate sensitive invested assets as at December 31, 2024:

Effect of Changes in Interest Rates on Portfolio Given a Parallel Shift in the Yield Curve

Movement in Rates in Basis Points	-200	-100	0	100	200
			($ in millions, except for percentages)		
Market Value [(1)]	$ 6,821.7	$ 6,643.8	$ 6,466.0	$ 6,288.3	$ 6,110.8
Gain/Loss	$ 355.7	$ 177.8	$ —	$ (177.8)	$ (355.7)
Percentage of Portfolio	5.5 %	2.7 %	—	(2.7)%	(5.5)%
Corresponding percentage at December 31, 2023	4.8 %	2.4 %	—	(2.4)%	(4.8)%

(1) Market value includes our fixed income portfolio, short-term investments and privately-held investments.

Foreign currency risk. Our reporting and the functional currency of our operations is the U.S. Dollar. As at December 31, 2024, approximately 89.2% of our cash and investments was held in U.S. Dollars (2023 — 89.5%), and approximately 10.8% was in currencies other than the U.S. Dollar (2023 — 10.5%).

For the twelve months ended December 31, 2024, 25.2% of our gross premiums were written in currencies other than the U.S. Dollar (2023 — 26.1%) and we expect that a similar proportion will be written in currencies other than the U.S. Dollar in 2025.

Other foreign currency amounts are remeasured to U.S. Dollars and the resulting foreign exchange gains or losses are reflected in the statement of operations. The remeasurement is calculated using current exchange rates for the balance sheets and average exchange rates for the statement of operations. We may experience exchange losses to the extent that our foreign currency exposure is not properly managed or otherwise hedged which would in turn adversely affect our results of operations and financial condition. Management estimates that a 10% change in the exchange rate between British Pounds and U.S. Dollars, as an example, as at December 31, 2024 would have impacted reported net comprehensive income by approximately $11.9 million (2023 — $46.6 million).

We use foreign currency forward exchange contracts to assist in matching our liabilities under insurance and reinsurance policies that are payable in foreign currencies with investments that are denominated in those currencies. A foreign exchange contract involves an obligation to purchase or sell a specified currency at a future date at a price set at the time of the contract. Foreign exchange contracts will not eliminate fluctuations in the value of our assets and liabilities denominated in foreign currencies but rather allow us to establish a rate of exchange for a future point in time.

As at December 31, 2024, we held foreign exchange contracts that were not designated as hedges under ASC 815, *"Derivatives and Hedging"* with an aggregate notional value of $1,586.9 million (2023 — $1,802.9 million). The foreign exchange contracts are recorded as derivative assets or derivative liabilities in the balance sheet with changes recorded as a change in fair value of derivatives in the statement of operations. For the twelve months ended December 31, 2024, the impact of foreign exchange contracts on net income was a loss of $34.0 million (December 31, 2023 — gain of $10.9 million).

As at December 31, 2024, we held foreign exchange contracts that were designated as cash flow hedges under ASC 815 with an aggregate notional value of $158.0 million (2023 — $76.9 million). The foreign exchange contracts are recorded as derivative assets or derivative liabilities in the consolidated balance sheet with the changes in fair value recorded in other comprehensive income. For the twelve months ended December 31, 2024, we recognized a loss of $6.5 million (December 31, 2023 — loss of $14.0 million) in other comprehensive income.

As the foreign exchange contracts settle, the realized gain or loss is reclassified from other comprehensive income into general, administration and corporate expenses in the statement of operations and other comprehensive income. For the twelve months ended December 31, 2024, the amount recognized within general, administration and corporate expenses for settled foreign exchange contracts was a realized loss of $0.9 million (December 31, 2023 — loss of $8.1 million).

Embedded derivative on loss portfolio contract. The loss portfolio transfer contract includes a funds withheld arrangement that provides returns to the reinsurer based on Aspen's investment performance, guaranteeing a minimum of 1.75% return. Such funds withheld arrangements are examples of embedded derivatives and therefore this instrument is accounted for as an option-based derivative. For the twelve months ended December 31, 2024, the amount recognized as a change in fair value of derivatives in the consolidated statement of operations was a gain of $12.9 million (December 31, 2023 —gain of $15.2 million).

Credit risk. We have exposure to credit risk primarily as a holder of fixed income securities and private securities. Our risk management strategy and investment policy is to invest mainly in debt instruments of high credit quality issuers. We also invest a portion of the portfolio in securities that are below investment grade or in unrated private securities and other specialty asset classes. We reduce the amount of credit exposure by setting limits with respect to particular ratings categories, business sectors and any one issuer. As at December 31, 2024, the average rating of fixed income securities in our investment portfolio was "AA-" (December 31, 2023 — "AA-").

In addition, we are exposed to the credit risk of our insurance and reinsurance brokers to whom we make claims payments for our policyholders, as well as to the credit risk of our reinsurers and retrocessionaires who assume business from us. Other than fully collateralized reinsurance, the substantial majority of our reinsurers have a rating of "A" (Excellent), the third highest of fifteen rating levels, or better by A.M. Best and the minimum rating of any of our material reinsurers is "A-" (Excellent), the fourth highest of fifteen rating levels, by A.M. Best. At December 31, 2024, the total amount recoverable by the Company from reinsurers was $4,172.0 million (December 31, 2023 — $4,577.8 million. Of the Company's reinsurance recoverable balance at December 31, 2024, 55.9% is collateralized by our reinsurers, 44.0% is recoverable from reinsurers rated A- or higher by major rating agencies and 0.1% is recoverable from reinsurers rated lower than A- by major rating agencies (December 31, 2023 — 56.8%, 42.9% and 0.3%, respectively). As at December 31, 2024, the Company's largest uncollateralized exposures to individual reinsurers represent 15.4% (December 31, 2023 — 15.9%), 11.5% (December 31, 2023 — 11.1%), and 8.8% (December 31, 2023 — 9.2%). As at December 31, 2024, the Company recognized an allowance for expected credit losses of $27.5 million (December 31, 2023 — $3.7 million) for reinsurance recoverables from reinsurers.

Item 12. Description of Securities Other Than Equity Securities.

Not applicable.

PART II

Item 13. Defaults, Dividends Arrearages and Delinquencies

None.

Item 14. Material Modifications to the Rights of Security Holders and Use of Proceeds

None.

Item 15. Controls and Procedures

A. Disclosure Controls and Procedures

The Company, under the supervision and with the participation of the Company's management, including the Company's Chief Executive Officer and Chief Financial Officer, has evaluated the design and operation of the Company's disclosure controls and procedures as of the end of the period of this report. Our management does not expect that our disclosure controls will prevent all errors and all fraud. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. As a result of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of a simple error or mistake. Additionally, controls can be circumvented by the individual acts of persons or by collusion of two or more people. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Over time, controls may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate. As a result of the inherent limitations in a cost-effective control system, misstatement due to error or fraud may occur and not be detected. Accordingly, our disclosure controls and procedures are designed to provide reasonable, not absolute, assurance that the disclosure requirements are met.

Based on the evaluation of the disclosure controls and procedures, the Company's Chief Executive Officer and Chief Financial Officer have concluded that, as of December 31, 2024, the Company's disclosure controls and procedures were effective in ensuring that information required to be disclosed in the reports filed or submitted to the SEC under the Exchange Act by the Company were recorded, processed, summarized and reported in a timely fashion, and were accumulated and communicated to management, including the Company's Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosure.

B. Management's Annual Report on Internal Control over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is designed to provide reasonable assurance regarding the preparation of financial statements for external purposes in accordance with U.S. GAAP.

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as is defined in Exchange Act Rule 13a-15(f) and as contemplated by Section 404 of the Sarbanes-Oxley Act. Our internal control system was designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. All internal control systems, no matter how well designed, have inherent limitations. These limitations include the possibility that judgments in decision-making can be faulty and that breakdowns can occur because of error or mistake. Therefore, any internal control system can provide only reasonable assurance and may not prevent or detect all misstatements or omissions. In addition, our evaluation of effectiveness is as of a particular point in time and there can be no assurance that any system will succeed in achieving its goals under all future conditions or at any time.

Management assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2024. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") in *Internal Control - Integrated Framework (2013).* Based on our assessment in accordance with the criteria, we believe that, subsequent to the remediation of the material weakness identified in prior years in relation to our procedures and controls around reinsurance premiums payable and receivables, there were no issues that in isolation or in aggregate represents a risk of material misstatement, and therefore our internal controls over financial reporting were effective as of December 31, 2024.

Continued significant progress has been made over the course of 2023 and 2024 to remediate the identified material weakness in our internal control over financial reporting described above. To remediate the material weakness, we implemented remedial measures that included, but were not limited to:

- strengthened the outwards reinsurance teams, through a combination of hiring additional accounting and operational resources, both permanent and temporary, together with engaging external consulting and other business process third-party organizations, to ensure that we have a sufficient number of personnel with the skills and experience commensurate with the size and complexity of the organization who can effectively design and execute our process level procedures and controls around reinsurance premiums payable and reinsurance receivables, and associated disclosure controls.
- strengthened our documentation of reinsurance premiums payable and reinsurance receivables processes and procedures relating to cash matching controls, enhancing the scope of existing outward reinsurance credit controls while also implementing new outwards reinsurance credit control processes and procedures.
- designed and implemented various additional new procedures and internal controls over reinsurance premiums payable and reinsurance receivables, improved segregation of duties, and enhanced certain existing internal controls, including timeliness and accuracy of reporting.

The above remedial measures were implemented in 2023, however, these controls needed to be in operation for a sufficient period of time before management concluded, through testing, that these new controls were operating effectively. The testing of these controls has been completed during 2024, and the outcome supports management's view that the enhancements to the outwards reinsurance control environment sufficiently mitigate the risk of material misstatement. Any residual control deficiencies, either in isolation or in aggregate, do not represent a risk of material weakness.

The consolidated financial statements included in this Form 20-F fairly represent in all material respects the financial condition, results of operations and cash flows of the Company for the periods presented.

C. Attestation report of the registered public accounting firm

Not applicable.

D. Changes in Internal Control Over Financial Reporting

Remediation Status:

A material weakness is a deficiency, or combination of deficiencies, in internal controls over financial reporting such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our 2022 and 2023 annual reports on Form 20-F, we identified and disclosed a material weakness in our internal control over financial reporting. The material weakness resulted from insufficient resources with appropriate level of knowledge within our outwards reinsurance operations and accounting team to effectively design and execute our process level procedures and controls around reinsurance premiums payable and reinsurance receivables, and related disclosures.

As discussed in Item 15 B above, continued significant progress has been made over the course of 2023 and 2024 to remediate the material weakness in our internal control over financial reporting. The remedial measures including control enhancements described above were implemented over the course of 2023 and were in operation as at December 31, 2023, however, these controls will need to be in operation for a sufficient period of time before management has concluded, through testing, that these new controls and enhancements are operating effectively.

The testing of these controls has been completed during 2024, and the outcome supports management's view that the enhancements to the outwards reinsurance control environment sufficiently mitigate the risk of material misstatement. Any residual control deficiencies, either in isolation or in aggregate, do not represent a risk of material weakness.

Management's assessment of the overall effectiveness of our internal controls over financial reporting was based on the criteria set forth in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations ("COSO") of the Treadway Commission. Based upon that evaluation, and other than the changes described above in "Remediation Status," the Company's management is not aware of any additional changes in its internal control over financial reporting that occurred during the year ended December 31, 2024 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting. The Company reviews its disclosure controls and procedures, including internal controls over financial reporting, on an ongoing basis.

Item 16A. Audit Committee Financial Expert

The Board has determined that Mr. Richard Lightowler is an independent director, is financially literate, has accounting or related financial management expertise pursuant to NYSE requirements and is an "audit committee financial expert" pursuant to the rules and regulations of the SEC.

Item 16B. Code of Ethics

Our Board has adopted a code of ethics entitled "Code of Conduct" which applies to all of our employees, officers and directors. Copies of our Code of Conduct can be found on our website at www.aspen.co and may be obtained in print, without cost, by writing to Aspen Insurance Holdings Limited, Attention: Company Secretary, 141 Front Street, Hamilton HM19, Bermuda. We intend to satisfy the disclosure requirement under Item 16B(d)-(e) of Form 20-F regarding amendment to, or waiver from, a provision of our Code of Ethics by posting such information at the website location specified above.

Item 16C. Principal Accountant Fees and Services

The following table represent aggregate fees billed to the Company by the Company's independent registered public accounting firm and auditor, Ernst & Young Ltd. ("EY") PCAOB ID 1127, Hamilton, Bermuda, for the fiscal year ended December 31, 2024 and Ernst & Young LLP, PCAOB ID 1438, London, England , the Company's previous auditor, for the fiscal year ended December 31, 2023:

	Twelve Months Ended December 31, 2024	Twelve Months Ended December 31, 2023
	($ in millions)	
Audit Fees [1]	$ 8.9	$ 8.7
Audit-Related Fees [2]	0.6	0.7
All Other Fees [3]	—	—
Total Fees	$ 9.5	$ 9.4

(1) Audit fees consist of fees paid to EY for professional services for the audit of the Company's annual consolidated financial statements, review of quarterly consolidated financial statements, audit of annual statutory statements, and for services that are normally provided by independent auditors in connection with statutory, SEC and regulatory filings or engagements (including comfort letters and consents).

(2) Audit-related fees consist of fees paid for assurance and related services for the performance of the audit or review of the Company's financial statements (other than the audit fees disclosed above), such as the audit of Solvency II balance sheet and Lloyd's regulatory filings.

(3) All other fees totalling $34,200 relate to fees billed to the Company by EY for non-audit services rendered to the Company in connection with Canadian Actuarial Support.

The policy of the Audit Committee is to approve all audit and permissible non-audit services to be provided by the independent registered public accounting firm during the year. The Audit Committee considered whether the provision of the non-audit services by EY was compatible with maintaining EY's independence with respect to the Company and determined that the provision of such services was compatible with EY maintaining its independence. The Audit Committee approved all of the services provided by EY for the fiscal year ended December 31, 2024.

Item 16D. Exemptions from the Listing Standards for Audit Committee

None.

Item 16E. Purchases of Equity Securities by the Issuer and Affiliated Purchasers

None.

Item 16F. Change in Registrant's Certifying Accountant

With effect from June 10, 2024, upon the recommendation of the Company's Audit Committee and Board, and following receipt of regulatory approvals and completion of internal governance procedures, the Company has appointed Ernst & Young Ltd. ("EY Bermuda") as its independent registered public accounting firm beginning with the fiscal year ending December 31, 2024. The Company's incumbent independent registered public account firm, Ernst & Young LLP ("EY London"), has accordingly resigned from such position, with effect from June 21, 2024.

EY London's reports on the Company's financial statements for the years ended December 31, 2022 and 2023 did not contain an adverse opinion or a disclaimer of opinion, and were not qualified or modified as to uncertainty, audit scope, or accounting principles.

During the Company's fiscal years ended December 31, 2022 and 2023, and the subsequent interim periods through EY London's resignation, there were: (i) no disagreements between the Company and EY London on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure which, if not resolved to EY London's satisfaction, would have caused EY London to make reference thereto in its reports; and (ii) no "reportable events" described in Item 16F(a)(1)(v) of Form 20-F.

The Company has provided EY London with a copy of the foregoing disclosure and has requested that EY London furnish the Company with a letter addressed to the SEC stating whether it agrees with such disclosure. A copy of EY London' letter, filed with the SEC on July 12, 2024, is referenced as Exhibit 15.3.

Item 16G. Corporate Governance

As a foreign private issuer, we are entitled to follow the practice of our home country, Bermuda, with respect to certain corporate governance requirements, rather than adhering to the corporate governance requirements that are applicable to U.S. issuers listed on the NYSE. Additionally, because 100% of our ordinary shares are owned by Parent and are not listed on the NYSE, we are a "controlled company" within the meaning of NYSE corporate governance standards. Controlled companies are also exempt from certain NYSE corporate governance standards.

Pursuant to Section 303.A.11 of the NYSE Listed Company Manual and Item 16G of Form 20-F, we are required to list the significant differences between our corporate governance practices and the NYSE corporate governance standards applicable to U.S. issuers listed on the NYSE. Listed below are the significant differences:

- Our Board is not currently composed of a majority of independent directors. The NYSE requires U.S. issuer listed companies to have a board of directors of at least a majority of independent directors. Controlled companies, however, are exempt from this requirement. Under Bermuda law and our Bye-Laws, we are not required to have a majority of independent directors.
- We currently do not have an operational nominating/corporate governance committee. Instead, the functions typically performed by such a committee are performed by the Board. The NYSE requires U.S. issuer listed companies to have a nominating/corporate governance committee composed entirely of independent directors and a committee charter detailing the committee's purpose and responsibilities and an annual performance evaluation of the committee. Controlled companies, however, are exempt from this requirement. Under Bermuda law and our Bye-Laws, we are not required to have a nominating or corporate governance committee.
- We currently do not have an operational compensation committee. The NYSE requires U.S. issuer listed companies to have a compensation committee composed entirely of independent directors and a committee charter detailing the committee's purpose and responsibilities, an annual performance evaluation of the committee and the rights and responsibilities of the committee with respect to retaining or obtaining advice from an independent adviser. Controlled companies, however, are exempt from this requirement. Under Bermuda law and our Bye-Laws, we are not required to have a compensation committee.
- While our Audit Committee is comprised of three independent directors, as described further herein, this is not required to be the case. The NYSE requires U.S. issuer listed companies to have an audit committee that has a minimum of three members. Foreign private issuers are exempt from this requirement. Under Bermuda law and our Bye-Laws, there is no requirement for a fixed number of members for an audit committee.

Item 16H. Mine Safety Disclosure

Not applicable.

Item 16I. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

Not applicable.

Item 16J. Insider Trading Policies

The Company has adopted insider trading policies and procedures governing the purchase, sale, and other dispositions of the Company's securities by directors, senior management, and employees that are reasonably designed to promote compliance with applicable insider trading laws, rules and regulations, and any listing standards applicable to the Company. A copy of our framework is filed as Exhibit 11.1.

Item 16K. Cybersecurity

We maintain an enterprise-wide information security and cyber risk management framework ("Framework") that is designed to protect our information, assets and systems and comply with applicable data security and privacy laws and regulations, in all jurisdictions in which we operate. Our Information Security and Cyber Risk Management Policy is aligned with the National Institute of Standards and Technology ("NIST") cybersecurity framework and sets out our internal framework to enable a consistent and coordinated approach to ensure that information security risks are adequately addressed in a manner proportionate to the nature, scale and complexity of our operations. Our framework is designed to protect information from the time it is created, through its useful life, to its ultimate authorized disposal.

Our cybersecurity program is designed to provide reasonable assurance that we will have efficient and effective operations; safeguard our assets; produce reliable reporting; comply with applicable laws and regulations; and to identify, protect, detect and respond to, and manage, reasonably foreseeable cybersecurity risks and threats. Our Framework is a key part of our internal control system and uses risk management processes to enable informed and prioritized decisions regarding information and cyber security.

Effective identification of information security and cyber risk enable us to focus and prioritize risk management efforts and determine resources required to manage the risks. We regularly assess risks from cybersecurity and technology threats and monitor our information systems for potential vulnerabilities and incidents. Risk identification processes span the entity, segment, function, and operational levels, to capture key risks within business processes, group-wide risks that are not directly associated with an individual function or process, and changes that could impact the internal control environment. Risk assessment involves a dynamic and iterative process for analyzing information security and cyber risks in order to form the basis for classifying information assets according to their value, sensitivity, and criticality; and for determining how risks should be managed, in accordance with our risk tolerance. Our risk assessment considers threats, vulnerabilities, exploitability, likelihood, and magnitude of impact to our operations, assets, individuals and facilities. Risk assessments also consider risk from external parties, including contractors who operate systems on our behalf, individuals who access our systems or data, service providers, and outsourcing entities. Risk assessments play an important role in the control selection processes. As internal and external circumstances change over time, risk identification also captures emerging information security and cyber risks. These and other emerging risks are reported to the Risk Committee of the Board.

Identified risks are recorded in the Group risk register and categorized, using the NIST security control family taxonomy to categorize and aggregate risk information. Once identified, all key information security and cyber risks are assessed to form the basis for determining how risks should be managed. After information security and cyber controls are implemented, they are regularly monitored and evaluated to determine whether the controls are implemented correctly, operate as intended, produce the desired outcome, and continue to comply with laws, regulations and contractual requirements. Monitoring helps to maintain a dynamic understanding of the Group's risk profile and identify control deficiencies which require remediation actions.

As part of our risk management process, we conduct application security assessments, vulnerability management, penetration testing, employee phishing testing, security audits, and ongoing risk assessments. We also maintain a variety of incident response plans that are utilized when incidents are detected. We require employees with access to information systems, including all employees, to undertake data protection and cybersecurity training and compliance programs annually.

Where possible, with respect to our cyber risk management processes, controls are implemented with a corresponding performance scale which is used as the basis for establishing monitoring via Key Risk Indicators ("KRIs"). KRIs are measured against the acceptable level of variance in performance relative to the achievement of control objectives and indicate whether controls are adequately addressing risk and whether risks are changing over time. KRIs that fall outside of pre-established thresholds trigger a more thorough management review and assessment, and where appropriate, any necessary adjustments to controls. Control deficiencies that result in exposures that exceed tolerance will be subject to a monitored mitigation plan with an agreed timeline to reduce residual risk to within the tolerance; and included in risk reporting. In such a case, the risk is implicitly temporarily accepted while mitigation actions progress. The development and ownership of an appropriate response is determined by relevant first line stakeholders in consultation with the Group Chief Information Security Officer ("CISO"). The action plan should be proportionate to the level of exposure and include defined actions aligned to the underlying causes.

In some cases, it might be determined that the exposure exceeds risk tolerance and cannot be brought within acceptable levels through any combination of mitigation or risk transfer. In this case, the applicable business function owner will consult with the CISO to determine the best course of action (e.g., through risk avoidance, an exception process, or increased security requirements for the relevant system/process). Exceptions and risk avoidance circumstances should be rare and will be recorded and reported to the Group Executive Committee. Notably, risk avoidance is not the same as ignoring a risk. See "Risk Factors - A failure in our data security and/or technology systems or infrastructure or those of third parties, including those caused by security breaches or cyber-attacks could disrupt our business, damage our reputation and cause losses."

In the normal course, we engage assessors, consultants and other third parties to assist in various cyber-related matters. These engagements cover a range of risk mitigation activities such as threat detection, penetration testing and red/purple team cyber-attack simulations.

We have implemented processes to identify and manage risks from cybersecurity threats associated with our use of such third-party service providers, including in relation to information security, particularly for personal information. These controls include contractual requirements to meet certain information security and testing requirements, alongside ongoing oversight procedures.

Management has responsibility to manage risk and bring to the Board's attention the most material near-term and long-term risks to the Company. The Company's CISO leads management's assessment and management of cybersecurity risk and is responsible for defining the Framework, and for establishing and maintaining security policies, standards and guidelines for group-wide applicability. Our Company CISO has extensive experience in IT and cybersecurity in particular, spanning over 25 years within multiple industries, including financial services and insurance, including CISO roles at PE owned companies. The CISO reports to the Chief Information Officer, who reports to the Group Chief Operating Officer, who in turn reports directly to the Company's Group Chief Executive Officer.

The Board is actively engaged in overseeing and reviewing the Company's strategic direction and objectives, taking into account, among other considerations, the Company's risk profile and related exposures, as part of this oversight the Board has delegated certain of these responsibilities to committees of the Board. The Risk Committee reviews, on behalf of the Board, at least once annually, the Group's cybersecurity program, its effectiveness, related exposures and risks, including actions underway or planned to reduce these risks. This review and oversight may generally encompass data breach risk; cyber prevention and detection controls; privacy matters; incident response plan; third-party cyber risk; cyber trends and events; and other cyber topics determined jointly by management and the Risk Committee. In carrying out this role, the Risk Committee takes into account the relevant work of the CISO. The CISO presents to the Risk Committee at least once annually, and the Board receives updates on operational risks, including cybersecurity matters, at its regular quarterly meetings from the Group Chief Operating Officer, alongside second-line oversight updates from the Group Chief Risk Officer. The Internal Audit function also provides third-line oversight of cyber risk elements through periodic testing of our cyber procedures, the results of which are reported to the Risk Committee and subsidiary boards of directors as appropriate.

On the recommendation of the Risk Committee, the Board reviews and approves the Group Information Security and Risk Management Policy on an annual basis and oversees our annual enterprise risk assessment on at least an annual basis to assess key risks within the business, including security and technology risks and cybersecurity threats.

For further information regarding the Company's cybersecurity framework and associated governance procedures, please refer to Item 4, "Business Overview - Regulatory Matters - Privacy & Cybersecurity Laws."

For further information on our risk management strategy, refer to Item 4, "Business Overview - Risk Management - Risk Management Strategy."

PART III

Item 17. Financial Statements

Refer to Item 18 of this report.

FINANCIAL STATEMENTS
TABLE OF CONTENTS

	F-Page
Consolidated Balance Sheets	1
Consolidated Statements of Operations and Other Comprehensive Income (Loss)	2
Consolidated Statements in Changes of Shareholders' Equity	3
Consolidated Statements of Cash Flows	4
Note 1. History and Organization	6
Note 2. Basis of Presentation and Significant Accounting Policies	6
Note 3. Segment Reporting	13
Note 4. Investments	17
Note 5. Variable Interest Entities	25
Note 6. Fair Value Measurements	25
Note 7. Reinsurance	32
Note 8. Derivative Contracts	33
Note 9. Deferred Acquisition Costs	35
Note 10. Reserve for Losses and Loss Adjustment Expenses	35
Note 11. Income Taxes	44
Note 12. Capital Structure	48
Note 13. Earnings Per Ordinary Share	49
Note 14. Statutory Requirements and Dividends Restrictions	49
Note 15. Dividends	51
Note 16. Retirement Plans	51
Note 17. Share-Based Payments and Long-Term Incentive Plan	51
Note 18. Intangible Assets and Goodwill	52
Note 19. Operating Leases	52
Note 20. Related Party Transactions	53
Note 21. Commitments and Contingent Liabilities	54
Note 22. Concentrations of Credit Risk	56
Note 23. Reclassifications from Accumulated Other Comprehensive Income	57
Note 24. Credit Facilities and Long-term Debt	57
Note 25. Allowance for Expected Credit Losses	60
Note 26. Subsequent Events	60

Item 18. Financial Statements

ASPEN INSURANCE HOLDINGS LIMITED
CONSOLIDATED BALANCE SHEETS
As at December 31, 2024 and December 31, 2023
($ in millions)

	As at December 31, 2024	As at December 31, 2023
ASSETS		
Fixed income securities, available for sale (amortized cost — 2024: $4,861.1 and 2023: $4,330.0 net of allowance for expected credit losses 2024: $1.0 and 2023: $2.9) [1]	$ 4,692.2	$ 4,122.6
Fixed income securities, trading at fair value (amortized cost — 2024: $1,207.7 and 2023: $1,527.0) [1]	1,199.9	1,485.7
Short-term investments, available for sale (amortized cost — 2024: $261.9 and 2023: $93.6)	261.9	93.6
Short-term investments, trading at fair value (amortized cost — 2024: $1.0 and 2023: $2.1)	1.0	2.1
Catastrophe bonds, trading at fair value (amortized cost — 2024: $1.0 and 2023: $1.6)	1.0	1.6
Privately-held investments, available for sale (amortized cost — 2024: $24.0 and 2023: $14.7) [2]	24.2	14.9
Privately-held investments, trading at fair value (amortized cost — 2024: $288.0 and 2023: $494.9) [2]	286.8	475.0
Investments, equity method	7.3	7.6
Other investments, at fair value [3]	267.2	209.3
Total investments	6,741.5	6,412.4
Cash and cash equivalents [4]	914.2	1,028.1
Unpaid losses recoverable from reinsurers (net of allowance for expected credit losses of 2024: $27.5 and 2023: $3.7)	4,172.0	4,577.8
Ceded unearned premiums	901.7	733.5
Underwriting premiums receivables (net of allowance for expected credit losses of 2024: $24.6 and 2023: $21.0)	1,617.0	1,435.3
Deferred acquisition costs	322.1	296.2
Derivative assets	17.0	31.7
Right-of-use operating lease assets	53.5	61.6
Income taxes refundable	0.9	4.3
Deferred tax assets	397.9	312.6
Other assets	590.8	309.6
Intangible assets and goodwill	19.9	21.7
Total assets	**$ 15,748.5**	$ 15,224.8
LIABILITIES		
Reserve for losses and loss adjustment expenses	$ 8,122.6	$ 7,810.6
Unearned premiums	2,645.8	2,426.3
Total insurance reserves	10,768.4	10,236.9
Reinsurance premiums	901.1	1,416.6
Income taxes payable	6.8	12.6
Deferred tax liabilities	1.1	1.6
Accrued expenses and other payables [5]	237.2	214.4
Payables for securities purchased	36.9	22.3
Operating lease liabilities	75.6	86.1
Derivative liabilities	49.5	25.8
Long-term debt	300.0	300.0
Total liabilities	**$ 12,376.6**	$ 12,316.3
Commitments and contingent liabilities (see Note 21)	$ —	$ —
SHAREHOLDERS' EQUITY		
Ordinary shares	$ 0.6	$ 0.6
Preference shares	970.5	753.5
Additional paid-in capital	761.2	761.2
Retained earnings	2,029.7	1,793.5
Accumulated other comprehensive (loss)	(390.1)	(400.3)
Total shareholders' equity	**3,371.9**	2,908.5
Total liabilities and shareholders' equity	**$ 15,748.5**	$ 15,224.8

(1) Fixed income securities, available for sale includes related party investments totaling $14.0 million (2023 — $Nil). Fixed income securities, trading at fair value includes related party investments totaling $74.9 million (2023 — $129.8 million).

(2) Privately-held investments, trading at fair value include related party investments totaling $73.6 million (2023 — $112.4 million). Privately-held investments, available for sale include related party investments totaling $Nil (2023 — $14.9 million).

(3) Other investments includes related party investments in Funds Managed by Apollo of $78.6 million (2023 — $39.8 million).

(4) Cash and cash equivalents includes restricted cash of $181.9 million (2023 — $323.2 million) which are held in trusts.

(5) Includes amounts due to related parties of $4.0 million for investment management fees (2023 — $2.1 million), and $1.3 million for management consulting fees (2023 — $1.2 million).

ASPEN INSURANCE HOLDINGS LIMITED

CONSOLIDATED STATEMENTS OF OPERATIONS AND OTHER COMPREHENSIVE INCOME (LOSS)

For The Twelve Months Ended December 31, 2024, 2023 and 2022

($ in millions, except per share amounts)

	Twelve Months Ended December 31,		
	2024	**2023**	**2022**
Revenues			
Net earned premium	$ 2,889.7	$ 2,614.5	$ 2,688.7
Net investment income [1]	318.0	275.7	188.1
Realized and unrealized investment gains [2]	52.6	75.9	5.0
Other income	—	—	8.2
Total revenues	3,260.3	2,966.1	2,890.0
Expenses			
Losses and loss adjustment expenses	1,717.8	1,553.0	1,680.0
Acquisition costs	420.2	380.2	431.8
General, administrative and corporate expenses [3]	533.1	503.6	494.2
Interest expense	62.1	55.2	43.7
Change in fair value of derivatives	21.1	(26.1)	80.5
Realized and unrealized investment losses	102.1	61.4	182.6
Net realized and unrealized foreign exchange (gains)/losses	(60.2)	36.2	(15.9)
Other expenses	—	—	20.1
Total expenses	2,796.2	2,563.5	2,917.0
Income/(loss) from operations before income taxes	464.1	402.6	(27.0)
Income tax benefit	22.0	132.1	78.1
Net income	**$ 486.1**	**$ 534.7**	**$ 51.1**
Other Comprehensive Income/(Loss):			
Reclassification adjustment for net realized losses on investments included in net income	$ 59.4	$ 40.2	$ 55.5
Change in net unrealized (losses)/gains on available for sale securities held	(25.3)	86.0	(447.2)
Net change from current period hedged transactions	(6.5)	(14.0)	15.4
Change in foreign currency translation adjustment	(14.1)	14.4	(30.9)
Other comprehensive income/(loss), before income taxes	13.5	126.6	(407.2)
Income tax (expense)/benefit thereon:			
Reclassification adjustment for net realized losses on investments included in net income	(11.5)	(6.6)	—
Change in net unrealized losses/(gains) on available for sale securities held	6.8	(14.0)	23.9
Net change from current period hedged transactions	1.4	—	—
Total income tax (expense)/benefit allocated to other comprehensive income/(loss)	(3.3)	(20.6)	23.9
Other comprehensive income/(loss), net of income taxes	10.2	106.0	(383.3)
Total comprehensive income/(loss) attributable to Aspen Insurance Holdings Limited	**$ 496.3**	**$ 640.7**	**$ (332.2)**
Net income as reported	$ 486.1	$ 534.7	$ 51.1
Preference share dividends	(54.9)	(49.9)	(44.6)
Net income available to Aspen Insurance Holdings Limited's ordinary shareholders	$ 431.2	$ 484.8	$ 6.5
Basic and diluted earnings per ordinary share	$ 7.14	$ 8.03	$ 0.11

(1) Net investment income includes related party net investment income of $15.2 million (2023 — $19.6 million, 2022 — $3.1 million) and related party investment management fees of $9.2 million (2023 — $9.4 million, 2022 — $4.9 million).

(2) Realized and unrealized investments gains includes gains of $2.5 million on related party investments (2023 — gains of $8.7 million, 2022 — loss of $0.4 million).

(3) General, administrative and corporate expenses includes related party management consulting fees of $5.0 million (2023 — $5.0 million; 2022 — $5.0 million).

ASPEN INSURANCE HOLDINGS LIMITED
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
For The Twelve Months Ended December 31, 2024, 2023 and 2022
($ in millions)

	Twelve Months Ended December 31,		
	2024	**2023**	**2022**
Ordinary shares			
Beginning of the year	$ 0.6	$ 0.6	$ 0.6
End of the year	0.6	0.6	0.6
Preference shares [1]			
Beginning of the year	753.5	753.5	753.5
Preference shares issued	217.0	—	—
End of the year	970.5	753.5	753.5
Additional paid-in capital			
Beginning of the year	761.2	761.2	761.2
End of the year	761.2	761.2	761.2
Retained earnings			
Beginning of the year	1,793.5	1,349.0	1,382.5
Net income for the year	486.1	534.7	51.1
Dividends on ordinary shares	(195.0)	(40.3)	(40.0)
Dividends on preference shares	(54.9)	(49.9)	(44.6)
End of the year	2,029.7	1,793.5	1,349.0
Accumulated other comprehensive income:			
Cumulative foreign currency translation adjustments:			
Beginning of the year	(172.5)	(186.9)	(156.0)
Change for the year, net of income taxes	(14.1)	14.4	(30.9)
End of the year	(186.6)	(172.5)	(186.9)
(Loss)/gain on derivatives:			
Beginning of the year	(0.2)	13.8	(1.6)
Net change from current period hedged transactions, net of income taxes	(5.1)	(14.0)	15.4
End of the year	(5.3)	(0.2)	13.8
Unrealized (depreciation)/appreciation on available for sale investments:			
Beginning of the year	(227.6)	(333.2)	34.6
Change for the year, net of income taxes	29.4	105.6	(367.8)
End of the year	(198.2)	(227.6)	(333.2)
Total accumulated other comprehensive (loss)	(390.1)	(400.3)	(506.3)
Total shareholders' equity	**$ 3,371.9**	**$ 2,908.5**	**$ 2,358.0**

(1) Preference shares of $1,000.0 million, less issuance costs of $29.5 million (December 31, 2023 and 2022 — $775.0 million and $21.5 million).

ASPEN INSURANCE HOLDINGS LIMITED

CONSOLIDATED STATEMENTS OF CASH FLOWS
For The Twelve Months Ended December 31, 2024, 2023 and 2022
($ in millions)

	Twelve Months Ended December 31,		
	2024	**2023**	**2022**
Cash flows from operating activities:			
Net income	$ 486.1	$ 534.7	$ 51.1
Adjustments to reconcile net income to net cash flows from operating activities:			
Depreciation and amortization	(1.0)	11.0	43.3
Impairment of lease assets	—	—	(6.7)
Amortization of right-of-use operating lease assets	9.9	10.7	10.1
Interest on operating lease liabilities	4.1	4.5	5.4
Realized and unrealized investment gains	(52.6)	(75.9)	(5.0)
Realized and unrealized investment losses	102.1	61.4	182.6
Deferred tax (benefit)	(88.6)	(197.7)	(104.6)
Net realized and unrealized investment foreign exchange losses/(gains)	11.2	(5.3)	15.9
Net change from current period hedged transactions	(6.5)	(14.0)	15.4
Unrealized losses/(gains) on investment funds in net investment income	6.1	17.9	(14.5)
Changes in:			
Reserve for losses and loss adjustment expenses	312.0	99.7	99.1
Unearned premiums	219.5	(31.2)	345.2
Unpaid losses recoverable from reinsurers	405.8	319.9	(1,599.6)
Ceded unearned premiums	(168.2)	3.8	(141.2)
Deferred acquisition costs	(25.9)	22.8	(28.2)
Reinsurance premiums payable	(515.5)	(563.5)	1,404.4
Underwriting premiums receivable	(181.7)	47.1	(177.8)
Income tax payable and refundable	(3.0)	3.5	(1.3)
Accrued expenses and other payables	22.4	13.2	(87.0)
Derivative assets and derivative liabilities	38.4	15.4	(21.7)
Operating lease liabilities	(15.9)	(15.5)	(15.5)
Other [1]	(3.8)	62.2	(24.4)
Net cash provided by/(used in) operating activities	$ 554.9	$ 324.7	$ (55.0)

ASPEN INSURANCE HOLDINGS LIMITED

CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)
For The Twelve Months Ended December 31, 2024, 2023 and 2022
($ in millions)

	Twelve Months Ended December 31,		
	2024	**2023**	**2022**
Cash flows from investing activities:			
(Purchases) of fixed income securities — Available for sale	$ (2,468.5)	$ (1,554.8)	$ (1,613.9)
(Purchases) of fixed income securities — Trading	(544.6)	(418.5)	(724.6)
Proceeds from sales and maturities of fixed income securities — Available for sale	1,872.7	1,326.7	2,212.5
Proceeds from sales and maturities of fixed income securities — Trading	850.1	474.0	293.6
Net proceeds from catastrophe bonds — Trading	0.5	1.5	0.5
(Purchases) of short-term investments — Available for sale	(334.7)	(265.9)	(55.9)
Proceeds from sale of short-term investments — Available for sale	167.0	231.0	13.6
(Purchases) of short-term investments — Trading	(5.7)	(15.1)	(7.0)
Proceeds from sale of short-term investments — Trading	6.7	19.5	2.6
(Purchases) of privately-held investments - Available for sale	(10.0)	(14.7)	—
(Purchases) of privately-held investments — Trading	(57.0)	(99.0)	(377.9)
Proceeds from sale of privately-held investments — Trading	195.4	136.9	147.4
Net change in receivable/(payable) for securities sold/(purchased)	16.8	19.9	(31.8)
(Purchases) of other investments	(32.5)	(9.3)	(62.5)
Net proceeds from sales of other investments	8.5	4.9	5.9
Net (purchases)/sales of fixed assets	(17.5)	(8.9)	3.0
Net (purchases) of investments, equity method	—	(0.4)	(2.0)
Net cash (used in) investing activities	$ (352.8)	$ (172.2)	$ (196.5)
Cash flows from financing activities:			
Repayment of short-term debt	$ —	$ (300.0)	$ —
Proceeds from term loan facility	—	300.0	—
Redemption of preference shares [1]	(275.0)	—	—
Preference share issuance	217.0	—	—
Dividends paid on ordinary shares	(195.0)	(40.3)	(40.0)
Dividends paid on preference shares	(54.9)	(49.9)	(44.6)
Net cash (used in) financing activities	$ (307.9)	$ (90.2)	$ (84.6)
Effect of exchange rate movements on cash and cash equivalents	(8.1)	6.6	(18.8)
(Decrease)/Increase in cash and cash equivalents	(113.9)	68.9	(354.9)
Cash and cash equivalents at beginning of period	1,028.1	959.2	1,314.1
Cash and cash equivalents at end of period [2]	$ 914.2	$ 1,028.1	$ 959.2
Supplemental disclosure of cash flow information:			
Income taxes paid	$ 69.0	$ 60.9	$ 29.1
Interest paid on long-term debt	$ 20.5	$ 15.6	$ 14.3

(1) On January 1, 2025, the Company redeemed all 11,000,000 shares of its issued and outstanding 5.950% Fixed-to-Floating Rate Perpetual Non-Cumulative Preference Shares. The redemption price was paid on January 2, 2025. To facilitate this redemption, the funds of $275.0 million were transferred to a third party transfer agent on December 30, 2024 and are included in other assets in the consolidated balance sheet. The cash flow has been included under financing activities above. For further details, refer to Note 26, “Subsequent Events”.

(2) Cash and cash equivalents includes restricted cash of $181.9 million (2023 — $323.2 million, 2022 — $232.1 million) which are held in trusts.

ASPEN INSURANCE HOLDINGS LIMITED

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS

For The Twelve Months Ended December 31, 2024, 2023 and 2022

($ in millions, except share and per share amounts)

. History and Organization

History and Organization. Aspen Insurance Holdings Limited ("Aspen Holdings") was incorporated as a Bermuda exempted company on May 23, 2002 as a holding company headquartered in Bermuda. We underwrite specialty insurance and reinsurance on a global basis through our Operating Subsidiaries (as defined below) based in Bermuda, the United States and the United Kingdom: Aspen Bermuda Limited ("Aspen Bermuda"), Aspen Specialty Insurance Company ("Aspen Specialty"), Aspen American Insurance Company ("AAIC"), Aspen Insurance UK Limited ("Aspen UK") and Aspen Underwriting Limited ("AUL") (as the sole corporate member of our Lloyd's operations, Syndicate 4711, which is managed by Aspen Managing Agency Limited ("AMAL") (together, "Aspen Lloyd's")), each referred to herein as an "Operating Subsidiary" and collectively referred to as the "Operating Subsidiaries", as well as through branch operations in Canada, Singapore and Switzerland. We established Aspen Capital Management, Ltd. ("ACML") and other related entities (collectively, "ACM") to leverage our existing underwriting franchise, increase our operational flexibility and provide third-party investors direct access to our capital markets and underwriting expertise. References to the "Company," the "Group," "we," "us" or "our" refer to Aspen Holdings or Aspen Holdings and its consolidated subsidiaries.

Since February 2019, the Company has been a wholly-owned subsidiary of Highlands Bermuda Holdco, Ltd. ("Parent"), which holds all of the Company's ordinary shares. Parent, a Bermuda exempted company, is an affiliate of certain investment funds managed by affiliates of Apollo Global Management, Inc., a leading global investment manager (collectively with its subsidiaries, "Apollo"). The Company's preference shares and depositary shares, as at the date of issuing this report, are listed on the New York Stock Exchange ("NYSE") under the following symbols: AHL PRD, AHL PRE and AHL PRF.

. Basis of Presentation and Significant Accounting Policies

The consolidated financial statements of Aspen Holdings are prepared in accordance with United States Generally Accepted Accounting Principles ("U.S. GAAP") and are presented on a consolidated basis including the transactions of all operating subsidiaries in which the Company has a controlling financial interest and variable interest entities ("VIE") in which the Company is considered to be the primary beneficiary. Transactions between Aspen Holdings and its subsidiaries are eliminated within the consolidated financial statements.

The consolidated financial statements have been prepared on a going concern basis.

(a) Use of Estimates

Assumptions and estimates made by management have a significant effect on the amounts reported within the consolidated financial statements. The most significant of these relate to losses and loss adjustment expenses, reinsurance recoverables, gross written premiums and commissions which have not been reported to the Company such as those relating to proportional treaty reinsurance contracts, unrecognized tax benefits, recoverability of deferred tax assets, the fair value of derivatives and the fair value of other and privately-held investments. All material assumptions and estimates are regularly reviewed and adjustments made as necessary but actual results could be significantly different from those expected when the assumptions or estimates were made.

(b) Accounting for Insurance and Reinsurance Operations

Premiums Earned. Premiums are generally recorded as written on the inception date of a policy. For proportional reinsurance treaty contracts, written premiums are generally recorded as the reinsured policies attach to the treaty. For multi-year insurance or reinsurance contracts, written premiums are recorded based on the contract terms. Premiums are recognized as revenues proportionately over the coverage period. Premiums earned are recorded in the consolidated statements of operations, net of the cost of purchased reinsurance. Premiums written which are not yet recognized as earned premium are recorded in the consolidated balance sheet as unearned premiums. Written and earned premiums and the related costs include estimates for premiums which have not been finally determined. These relate mainly to contractual provisions for the payment of adjustment or additional premiums, premiums payable under proportional treaties and delegated underwriting authorities, and reinstatement premiums.

Adjustment and additional premiums are premiums charged which relate to experience during the policy term. The proportion of adjustable premiums included in the premium estimates varies between business lines with the largest adjustment premiums being in property and casualty reinsurance, marine, aviation and energy insurance and the smallest in property and casualty insurance.

Premiums under proportional treaty contracts and delegated underwriting authorities are generally not reported to the Company until after the reinsurance coverage is in force. As a result, an estimate of these "pipeline" premiums is recorded. The Company estimates pipeline premiums based on projections of ultimate premium taking into account reported premiums and expected development patterns.

Reinstatement premiums on assumed excess of loss reinsurance contracts are provided based on experience under such contracts. Reinstatement premiums are the premiums charged for the restoration of the reinsurance limit of an excess of loss contract to its full amount after payment by the reinsurer of losses as a result of an occurrence. The original premiums are recognized as revenue in full at the date of loss, with the reinstatement premiums recognized as revenue over the remaining cover term. Reinstatement premiums provide future insurance cover for the remainder of the initial policy term. An allowance for uncollectible premiums is established for possible non-payment of premium receivables, as deemed necessary.

Credit Losses on Underwriting Premiums Receivable. Underwriting premium receivable balances are reported net of an allowance for expected credit losses. The allowance, based on ongoing review and monitoring of amounts outstanding, historical loss data, including write-offs and other current economic factors, is charged to net income in the period the receivable is recorded and revised in subsequent periods to reflect changes in the Company's estimate of expected credit losses. For most insurance policies, credit risk is partially mitigated by the Company's ability to cancel the policy if the policyholder does not pay the premium whereby, upon default, policy liabilities would be written-down along with premium receivables.

Losses and Loss Adjustment Expenses. Losses represent the amount paid or expected to be paid to claimants in respect of events that have occurred on or before the balance sheet date. The costs of investigating, resolving and processing these claims are known as loss adjustment expenses ("LAE"). The consolidated statements of operations records these losses net of reinsurance, meaning that gross losses and loss adjustment expenses incurred are reduced by the amounts recovered or expected to be recovered under reinsurance contracts.

Reinsurance. Written premiums, earned premiums, incurred claims, LAE and the acquisition costs all reflect the net effect of assumed and ceded reinsurance transactions. Assumed reinsurance refers to the Company's acceptance of certain insurance risks that other insurance companies have underwritten. Ceded reinsurance arises from contracts under which other insurance companies agree to share certain risks with the Company.

Reinsurance accounting is followed when there is risk transfer, which includes significant timing risk, underwriting risk, and where applicable, a reasonable possibility of significant loss.

Outward reinsurance premiums, which are paid when the Company purchases reinsurance or retrocessional coverage, are accounted for using the same accounting methodology as the Company uses for inwards premiums. Premiums payable under reinsurance contracts that operate on a "losses occurring during" basis are expensed over the period of coverage while those arising from "risks attaching during" policies are expensed over the earnings period of the underlying premiums written from the reinsured business. Adjustment premiums and reinstatement premiums in relation to outward reinsurance are accrued when it is determined that the ultimate losses will trigger a payment and recognized within premiums payable. Reinsurance and retrocession does not isolate the ceding company from its obligations to policyholders. In the event that a reinsurer or retrocessionaire fails to meet its obligations, the ceding company's obligations remain.

Accounting for Retroactive Reinsurance Agreements. Retroactive reinsurance agreements are reinsurance agreements under which a reinsurer agrees to reimburse the Company as a result of past insurable events. For retroactive reinsurance purchased by the Company, the excess of the amounts ultimately collectible under the agreement over the consideration paid is recognized as a deferred gain liability which is amortized into income over the settlement period of the ceded reserves once the paid losses have exceeded the minimum retention. The amount of the deferral is recalculated each period based on actual loss payments and updated estimates of ultimate losses. If the consideration paid exceeds the ultimate losses collectible under the agreement, the net loss on the retroactive reinsurance agreement is recognized within income immediately.

Premiums payable for retroactive reinsurance coverage and meeting the conditions of reinsurance accounting are reported as reinsurance recoverables to the extent that those amounts do not exceed recorded liabilities relating to underlying reinsurance contracts. Premiums paid in excess of accounts receivable are charged to income.

Reserves. Insurance reserves are established for the total unpaid cost of claims and LAE in respect of events that have occurred by the balance sheet date, including the Company's estimates of the total cost of claims incurred but not yet reported ("IBNR"). Claim reserves are reduced for estimated amounts of salvage and subrogation recoveries. Estimated amounts recoverable from reinsurers on unpaid losses and LAE are reflected as assets.

For reported claims, reserves are established on a case-by-case basis within the parameters of coverage provided in the insurance policy or reinsurance agreement. For IBNR claims, reserves are estimated using a number of established actuarial methods to establish a range of estimates from which a management best estimate is selected. Both case and IBNR reserve estimates consider variables such as past loss experience, changes in legislative conditions, changes in judicial interpretation of legal liability, policy coverages and inflation.

As many of the coverages underwritten involve claims that may not be ultimately settled for many years after they are incurred, subjective judgments as to the ultimate exposure to losses are an integral and necessary component of the loss reserving process. The Company regularly reviews its reserves, using a variety of statistical and actuarial techniques to analyze current claims costs, frequency and severity data, and prevailing economic, social and legal factors. Reserves established in prior periods are adjusted as claim experience develops and new information becomes available. Adjustments to previously estimated reserves are reflected in the financial results of the period in which the adjustments are made.

The process of estimating required reserves does, by its very nature, involve considerable uncertainty. The level of uncertainty can be influenced by factors such as the existence of coverage with long duration payment patterns and changes in claims handling practices, as well as the factors noted above. Ultimate actual payments for claims and LAE could turn out to be significantly different from the Company's estimates.

Credit Losses on Reinsurance Recoverables. Amounts recoverable from reinsurers are estimated in a manner consistent with the claim liability with the reinsured business. The Company maintains credit risk if a reinsurer is unable to pay recoverables when they become due. To manage this risk, the Company evaluates the financial condition of its reinsurers and retrocessionaires, and monitors concentration of credit risk to minimize its exposure to significant losses from individual reinsurers. To further reduce credit exposure on reinsurance recoverables, the Company has received collateral, including letters of credit and trust accounts, from certain reinsurers. Following the adoption of ASC 326, an allowance is established for expected credit losses to be recognized over the life of the reinsurance recoverable. The allowance considers the current financial strength of the individual reinsurer and the amount of collateral held.

Acquisition Costs. The costs directly related to writing a (re)insurance policy are referred to as acquisition expenses and include commissions, premium taxes and profit commissions. With the exception of profit commissions, these expenses are incurred when a policy is issued, and only the costs directly related to the successful acquisition of new and renewal insurance and reinsurance contracts are deferred and amortized over the same period as the corresponding premiums are recorded as revenues. Profit commissions are estimated and accrued based on the related performance criteria evaluated at the balance sheet date, with subsequent changes to those estimates recognized when they occur. Commissions received related to reinsurance premiums ceded are netted against broker commissions in determining acquisition costs eligible for deferral.

On a regular basis a premium deficiency analysis is performed of the deferred acquisition costs in relation to the expected recognition of revenues, including anticipated investment income, and adjustments, if any, are reflected as period costs. Should the analysis indicate that the acquisition costs are unrecoverable, further analyses are performed to determine if a reserve is required to provide for losses which may exceed the related unearned premium.

General and Administrative Expenses. These costs represent the expenses incurred in running the business and include, but are not limited to compensation costs for employees, rental costs, IT development and professional and consultancy fees. General and administrative costs directly attributable to the successful acquisition of business are deferred and amortized over the same period as the corresponding premiums are recorded as revenues. When reporting the results for its business segments, the Company includes expenses which are directly attributable to the segment plus an allocation of central administrative costs.

Corporate Expenses. Corporate expenses are not allocated to the Company's business segments as they typically do not fluctuate with the levels of premium written and are related to the Company's operations which include group executive costs, group finance costs, group legal and actuarial costs and certain strategic and other costs.

(c) Accounting for Investments, Cash and Cash Equivalents

Fixed Income Securities. The fixed income securities portfolio comprises securities issued by governments and government agencies, corporate bonds, mortgage and other asset-backed securities and bank loans. Investments in fixed income securities are classified as available for sale or trading and are reported at estimated fair value in the consolidated balance sheet. Investment transactions are recorded on the trade date with balances pending settlement reflected in the consolidated balance sheet under receivables for securities sold and other payables for securities purchased, respectively. Fair values are based on quoted market prices and other data provided by third-party pricing services.

Short-term Investments. Short-term investments primarily comprise highly liquid debt securities with a maturity greater than three months but less than one year from the date of purchase and are held as part of the investment portfolio of the Company. Short-term investments are classified as either trading or available for sale and reported at estimated fair value.

Catastrophe Bonds. Investments in catastrophe bonds are classified as trading and are reported on the consolidated balance sheet at estimated fair value. The fair values are based on independent broker-dealer quotes.

Privately-held Investments. The Company's privately-held investments primarily comprise commercial mortgage loans, middle market loans and other private debt, asset-backed securities and global corporate securities. These investments are classified as trading or available for sale and are reported on the consolidated balance sheet at estimated fair value. Privately-held investments are initially valued at cost or transaction value which approximates fair value. In subsequent measurement periods, the fair values of these securities are primarily determined using discounted cash flow models. Interest income is accrued on the principal amount of the loan based on its contractual interest rate subject to it being probable that we will receive interest on that particular underlying loan. Interest income, amortization of premiums and discounts, and prepayment fees are reported in net investment income on the consolidated statements of income.

Investments, Equity Method. These investments represent the Company's investments in partially owned insurance and related companies that are recorded using the equity method of accounting. The carrying value of these investments are based on the Company's proportionate share of GAAP equity.

Other Investments. Other investments represent the Company's investments in investment funds that are reported at net asset value. For these investments, net asset value is used as a practical expedient for fair value.

Cash and Cash Equivalents. Cash and cash equivalents are reported at fair value. Cash and cash equivalents comprise cash on hand, deposits held on call with banks and other short-term highly liquid investments due to mature within three months from the date of purchase and which are subject to insignificant risk of change in fair value.

Gains and Losses. Realized gains or losses on the sale of investments are determined on the basis of the first in first out cost method and are recorded in revenue or expenses respectively. Unrealized gains and losses represent the difference between the cost, or the cost as adjusted by amortization of any difference between its cost and its redemption value ("amortized cost"), of the security and its fair value at the reporting date and are included within other comprehensive income for securities classified as available for sale and in realized and unrealized investment gains or losses in the consolidated statement of operations for securities classified as trading.

Credit Losses on Available for Sale Debt Securities. An allowance account for credit losses is recognized for available for sale debt securities based on a review of individual securities. Write-offs are recorded when amounts are deemed uncollectible, or Aspen intends to sell (or more likely than not will be required to sell) the debt security before recovery of the amortized cost basis. The amortized cost basis will be written down to the debt securities fair value through earnings. Credit losses are limited to the difference between the debt securities amortized cost basis and fair value ('fair-value floor'). Any decline in the debt securities fair value below the amortized cost basis that is not a result of a credit loss is recorded through other comprehensive income, net of applicable taxes. The allowance for credit losses of a security may be increased or reversed upon a change in credit position with the change reflected in net income.

The credit loss models employ a discounted cash flow approach to evaluate whether a credit loss exists at the individual security level and are reviewed at each reporting period. This analysis excludes investments in U.S. Government / Agency bonds and U.S. Government Agency mortgage-backed securities due to being of 'high credit quality' based on the absence of risk. For any available for sale debt securities that were initially purchased with credit deterioration (PCD), the amortized cost basis shall be considered to be the purchase price, plus any allowance for credit losses. Estimated credit losses shall be discounted at the rate that equates the present value of the purchaser's estimate of the security's future cash flows with the purchase price of the asset.

Net Investment Income. Investment income includes amounts received and accrued in respect of periodic interest ("coupons") payable to the Company by the issuer of fixed income securities, equity dividends and interest credited on cash and cash equivalents. It also includes amortization of premium and accretion of discount in respect of fixed income securities. Investment income also includes changes in fair value from investments in real estate funds. Investment management and custody fees are charged against net investment income reported in the consolidated statement of operations.

(d) Accounting for Derivative Financial Instruments

The Company enters into derivative instruments to manage certain market risks, such as forward exchange contracts used to reduce foreign currency risk relative to the U.S. dollar. The Company records derivative instruments at fair value on the Company's consolidated balance sheet as either assets or liabilities, depending on their rights and obligations.

The accounting for the gain or loss due to the changes in the fair value of these instruments is dependent on whether the derivative qualifies as a hedge. If the derivative does not qualify as a hedge, the gains or losses are reported in the consolidated statement of operations when they occur and classified within *Change in fair value of derivatives*. If the derivative qualifies as a hedge, the accounting treatment varies based on the type of risk being hedged. There are two primary types of hedging relationships that may be used for accounting purposes: fair value hedge and cash flow hedge. A fair value hedge is designed to offset changes in the fair value of an underlying asset or liability, and the gain or loss from the hedging instrument offsets the change in fair value of the underlying asset or liability. Under fair value hedge accounting, both the gain or loss from the underlying asset or liability and the gain or loss from the hedging instrument are recognized in earnings in the same period. In contrast, a cash flow hedge is designed to offset changes in cash flows of an underlying asset or liability. The gain or loss from the hedging instrument is initially recognized in other comprehensive income. As the contracts settle, the realized gain or loss is reclassified from other comprehensive income into the consolidated statement of operations.

The loss portfolio transfer contract includes a funds withheld arrangement that provides a variable interest expense based on Aspen's investment performance. As a result, this funds withheld arrangement is considered an embedded derivative and accounted for as an option-based derivative. Since the economic characteristics and risks of an embedded derivative feature are not clearly and closely related to the economic characteristics and risks of the host contract, the embedded derivative is bifurcated and accounted for separately at fair value. The Company records subsequent changes in the embedded derivative fair value in the consolidated statement of operations.

(e) Accounting for Intangible Assets

Intangible assets are held in the consolidated balance sheet at cost less amortization and impairment. Amortization applies on a straight-line basis in respect of assets having a finite estimated useful economic life. Finite intangibles are assessed on an annual basis for impairment, or more frequently where circumstances indicate the carrying value may not be recoverable. For intangible assets considered to have an indefinite life, the Company performs a qualitative assessment annually to determine whether it is more likely than not that an intangible asset is impaired. Goodwill is assessed annually for impairment or more frequently if circumstances indicate an impairment may have occurred.

(f) Accounting for Office Properties and Equipment

Office properties and equipment are reported at cost less accumulated depreciation. These assets are depreciated on a straight-line basis over the estimated useful lives of the assets. Computer equipment is depreciated between three and five years, furniture and fittings are depreciated over four years and leasehold improvements are depreciated over the lesser of 15 years or the lease term.

IT development costs that are directly associated with the development of identifiable and unique software products and that are anticipated to generate economic benefits exceeding costs beyond one year, are recognized within office properties and equipment. Costs include external consultants' fees, certain qualifying internal staff costs and other costs incurred to develop software programs. Software is depreciated over their estimated useful life, between three and five years, on a straight-line basis and is subject to impairment testing annually. Depreciation commences when the asset becomes operational. Other non-qualifying costs are expensed as incurred.

(g) Accounting for Leases

In the ordinary course of the business, the Company renews and enters into new leases for office real estate and other assets. At the lease inception date, the Company determines whether a contract contains a lease and recognizes operating lease Right-of-use assets and operating lease liabilities based on the present value of future minimum lease payments. As our leases do not provide an implicit interest rate, we use our incremental borrowing rate based on the information available at the commencement date to determine the present value of future payments. For all office real estate leases, rent incentives, including reduced-rent and rent-free periods and contractually agreed rent increases during the lease term, have been included when determining the present value of future cash flows.

Right-of-use operating lease assets are reported at cost less accumulated depreciation on the consolidated balance sheet and depreciated over the lease term. The Company does not record office property and equipment leases with an initial term of 12 months or less (short-term) in the Company's consolidated balance sheets. Such short-term leases are expensed through the consolidated statement of operations.

Right-of-use operating lease assets are tested for impairments whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If the carrying value of an asset is impaired, it is reduced to the recoverable amount by an immediate charge to the income statement. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

(h) Accounting for Foreign Currencies Translation

The functional currency of the Company and its subsidiaries is the U.S. Dollar, which is also the Company's reporting currency. Transactions in currencies other than the functional currency are measured at the exchange rate prevailing at the date of the transaction.

Monetary assets and liabilities denominated in non-functional currencies are remeasured at the exchange rate prevailing at the balance sheet date and any resulting foreign exchange gains or losses are reflected in the consolidated statement of operations. Foreign exchange gains or losses related to available for sale investments denominated in non-functional currencies are included within other comprehensive income. Non-monetary assets and liabilities are remeasured to functional currency at historic exchange rates.

(i) Accounting for Income Taxes

Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and for operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. When the Company does not believe that, on the basis of available information, it is more likely than not that deferred tax assets will be fully recovered, it recognizes a valuation allowance against its deferred tax assets to reduce the deferred tax assets to the amount more likely than not to be realized. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

Furthermore, a tax benefit from a tax position may be recognized in the financial statements only if it is more-likely-than-not that the position is sustainable, based solely on its technical merits and consideration of the relevant tax authority's widely understood administrative practices and precedents.

The Company applies a portfolio approach to release the income tax effects in accumulated other comprehensive income. Under this approach, the income tax effects upon the sale of an available for sale debt security, settlement of hedged transactions and upon foreign currency translation adjustments for each period, are determined under the intra-period tax allocation approach. Any tax effects remaining in accumulated other comprehensive income are only released when the entire portfolio is liquidated, sold or extinguished.

(j) Accounting for Preference Shares

The Company had at the balance sheet date in issue three classes of preference shares. The Company has no obligation to pay interest on these securities but they carry entitlements to dividends payable at the discretion of the Board of Directors. In the event of non-payment of dividends for six consecutive periods, holders of preference shares have director appointment rights. The preference shares are therefore accounted for as equity instruments and included within total shareholders' equity.

(k) Accounting for Share-Based Payments and Long-Term Incentive Plans

The Company operates an employee long-term incentive plan, comprised of Performance Units and Exit Units, the terms and conditions of which are described in Note 17. The Company applies a fair-value based measurement method in calculating the compensation costs of Performance Units which are recognized on a straight-line basis over the vesting period.

Certain employees of the Company participate in a Management Equity Plan ("MEP"), comprising stock options to acquire non-voting shares in a related party affiliate of the Company, at no cost to the employee. The terms and conditions of the MEP are described in Note 17. The Company recognizes compensation costs for these awards with performance conditions if, and when, the Company concludes that it is probable that the performance condition(s) will be achieved, over the requisite service period. The Company reviews and evaluates these estimates regularly and will recognize any remaining unrecognized compensation expense as an estimate revision. The stock options vest upon a number of performance conditions; an exit or liquidity event occurring; a two-year cumulative operating income hurdle being achieved over the vesting period; and certain other contractual terms being achieved. The Company applies fair-value based measurement principles to determine grant date values for the stock options. The Company has made an entity-wide accounting election to account for award forfeitures as they occur.

(l) Accounting for Business Combinations

The Company accounts for a transaction as a business combination where the assets acquired and liabilities assumed following a transaction constitute a business. An acquired entity must have inputs and processes that make it capable of generating a return or economic benefit to be considered a business. If the assets acquired are not a business, the Company accounts the transaction as an asset acquisition. The Company recognizes and measures at fair value 100 percent of the assets and liabilities of any acquired business. Goodwill is recognized and measured as the difference between the consideration paid or payable less the fair value of assets acquired.

The Company accounts for the disposal of subsidiary undertakings when it ceases to control the subsidiary's assets and liabilities or the group of assets. A gain or loss is recognized and measured as the difference between the fair value of consideration received or receivable and the value of assets, liabilities and equity components de-recognized, related to that subsidiary or group of assets when deconsolidated.

Costs that are directly related to a business combination transaction are expensed in the periods in which the costs are incurred and the services are received.

(m) Accounting Pronouncements

Accounting Pronouncements Adopted

In November 2023, the FASB issued Accounting Standards Update ("ASU") No. 2023-07, *"Segment Reporting (Topic 280) - Improvements to Reportable Segment Disclosures"*. This update improves the disclosures about a public entity's reportable segments and addresses requests from investors for additional, more detailed information about a reportable segment's expenses. The amendments in this ASU are effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. The Company adopted ASU 2023-07 for the annual reporting period beginning January 1, 2024. The adoption of ASU 2023-07 did not have a material impact on the Company's reportable segment disclosures.

Accounting Pronouncements Not Yet Adopted

In November 2024, the FASB issued ASU No. 2024-03, "*Income Statement – Reporting Comprehensive Income – Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*". This ASU requires disclosure, in the notes to the financial statements, of specified information about certain costs and expenses. The amendments in this ASU are effective for annual reporting periods beginning after December 15, 2026, and interim periods within annual reporting periods beginning after December 15, 2027. As this guidance relates solely to financial statement disclosures, the adoption of ASU 2024-03 will have no impact upon the Company's results of operations, financial condition, or liquidity.

Other accounting pronouncements were issued during the year ended December 31, 2024 which were either not applicable to the Company or did not impact the Company's consolidated financial statements.

. Segment Reporting

The Company manages its underwriting operations as two business segments: Aspen Re and Aspen Insurance. The Company has determined its reportable segments by taking into account the manner in which the Company's chief operating decision maker ("CODM") makes operating decisions and assesses operating performance. The Company's CODM is the Group Executive Committee, which comprises global heads of key functions and other key business leads.

Profit or loss for each of the Company's business segments is measured by underwriting income or loss. Underwriting profit is the excess of net earned premiums over the sum of losses and loss expenses, acquisition costs and general and administrative expenses. Underwriting income or loss provides a basis for the CODM to evaluate the segment's underwriting performance.

Reinsurance Segment. The Reinsurance segment consists of property catastrophe reinsurance, other property reinsurance, casualty reinsurance and specialty reinsurance.

Insurance Segment. The Insurance segment consists of first party insurance, specialty insurance, casualty and liability insurance, financial and professional lines insurance and other insurance. The other insurance business line includes Aspen Underwriting Limited's participation as a corporate member in Carbon Syndicate 4747, and the Company's digital follow capacity offered through Ki's Lloyd's platform.

Non-underwriting Disclosures. The Company provides additional disclosures for corporate and other (non-operating) income and expenses. Corporate and other income and expenses include: corporate expenses, non-operating expenses, net investment income, net realized and unrealized investment gains or losses, changes in fair value of derivatives, interest expenses, net realized and unrealized foreign exchange gains or losses, and income taxes. These income and expense items are not allocated to the Company's business segments as they are not directly related to the Company's business segment operations and is consistent with how the CODM measures the performance of the business segments. The Company does not allocate its assets by business segment as we evaluate underwriting results of each segment separately from the results of our investment portfolio.

The Company uses underwriting ratios as measures of performance. The loss ratio is the ratio of losses and loss adjustment expenses to net earned premiums. The acquisition cost ratio is the ratio of acquisition costs to net earned premiums. The general and administrative expense ratio is the ratio of general and administrative expenses to net earned premiums. The combined ratio is the sum of the loss ratio, the acquisition cost ratio and the general and administrative expense ratio.

The following tables provide a summary of gross and net written and earned premiums, underwriting income or loss, ratios and reserves for each of the Company's business segments for the twelve months ended December 31, 2024, 2023 and 2022:

	Twelve Months Ended December 31, 2024		
	Reinsurance	Insurance	Total
	($ in millions)		
Underwriting Revenues			
Gross written premiums	$ 1,885.8	$ 2,723.5	$ 4,609.3
Net written premiums	1,275.7	1,666.9	2,942.6
Gross earned premiums	1,822.1	2,565.7	4,387.8
Net earned premiums	1,305.7	1,584.0	2,889.7
Underwriting Expenses			
Losses and loss adjustment expenses	741.3	976.5	1,717.8
Acquisition costs	227.0	193.2	420.2
General and administrative expenses	141.7	264.2	405.9
Underwriting income	195.7	150.1	345.8
Corporate and other expenses [1]			(97.3)
Non-operating expenses [2]			(29.9)
Net investment income			318.0
Realized and unrealized investment gains			52.6
Realized and unrealized investment losses			(102.1)
Change in fair value of derivatives			(21.1)
Interest expense			(62.1)
Net realized and unrealized foreign exchange gains			60.2
Income before income taxes			464.1
Income tax benefit			22.0
Net income			$ 486.1
Net reserve for losses and loss adjustment expenses	$ 1,691.5	$ 2,259.1	$ 3,950.6
Ratios			
Loss ratio	56.8 %	61.6 %	59.4 %
Acquisition cost ratio	17.4	12.2	14.5
General and administrative expense ratio	10.9	16.7	14.0
Expense ratio	28.3	28.9	28.5
Combined ratio	85.1 %	90.5 %	87.9 %

(1) Corporate and other expenses includes other income/(expenses), which were previously presented separately.

(2) Non-operating expenses in the twelve months ended December 31, 2024 includes expenses in relation to consulting fees, non-recurring transformation program costs, and other non-recurring costs.

	Twelve Months Ended December 31, 2023		
	Reinsurance	Insurance	Total
	($ in millions)		
Underwriting Revenues			
Gross written premiums	$ 1,521.0	$ 2,446.6	$ 3,967.6
Net written premiums	1,098.0	1,483.9	2,581.9
Gross earned premiums	1,562.0	2,444.8	4,006.8
Net earned premiums	1,154.5	1,460.0	2,614.5
Underwriting Expenses			
Losses and loss adjustment expenses	611.1	941.9	1,553.0
Acquisition costs	208.6	171.6	380.2
General and administrative expenses	120.6	233.9	354.5
Underwriting income	214.2	112.6	326.8
Corporate and other expenses [1]			(114.0)
Non-operating expenses [2]			(35.1)
Net investment income			275.7
Realized and unrealized investment gains			75.9
Realized and unrealized investment losses			(61.4)
Change in fair value of derivatives			26.1
Interest expense			(55.2)
Net realized and unrealized foreign exchange (losses)			(36.2)
Income before income taxes			402.6
Income tax benefit			132.1
Net income			$ 534.7
Net reserve for losses and loss adjustment expenses	$ 1,373.1	$ 1,859.7	$ 3,232.8
Ratios			
Loss ratio	52.9 %	64.5 %	59.4 %
Acquisition cost ratio	18.1	11.8	14.5
General and administrative expense ratio	10.4	16.0	13.6
Expense ratio	28.5	27.8	28.1
Combined ratio	81.4 %	92.3 %	87.5 %

(1) Corporate and other expenses includes other income/(expenses), which were previously presented separately.

(2) Non-operating expenses in the twelve months ended December 31, 2023 includes expenses in relation to consulting fees, non-recurring transformation program costs, and other non-recurring costs.

	Twelve Months Ended December 31, 2022		
	Reinsurance	Insurance	Total
	($ in millions)		
Underwriting Revenues			
Gross written premiums	$ 1,807.0	$ 2,531.7	$ 4,338.7
Net written premiums	1,426.4	1,469.6	2,896.0
Gross earned premiums	1,617.2	2,370.8	3,988.0
Net earned premiums	1,251.8	1,436.9	2,688.7
Underwriting Expenses			
Losses and loss adjustment expenses	770.3	909.7	1,680.0
Acquisition costs	252.4	179.4	431.8
General and administrative expenses	142.5	244.0	386.5
Underwriting income	86.6	103.8	190.4
Corporate expenses			(71.7)
Non-operating expenses [1]			(36.0)
Net investment income			188.1
Realized and unrealized investment gains			5.0
Realized and unrealized investment losses			(182.6)
Change in fair value of derivatives			(80.5)
Interest expense			(43.7)
Net realized and unrealized foreign exchange gains			15.9
Other income			8.2
Other expenses			(20.1)
(Loss) before income taxes			(27.0)
Income tax benefit			78.1
Net income			$ 51.1
Net reserve for losses and loss adjustment expenses	$ 1,360.7	$ 1,452.5	$ 2,813.2
Ratios			
Loss ratio	61.5 %	63.3 %	62.5 %
Acquisition cost ratio	20.2	12.5	16.1
General and administrative expense ratio	11.4	17.0	14.4
Expense ratio	31.6	29.5	30.5
Combined ratio	93.1 %	92.8 %	93.0 %

(1) Non-operating expenses in the twelve months ended December 31, 2022 includes expenses in relation to consulting fees, non-recurring transformation activities, and other non-recurring costs.

Geographical Areas. The following summary presents the Company's gross written premiums based on the location of the insured risk for the twelve months ended December 31, 2024, 2023 and 2022.

	Twelve Months Ended		
	December 31, 2024	December 31, 2023	December 31, 2022
	($ in millions)		
Australia/Asia	$ 177.8	$ 177.8	$ 257.5
Europe	208.1	179.4	194.5
United Kingdom & Ireland	614.8	532.5	485.8
United States & Canada [1]	2,947.0	2,472.0	2,715.7
Worldwide excluding the United States [2]	33.4	28.8	24.2
Worldwide including the United States [3]	435.0	417.2	541.7
Other [4]	193.2	159.9	119.3
Total	$ 4,609.3	$ 3,967.6	$ 4,338.7

(1) "United States & Canada" comprises individual policies that insure risks specifically in the United States and/or Canada, but not elsewhere.

(2) "Worldwide excluding the United States" consists of individual policies that insure global risks with the specific exclusion of the United States.

(3) "Worldwide including the United States" consists of individual policies that insure global risks with the specific inclusion of the United States.

(4) "Other" comprises individual policies that insure risks in other countries including, but not limited to, countries in the Caribbean, South America and the Middle East.

. Investments

Income Statement

Net Investment Income. The following table summarizes net investment income for the twelve months ended December 31, 2024, 2023 and 2022:

	Twelve Months Ended		
	December 31, 2024	December 31, 2023	December 31, 2022
	($ in millions)		
Fixed income securities — Available for sale	$ 161.5	$ 115.7	$ 95.6
Fixed income securities — Trading	88.2	98.9	57.0
Short-term investments — Available for sale	4.5	5.3	0.6
Short-term investments — Trading	0.1	0.3	0.1
Fixed term deposits (included in cash and cash equivalents)	45.3	39.9	6.6
Catastrophe bonds — Trading	—	0.2	0.3
Privately-held investments — Available for sale	1.2	0.1	—
Privately-held investments — Trading	34.9	44.7	24.3
Other investments, at fair value [1]	(6.2)	(17.8)	13.9
Total	329.5	287.3	198.4
Investment expenses	(11.5)	(11.6)	(10.3)
Net investment income	$ 318.0	$ 275.7	$ 188.1

(1) Other investments primarily represent the Company's investments in investment funds. The amount reported represents the change in fair value of the investments in the period.

The following table summarizes the net realized and unrealized investment gains and losses recorded in the consolidated statement of operations and the change in unrealized gains and losses on investments recorded in other comprehensive income for the twelve months ended December 31, 2024, 2023 and 2022:

	Twelve Months Ended		
	December 31, 2024	December 31, 2023	December 31, 2022
		($ in millions)	
Available for sale:			
Fixed income securities — gross realized gains	$ 2.4	$ 1.6	$ 2.9
Fixed income securities — gross realized (losses)	(60.6)	(41.5)	(58.4)
Short-term investments — gross realized gains	0.8	0.6	1.0
Short-term investments — gross realized (losses)	(2.0)	(0.9)	(0.5)
Net change in expected credit gains/(losses)	1.9	4.8	(5.0)
Trading:			
Fixed income securities — gross realized gains	1.2	1.0	0.2
Fixed income securities — gross realized (losses)	(10.0)	(3.5)	(1.8)
Fixed income securities — net unrealized gains/(losses)	26.8	65.9	(113.9)
Short-term investments — gross realized gains	—	0.1	—
Short-term investments — gross realized (losses)	(0.3)	(0.3)	—
Privately-held investments — gross realized gains	0.8	0.8	0.7
Privately-held investments — gross realized (losses)	(28.8)	—	(0.1)
Privately-held investments — net unrealized gains/(losses)	18.6	(15.2)	(2.5)
Catastrophe bonds — net unrealized gains	—	0.1	0.2
Investments, equity method:			
Gross unrealized (losses)/gains in MVI	(0.2)	0.2	—
Gross unrealized gains/(losses) in Multi-Line Reinsurer	0.1	0.8	(0.4)
Gross realized (losses) in Digital Re	(0.2)	—	—
Total net realized and unrealized investment (losses)/gains recorded in the consolidated statement of operations	$ (49.5)	$ 14.5	$ (177.6)
Change in available for sale net unrealized gains/(losses):			
Available for sale investments	$ 34.1	$ 126.2	$ (391.7)
Income tax (expense)/benefit	(4.7)	(20.6)	23.9
Total change in net unrealized gains/(losses), net of taxes recorded in other comprehensive income	$ 29.4	$ 105.6	$ (367.8)

Balance Sheet

Fixed Income Securities, Short-term Investments and Privately-held Investments — Available for Sale. The following tables present the cost or amortized cost, gross unrealized gains and losses, and estimated fair market value of available for sale investments in fixed income securities, short-term investments and privately-held investments as at December 31, 2024 and December 31, 2023:

	As at December 31, 2024				
	Cost or Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Allowance for Credit Losses	Fair Market Value
	($ in millions)				
Fixed income securities, available for sale					
U.S. government	$ 1,504.8	$ 1.5	$ (25.7)	$ —	$ 1,480.6
U.S. agency	7.5	—	(0.3)	—	7.2
Municipal	84.2	—	(1.9)	—	82.3
Corporate	2,045.3	8.5	(66.4)	(1.0)	1,986.4
Non-U.S. government-backed corporate	132.9	0.8	(2.4)	—	131.3
Non-U.S. government	248.2	1.0	(2.4)	—	246.8
Asset-backed	232.4	2.2	(0.1)	—	234.5
Agency commercial mortgage-backed	5.0	—	(0.6)	—	4.4
Agency residential mortgage-backed	600.8	—	(82.1)	—	518.7
Total fixed income securities, available for sale	4,861.1	14.0	(181.9)	(1.0)	4,692.2
Short-term investments, available for sale	261.9	—	—	—	261.9
Privately-held investments, available for sale					
Asset-backed securities	24.0	0.2	—	—	24.2
Total investments, available for sale	$ 5,147.0	$ 14.2	$ (181.9)	$ (1.0)	$ 4,978.3

	As at December 31, 2023				
	Cost or Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Allowance for Credit Losses	Fair Market Value
	($ in millions)				
Fixed income securities, available for sale					
U.S. government	$ 1,224.9	$ 4.4	$ (26.7)	$ —	$ 1,202.6
U.S. agency	7.5	—	(0.3)	—	7.2
Municipal	133.6	—	(5.0)	(0.5)	128.1
Corporate	2,051.1	12.1	(101.5)	(2.4)	1,959.3
Non-U.S. government-backed corporate	106.5	0.1	(5.9)	—	100.7
Non-U.S. government	279.9	0.6	(6.7)	—	273.8
Agency commercial mortgage-backed	6.6	—	(0.8)	—	5.8
Agency residential mortgage-backed	519.9	0.1	(74.9)	—	445.1
Total fixed income securities, available for sale	4,330.0	17.3	(221.8)	(2.9)	4,122.6
Short-term investments, available for sale	93.6	—	—	—	93.6
Privately-held investments, available for sale					
Asset-backed securities	14.7	0.2	—	—	14.9
Total investments, available for sale	$ 4,438.3	$ 17.5	$ (221.8)	$ (2.9)	$ 4,231.1

Fixed Income Securities, Short-term Investments, Catastrophe Bonds and Privately-held Investments — Trading. The following tables present the cost or amortized cost, gross unrealized gains and losses, and estimated fair market value of trading investments in fixed income securities, short-term investments, catastrophe bonds and privately-held investments as at December 31, 2024 and December 31, 2023:

	As at December 31, 2024			
	Cost or Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Market Value
	($ in millions)			
Fixed income securities, trading				
U.S. government	$ 262.9	$ 0.6	$ (2.2)	$ 261.3
Municipal	1.6	—	—	1.6
Corporate	155.5	0.5	(4.9)	151.1
High yield loans	101.7	0.9	(0.2)	102.4
Non-U.S. government-backed corporate	2.8	—	—	2.8
Non-U.S. government	24.4	0.1	(0.1)	24.4
Asset-backed	624.6	4.1	(3.5)	625.2
Agency mortgage-backed	34.2	—	(3.1)	31.1
Total fixed income securities, trading	1,207.7	6.2	(14.0)	1,199.9
Short-term investments, trading	1.0	—	—	1.0
Catastrophe bonds, trading	1.0	—	—	1.0
Privately-held investments, trading				
Commercial mortgage loans	80.9	0.5	(1.7)	79.7
Middle market loans and other private debt	61.6	0.1	(0.7)	61.0
Asset-backed securities	126.7	0.9	—	127.6
Global corporate securities	18.8	—	(0.3)	18.5
Total privately-held investments, trading	288.0	1.5	(2.7)	286.8
Total investments, trading	$ 1,497.7	$ 7.7	$ (16.7)	$ 1,488.7

	As at December 31, 2023			
	Cost or Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Market Value
	($ in millions)			
Fixed income securities, trading				
U.S. government	$ 248.7	$ 0.5	$ (3.7)	$ 245.5
Municipal	3.3	—	(0.2)	3.1
Corporate	178.8	0.7	(8.0)	171.5
High yield loans	90.8	1.3	—	92.1
Non-U.S. government-backed corporate	8.6	—	(0.3)	8.3
Non-U.S. government	35.8	0.1	(1.1)	34.8
Asset-backed	936.0	2.1	(29.9)	908.2
Agency mortgage-backed	25.0	—	(2.8)	22.2
Total fixed income securities, trading	1,527.0	4.7	(46.0)	1,485.7
Short-term investments, trading	2.1	—	—	2.1
Catastrophe bonds, trading	1.6	—	—	1.6
Privately-held investments, trading				
Commercial mortgage loans	293.2	1.0	(19.3)	274.9
Middle market loans and other private debt	85.9	—	(1.1)	84.8
Asset-backed securities	83.1	0.4	(0.6)	82.9
Global corporate securities	14.7	—	(0.3)	14.4
Short-term investments	18.0	—	—	18.0
Total privately-held investments, trading	494.9	1.4	(21.3)	475.0
Total investments, trading	$ 2,025.6	$ 6.1	$ (67.3)	$ 1,964.4

Catastrophe Bonds. The Company has invested in catastrophe bonds with a total value of $1.0 million as at December 31, 2024 (December 31, 2023 — $1.6 million). The bonds are either zero-coupon notes or receive quarterly interest payments based on variable interest rates with scheduled maturities in 2025. The redemption value of the bonds will adjust based on the occurrence or aggregate occurrence of a covered event, such as windstorms and earthquakes in the United States, Canada, the North Atlantic, South America, Europe, Japan or Australia.

Privately-held Investments. The Company has invested in privately-held investments, which primarily include commercial mortgage loans of $79.7 million and middle market loans and other private debt of $61.0 million as at December 31, 2024 (December 31, 2023 — commercial mortgage loans of $274.9 million; middle market loans and other private debt of $84.8 million). Privately-held investments also includes investments in asset-backed securities, global corporate securities, and other short term investments.

Commercial Mortgage Loans. The commercial mortgage loans are related to investments in properties including apartments, hotels, office and retail buildings, other commercial properties and industrial properties. The commercial mortgage loan portfolio is diversified by property type, geographic region and issuer to reduce risks. As part of our investment process, we evaluate factors such as size, property type, and security to determine that properties are performing at a consistent and acceptable level to secure the related debt.

Middle Market Loans and Other Private Debt. The middle market loans are investments in senior secured loan positions with full covenants, focused on the middle market in the U.S., Europe and the Caribbean. The other private debt consists of debt securities issued to private investment funds. The middle market loan and other private debt portfolio is diversified by industry type, geographic region and issuer to reduce risks. As part of our investment process, we evaluate factors such as size, industry and security to determine that loans are performing at a consistent and acceptable level to secure the related debt.

Asset-backed Securities. Asset-backed securities represent interests in underlying pools of diversified referenced assets that are collateralized and backed by future cash flows and these securities are performing.

Global Corporate Securities. The privately-held global corporate securities portfolio consists of debt securities issued by U.S. and foreign corporations.

Investments, Equity Method. In January 2015, the Company, along with seven other insurance companies, established a micro-insurance venture consortium and micro-insurance incubator ("MVI") domiciled in Bermuda. The MVI is a social impact organization that provides micro-insurance products to assist global emerging consumers. In March 2021, the Company committed an additional $0.8 million equity contribution to MVI over a 2 year period and paid $0.4 million in the period ending December 31, 2022.

On January 1, 2017, the Company purchased through its wholly-owned subsidiary, Aspen U.S. Holdings, Inc. ("Aspen U.S. Holdings"), a 49% share of Digital Risk Resources, LLC ("Digital Re"), a U.S.-based enterprise engaged in the business of developing, marketing and servicing turnkey information security and privacy liability insurance products for a total consideration of $2.3 million. The investment is accounted for under the equity method and adjustments to the carrying value of this investment are made based on the Company's share of capital, including share of income and expenses. During the year ended December 31, 2024, the Company sold its investment in Digital Re for no consideration.

On December 23, 2019, the Company committed $5.0 million as an equity investment in the holding company of a multi-line reinsurer. The strategy for the multi-line reinsurer is to combine a diversified reinsurance business, focused primarily on long-tailed lines of property and casualty business and, potentially to a lesser extent, life business, with a diversified investment strategy. During the period ending December 31, 2024, no capital was invested in the multi-line reinsurer (December 31, 2023 — $0.4 million) and the commitment has been fully funded.

The table below shows the Company's investments in MVI, Multi-Line Reinsurer and Digital Re for the twelve months ended December 31, 2024 and 2023:

	MVI	Multi-Line Reinsurer	Digital Re	Total
		($ in millions)		
Opening undistributed value of investment as at January 1, 2024	$ 1.0	$ 6.4	$ 0.2	$ 7.6
Unrealized (loss)/gain for the twelve months to December 31, 2024	(0.2)	0.1	—	(0.1)
Realized (loss) for the twelve months to December 31, 2024	—	—	(0.2)	(0.2)
Closing value of investment as at December 31, 2024	$ 0.8	$ 6.5	$ —	$ 7.3
Opening undistributed value of investment as at January 1, 2023	$ 0.8	$ 5.2	$ 0.2	$ 6.2
Investment in the period	—	0.4	—	0.4
Unrealized gain for the twelve months to December 31, 2023	0.2	0.8	—	1.0
Closing value of investments at December 31, 2023	$ 1.0	$ 6.4	$ 0.2	$ 7.6

Other Investments. On December 20, 2017, the Company committed, and during 2018 invested, $100.0 million as a limited partner to a real estate fund. As at December 31, 2024, the current fair value of the fund is $111.7 million (2023 — $117.1 million).

During 2020, the Company committed $10.5 million as a limited partner to a related party managed lending fund. The partnership was established to provide direct lending to large corporate borrowers. On April 1, 2021, the Company committed an additional $2.8 million to the fund. As at December 31, 2024, the current fair value of the fund is $19.3 million (2023 — $15.9 million) and the unfunded commitment is $0.2 million (2023 — $1.1 million).

On April 1, 2021, the Company established pledge accounts with its custodian bank for the ability to obtain liquidity and funding services provided by a U.S. co-operative bank, which provides liquidity and funding to its insurance member institutions. As at December 31, 2024, the fair value of the Company's member shares in the bank is $2.0 million (2023 — $1.7 million).

On September 30, 2021, the Company committed $20.0 million as a limited partner to a third-party managed real estate fund. The Partnership was established to make equity and equity related investments in multifamily and other commercial real estate properties located in the United States and its territories, with the goal of generating superior risk-adjusted returns. The partnership seeks to acquire commercial real estate assets including real estate assets (or interests therein) that may have management or operational problems and require improvements or lack sufficient capital, including mortgage loans and development or redevelopment properties. On April 1, 2022, the Company committed an additional $10.0 million to the fund. As at December 31, 2024, the current fair value of the fund is $36.2 million (2023 — $39.8 million) and the unfunded commitment is $0.9 million (2023 — $2.2 million).

On April 1, 2022, the Company committed $30.0 million as a limited partner to a related party managed real estate fund. The partnership was established to pursue investment opportunities to acquire, recapitalize, restructure and reposition real estate assets, portfolios and companies primarily in the United States. As at December 31, 2024, the current fair value of the fund is $19.3 million (2023 — $23.9 million) and the unfunded commitment is $3.7 million (2023 — $4.1 million).

On May 5, 2022, the Company committed $15.0 million as a limited partner to a third-party managed infrastructure fund. The partnership was established to make value added infrastructure investments in environmental services, transportation, communications and digital, energy/energy transition and other infrastructure sectors primarily in North America. As at December 31, 2024, the current fair value of the fund is $12.9 million (2023 — $10.8 million) and the unfunded commitment is $2.3 million (2023 — $4.0 million).

On August 31, 2023, the Company committed £7.0 million as a limited partner to a third-party managed debt fund. The fund focuses on three core sectors: health and social care, affordable housing, and social infrastructure. The fund invests across the U.K., focusing on areas of poverty and deprivation. The fund provides fixed-rate loans typically backed by property assets. Borrowers are established, socially impactful organizations, with a history of profitable revenue generation. As at December 31, 2024, the current fair value of the fund is $0.1 million (2023 — $0.1 million) and the unfunded commitment is £6.8 million (2023 — £6.9 million).

On September 30, 2023, the Company committed $55.0 million as a limited partner to a third-party managed energy fund. The fund invests in energy transition and climate solutions, accelerating growth and business transformation through flexible capital, enabling leading energy companies to build enterprises at scale that can deliver clean, reliable and affordable energy to help meet global needs. As at December 31, 2024 the Company has not funded the investment and the unfunded commitment is $55.0 million (2023 — $55.0 million).

On August 1, 2024, the Company committed and invested $25.0 million as a limited partner to a third-party managed liquidity fund. The fund seeks to maximize total return, by investing in a portfolio of investment grade debt securities, both fixed and floating rate. As at December 31, 2024, the current fair value of the fund is $25.7 million and the unfunded commitment is $Nil.

On October 31, 2024, the Company converted one of its commercial mortgage loan investments to an equity interest in a joint venture. As at December 31, 2024, the current carrying value of the investment is $40.0 million. As at December 31, 2023, the previous commercial mortgage loan investment was classified as privately-held investments, trading. This investment has no unfunded commitments.

As at December 31, 2024, the aggregate current fair value of the investment funds described above is $267.2 million (2023 — $209.3 million).

For further information on the investment funds, refer to Note 21(a) in these consolidated financial statements, “Commitments and Contingent Liabilities.”

Fixed Income Securities, Short-term Investments and Privately-held Investments — Available for Sale. The scheduled maturity distribution of the Company’s available for sale securities as at December 31, 2024 and December 31, 2023 is set forth below. Actual maturities may differ from contractual maturities because issuers of securities may have the right to call or prepay obligations with or without call or prepayment penalties.

	As at December 31, 2024	
	Amortized Cost or Cost	Fair Market Value
	($ in millions)	
Due one year or less	$ 834.1	$ 831.2
Due after one year through five years	2,386.5	2,353.2
Due after five years through ten years	1,060.7	1,008.7
Due after ten years	3.5	3.4
	4,284.8	4,196.5
Agency commercial mortgage-backed	5.0	4.4
Agency residential mortgage-backed	600.8	518.7
Asset-backed	256.4	258.7
Total investments, available for sale	$ 5,147.0	$ 4,978.3

	At December 31, 2023	
	Amortized Cost or Cost	Fair Market Value
	($ in millions)	
Due one year or less	$ 512.0	$ 505.8
Due after one year through five years	2,889.0	2,818.9
Due after five years through ten years	495.1	440.3
Due after ten years	15.7	15.2
	3,911.8	3,780.2
Agency commercial mortgage-backed	6.6	5.8
Agency residential mortgage-backed	519.9	445.1
Total investments, available for sale	$ 4,438.3	$ 4,231.1

Guaranteed Investments. As at December 31, 2024 and December 31, 2023, the Company held no investments which are guaranteed by mono-line insurers, excluding those with explicit government guarantees. The Company's exposure to other third-party guaranteed debt is primarily to investments backed by non-U.S. government guaranteed issuers.

Gross Unrealized Losses, Available for Sale. The following tables summarize, by type of security, the aggregate fair value and gross unrealized loss by length of time the security has been in an unrealized loss position for the Company's available for sale portfolio as at December 31, 2024 and December 31, 2023:

	December 31, 2024						
	0-12 months		Over 12 months		Total		
	Fair Market Value	Gross Unrealized Losses	Fair Market Value	Gross Unrealized Losses	Fair Market Value	Gross Unrealized Losses	Number of Securities
	($ in millions, except number of securities)						
Fixed income securities, available for sale							
U.S. government	$ 718.1	$ (11.6)	$ 397.8	$ (14.1)	$ 1,115.9	$ (25.7)	137
U.S. agency	—	—	7.2	(0.3)	7.2	(0.3)	1
Municipal	33.6	(0.7)	45.4	(1.2)	79.0	(1.9)	47
Corporate	570.3	(6.8)	663.9	(59.6)	1,234.2	(66.4)	692
Non-U.S. government-backed corporate	5.8	—	91.1	(2.4)	96.9	(2.4)	12
Non-U.S. government	118.8	(0.9)	43.7	(1.5)	162.5	(2.4)	41
Asset-backed	17.2	(0.1)	—	—	17.2	(0.1)	14
Agency commercial mortgage-backed	—	—	4.5	(0.6)	4.5	(0.6)	1
Agency residential mortgage-backed	161.2	(2.2)	351.3	(79.9)	512.5	(82.1)	225
Total fixed income securities, available for sale	$ 1,625.0	$ (22.3)	$ 1,604.9	$ (159.6)	$ 3,229.9	$ (181.9)	1,170

	December 31, 2023						
	0-12 months		Over 12 months		Total		
	Fair Market Value	Gross Unrealized Losses	Fair Market Value	Gross Unrealized Losses	Fair Market Value	Gross Unrealized Losses	Number of Securities
	($ in millions, except number of securities)						
Fixed income securities, available for sale							
U.S. government	$ 105.5	$ (0.5)	$ 673.3	$ (26.2)	$ 778.8	$ (26.7)	74
U.S. agency	—	—	7.2	(0.3)	7.2	(0.3)	1
Municipal	11.1	(1.0)	117.0	(4.0)	128.1	(5.0)	54
Corporate	46.7	(0.4)	1,287.2	(101.1)	1,333.9	(101.5)	558
Non-U.S. government-backed corporate	0.2	—	95.5	(5.9)	95.7	(5.9)	12
Non-U.S. government	32.9	(0.2)	180.1	(6.5)	213.0	(6.7)	53
Agency commercial mortgage-backed	—	—	5.8	(0.8)	5.8	(0.8)	1
Agency residential mortgage-backed	0.1	—	435.9	(74.9)	436.0	(74.9)	197
Total fixed income securities, available for sale	$ 196.5	$ (2.1)	$ 2,802.0	$ (219.7)	$ 2,998.5	$ (221.8)	950

At December 31, 2024, 1,170 available for sale securities were in an unrealized loss position of $181.9 million, of which $0.3 million was related to securities below investment grade or not rated. At December 31, 2023, 950 available for sale securities were in an unrealized loss position of $221.8 million, of which $1.2 million was related to securities below investment grade or not rated.

The unrealized losses of $181.9 million at December 31, 2024 were due to non-credit factors and are expected to be recovered as the related securities approach maturity. The Company does not intend to sell the securities in an unrealized loss position and it is not more likely than not that the Company will be required to sell the investments before recovery of their amortized cost bases.

. Variable Interest Entities

As at December 31, 2024, the Company held an investment in one (December 31, 2023 — one) variable interest entity ("VIE"), namely Peregrine Reinsurance Ltd ("Peregrine").

In November 2016, Peregrine, a subsidiary of the Company, was registered as a segregated accounts company under the Segregated Accounts Companies Act 2000, as amended. As at December 31, 2024, Peregrine had six segregated accounts which were funded by third-party investors, which are not consolidated, and two segregated accounts which are funded by Aspen and are consolidated within the financial statements.

The Company has determined that Peregrine has the characteristics of a VIE as addressed by the guidance in ASC 810, *Consolidation*. The six segregated accounts have not been consolidated as part of the Company's consolidated financial statements because the Company is not the primary beneficiary of those accounts. The Company has, however, concluded that it is the primary beneficiary of the Peregrine general fund and, similar to prior reporting periods, the results of the Peregrine general fund are included in the Company's consolidated financial statements.

. Fair Value Measurements

The Company's estimates of fair value for financial assets and liabilities are based on the framework established in the fair value accounting guidance included in ASC Topic 820, "*Fair Value Measurements and Disclosures*." The framework prioritizes the inputs, which refer broadly to assumptions market participants would use in pricing an asset or liability, into three levels.

The Company considers prices for actively traded securities to be derived based on quoted prices in an active market for identical assets, which are Level 1 inputs in the fair value hierarchy. The majority of these securities are valued using prices supplied by pricing services.

The Company considers prices for other securities that may not be as actively traded which are priced via pricing services, vendors and broker-dealers, or with reference to interest rates and yield curves, to be derived based on inputs that are observable for the asset, either directly or indirectly, which are Level 2 inputs in the fair value hierarchy. The majority of these securities are also valued using prices supplied by pricing services.

The Company considers securities, other financial instruments, privately-held investments and derivative insurance contracts subject to fair value measurement whose valuation is derived by internal valuation models to be based largely on unobservable inputs, which are Level 3 inputs in the fair value hierarchy.

The following tables present the level within the fair value hierarchy at which the Company's financial assets and liabilities are measured on a recurring basis as at December 31, 2024 and December 31, 2023:

	As at December 31, 2024			
	Level 1	Level 2	Level 3	Total
	($ in millions)			
Fixed income securities, available for sale				
U.S. government	$ 1,480.6	$ —	$ —	$ 1,480.6
U.S. agency	—	7.2	—	7.2
Municipal	—	82.3	—	82.3
Corporate	—	1,986.4	—	1,986.4
Non-U.S. government-backed corporate	—	131.3	—	131.3
Non-U.S. government	195.1	51.7	—	246.8
Asset-backed	—	234.5	—	234.5
Agency commercial mortgage-backed	—	4.4	—	4.4
Agency residential mortgage-backed	—	518.7	—	518.7
Total fixed income securities, available for sale	1,675.7	3,016.5	—	4,692.2
Short-term investments, available for sale	260.2	1.7	—	261.9
Privately-held investments, available for sale	—	—	24.2	24.2
Fixed income securities, trading				
U.S. government	261.3	—	—	261.3
Municipal	—	1.6	—	1.6
Corporate	—	151.1	—	151.1
Non-U.S. government-backed corporate	—	2.8	—	2.8
High yield loans	—	102.4	—	102.4
Non-U.S. government	9.6	14.8	—	24.4
Asset-backed	—	625.2	—	625.2
Agency mortgage-backed	—	31.1	—	31.1
Total fixed income securities, trading	270.9	929.0	—	1,199.9
Short-term investments, trading	1.0	—	—	1.0
Catastrophe bonds, trading	—	1.0	—	1.0
Privately-held investments, trading	—	—	286.8	286.8
Other investments [1]	—	—	—	267.2
Other financial assets and liabilities				
Derivative assets — foreign exchange contracts	—	17.0	—	17.0
Derivative liabilities — foreign exchange contracts	—	(45.9)	—	(45.9)
Derivative liabilities — loss portfolio transfer [2]	—	—	(3.6)	(3.6)
Total	$ 2,207.8	$ 3,919.3	$ 307.4	$ 6,701.7

(1) Other investments represent our investments in investment funds operating strategies in real estate, infrastructure and lending and are measured at fair value using the net asset value per share practical expedient. As a result, the investments are not classified in the fair value hierarchy. The fair value amounts presented in the table above are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the consolidated balance sheets. The investment in the funds is subject to restrictions as detailed in Note 21(a), "Commitments and Contingent Liabilities."

(2) The loss portfolio transfer contract includes a funds withheld arrangement that provides variable interest expense based on Aspen's investment performance. As a result, the funds withheld arrangement is considered an embedded derivative and accounted for as an option-based derivative.

	At December 31, 2023			
	Level 1	Level 2	Level 3	Total
	($ in millions)			
Fixed income securities, available for sale				
U.S. government	$ 1,202.6	$ —	$ —	$ 1,202.6
U.S. agency	—	7.2	—	7.2
Municipal	—	128.1	—	128.1
Corporate	—	1,959.3	—	1,959.3
Non-U.S. government-backed corporate	—	100.7	—	100.7
Non-U.S. government	200.4	73.4	—	273.8
Agency commercial mortgage-backed	—	5.8	—	5.8
Agency residential mortgage-backed	—	445.1	—	445.1
Total fixed income securities, available for sale	1,403.0	2,719.6	—	4,122.6
Short-term investments, available for sale	86.7	6.9	—	93.6
Privately-held investments, available for sale	—	—	14.9	14.9
Fixed income securities, trading				
U.S. government	245.5	—	—	245.5
Municipal	—	3.1	—	3.1
Corporate	—	171.5	—	171.5
Non-U.S. government-backed corporate	—	8.3	—	8.3
High yield loans	—	92.1	—	92.1
Non-U.S. government	13.0	21.8	—	34.8
Asset-backed	—	908.2	—	908.2
Agency mortgage-backed	—	22.2	—	22.2
Total fixed income securities, trading	258.5	1,227.2	—	1,485.7
Short-term investments, trading	0.2	1.9	—	2.1
Catastrophe bonds, trading	—	1.6	—	1.6
Privately-held investments, trading	—	—	475.0	475.0
Other investments [(1)]	—	—	—	209.3
Other financial assets and liabilities				
Derivative assets — foreign exchange contracts	—	31.7	—	31.7
Derivative liabilities — foreign exchange contracts	—	(9.3)	—	(9.3)
Derivative liabilities — loss portfolio transfer [(2)]	—	—	(16.5)	(16.5)
Total	$ 1,748.4	$ 3,979.6	$ 473.4	$ 6,410.7

(1) Other investments represent our investments in investment funds operating strategies in real estate, infrastructure and lending and are measured at fair value using the net asset value per share practical expedient. As a result, the investments are not classified in the fair value hierarchy. The fair value amounts presented in the table above are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the consolidated balance sheets. The investment in the funds is subject to restrictions as detailed in Note 21(a), "Commitments and Contingent Liabilities."

(2) The loss portfolio transfer contract includes a funds withheld arrangement that provides variable interest expense based on Aspen's investment performance. As a result, the funds withheld arrangement is considered an embedded derivative and accounted for as an option-based derivative.

Transfers of assets into or out of a particular level are recorded at their fair values as of the end of each reporting period consistent with the date of the determination of fair value. During the twelve months ended December 31, 2024, $Nil was transferred in or out of Level 3 (December 31, 2023 — $12.1 million was transferred out of Level 3 and $5.3 million transferred into Level 3).

The following table presents a reconciliation of the beginning and ending balances for all assets and liabilities measured at fair value on a recurring basis using Level 3 inputs for the twelve months ended December 31, 2024 and December 31, 2023:

Twelve Months Ended December 31, 2024	Balance at beginning of year	Purchases and issuances	Transfers in	Transfers (out)	Reclassifications	Settlements and sales	(Decrease)/increase in fair value included in net income [1] / OCI [2]	Balance at end of year	Change in unrealized gains (losses) relating to assets held at end of year [1] [2]
Assets									
Privately-held investments, available for sale									
Asset-backed securities	$ 14.9	$ 10.0	$ —	$ —	$ —	$ —	$ (0.7)	$ 24.2	$ 0.2
Privately-held investments, trading									
Commercial mortgage loans	$ 274.9	$ 0.5	$ —	$ —	$ —	$ (184.4)	$ (11.3)	$ 79.7	$ —
Middle market loans and other private debt	84.8	0.4	—	—	10.9	(35.5)	0.4	61.0	—
Asset-backed securities	82.9	56.1	—	—	—	(12.4)	1.0	127.6	1.1
Global corporate securities	14.4	4.4	—	—	—	(0.3)	—	18.5	—
Short-term investments	18.0	—	—	—	(10.9)	(7.1)	—	—	—
Total Level 3 assets	$ 489.9	$ 71.4	$ —	$ —	$ —	$ (239.7)	$ (10.6)	$ 311.0	$ 1.3
Liabilities									
Derivative liabilities — loss portfolio transfer	$ (16.5)	$ —	$ —	$ —	$ —	$ —	$ 12.9	$ (3.6)	$ 12.9
Total Level 3 liabilities	$ (16.5)	$ —	$ —	$ —	$ —	$ —	$ 12.9	$ (3.6)	$ 12.9
Twelve Months Ended December 31, 2023									
Assets									
Privately-held investments, available for sale									
Asset-backed securities	$ —	$ 14.7	$ —	$ —	$ —	$ —	$ 0.2	$ 14.9	$ 0.2
Privately-held investments, trading									
Commercial mortgage loans	$ 312.1	$ 40.6	$ —	$ —	$ —	$ (61.5)	$ (16.3)	$ 274.9	$ (17.9)
Middle market loans and other private debt	106.9	18.3	—	—	—	(41.9)	1.5	84.8	0.5
Asset-backed securities	66.8	21.9	5.3	(5.5)	—	(7.6)	2.0	82.9	1.7
Global corporate securities	15.0	—	—	—	—	(0.4)	(0.2)	14.4	(0.2)
Equity securities	6.6	—	—	(6.6)	—	—	—	—	—
Short-term investments	25.6	18.2	—	—	—	(25.8)	—	18.0	—
Total Level 3 assets	$ 533.0	$ 113.7	$ 5.3	$ (12.1)	$ —	$ (137.2)	$ (12.8)	$ 489.9	$ (15.7)
Liabilities									
Derivative liabilities — loss portfolio transfer	$ (31.7)	$ —	$ —	$ —	$ —	$ —	$ 15.2	$ (16.5)	$ 15.2
Total Level 3 liabilities	$ (31.7)	$ —	$ —	$ —	$ —	$ —	$ 15.2	$ (16.5)	$ 15.2

(1) (Decreases)/increases in the fair value of privately-held investments, trading are included in realized and unrealized investment losses in the consolidated statements of operations and other comprehensive (loss). Increases/(decreases) in the fair value of derivative liabilities - loss portfolio transfer are included within change in fair value of derivatives in the consolidated statements of operations and other comprehensive income/(loss).

(2) (Decreases)/increases in the fair value of privately-held investments, available for sale are included in other comprehensive income/(loss) ("OCI").

Valuation of Fixed Income Securities. The Company's fixed income securities are classified as either available for sale or trading and are reported at fair value. As at December 31, 2024 and December 31, 2023, the Company's fixed income securities were valued by pricing services or broker-dealers using standard market conventions. The market conventions utilize market quotations, market transactions in comparable instruments and various relationships between instruments including, but not limited to, yield to maturity, dollar prices and spread prices in determining value.

Independent Pricing Services. The underlying methodology used to determine the fair value of securities in the Company's available for sale and trading portfolios is by the pricing services. Pricing services will gather observable pricing inputs from multiple external sources, including buy and sell-side contacts and broker-dealers, in order to develop their internal prices.

Pricing services provide pricing for less complex, liquid securities based on market quotations in active markets. Pricing services supply prices for a broad range of securities including those for actively traded securities, such as Treasury and other Government securities, in addition to those that trade less frequently or where valuation includes reference to credit spreads, pay down and pre-pay features and other observable inputs. These securities include Government agency, municipals, corporate and asset-backed securities.

For securities that may trade less frequently or do not trade on a listed exchange, these pricing services may use matrix pricing consisting of observable market inputs to estimate the fair value of a security. These observable market inputs include reported trades, benchmark yields, broker-dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers, reference data, and industry and economic factors. Additionally, pricing services may use a valuation model such as an option adjusted spread model commonly used for estimating fair values of mortgage-backed and asset-backed securities. The Company does not derive dollar prices using an index as a pricing input for any individual security.

Broker-Dealers. The Company obtains quotes from broker-dealers who are active in the corresponding markets when prices are unavailable from independent pricing services or index providers. Generally, broker-dealers value securities through their trading desks based on observable market inputs. Their pricing methodologies include mapping securities based on trade data, bids or offers, observed spreads and performance of newly issued securities. They may also establish pricing through observing secondary trading of similar securities. Quotes from broker-dealers are non-binding.

The Company obtains prices for all of its fixed income investment securities via its third-party accounting service provider, and in the majority of cases receiving a number of quotes so as to obtain the most comprehensive information available to determine a security's fair value. A single valuation is applied to each security based on the vendor hierarchy maintained by the Company's third-party accounting service provider.

As at December 31, 2024, the Company obtained an average of 3.0 quotes per fixed income investment compared to 2.9 quotes at December 31, 2023.

The Company, in conjunction with its third-party accounting service provider, obtains an understanding of the methods, models and inputs used by the third-party pricing service and index providers to assess the ongoing appropriateness of vendors' prices. The Company and its third-party accounting service provider also have controls in place to validate that amounts provided represent fair values. Processes to validate and review pricing include, but are not limited to:

- quantitative analysis (e.g., comparing the quarterly return for each managed portfolio to its target benchmark, with significant differences identified and investigated);
- comparison of market values obtained from pricing services and broker-dealers against alternative price sources for each security where further investigation is completed when significant differences exist for pricing of individual securities between pricing sources;
- initial and ongoing evaluation of methodologies used by outside parties to calculate fair value; and
- comparison of the fair value estimates to the Company's knowledge of the current market.

Prices obtained from pricing services and broker-dealers are not adjusted by us; however, prices provided by a pricing service, or broker-dealer in certain instances may be challenged based on market or information available from internal sources, including those available to the Company's third-party investment accounting service provider. Subsequent to any challenge, revisions made by the pricing service or broker-dealer to the quotes are supplied to the Company's investment accounting service provider.

Management reviews the vendor hierarchy maintained by the Company's third-party accounting service provider in order to determine which price source provides the most appropriate fair value (i.e., a price obtained from a pricing service with more seniority in the hierarchy will be used over a less senior one in all cases). The hierarchy level assigned to each security in the Company's available for sale and trading portfolios is based upon its assessment of the transparency and reliability of the inputs used in the valuation as of the measurement date. The hierarchy of pricing services is determined using various qualitative and quantitative points arising from reviews of the vendors conducted by the Company's third-party accounting service provider. Vendor reviews include annual due diligence meetings with index providers and pricing services vendors covering valuation methodology, operational walkthroughs and legal and compliance updates.

Fixed Income Securities. Fixed income securities are traded on the over-the-counter ("OTC") market based on prices provided by one or more market makers in each security. Securities such as U.S. Government, U.S. Agency, Non-U.S. Government and investment grade corporate bonds have multiple market makers in addition to readily observable market value indicators such as expected credit spread, except for Treasury securities, over the yield curve. The Company uses a variety of pricing sources to value fixed income securities including those securities that have pay down/prepay features such as mortgage-backed securities and asset-backed securities in order to ensure fair and accurate pricing. The fair value estimates for the investment grade securities in the Company's portfolio do not use significant unobservable inputs or modeling techniques.

U.S. Government and Agency Securities. U.S. government and agency securities consist primarily of bonds issued by the U.S. Treasury and corporate debt issued by agencies such as the Federal National Mortgage Association ("FNMA"), the Federal Home Loan Mortgage Corporation ("FHLMC") and the Federal Home Loan Bank. As the fair values of U.S. Treasury securities are based on unadjusted market prices in active markets, they are classified within Level 1. The fair values of U.S. government agency securities are priced using the spread above the risk-free yield curve. As the yields for the risk-free yield curve and the spreads for these securities are observable market inputs, the fair values of U.S. government agency securities are classified within Level 2.

Municipal Securities. The Company's municipal portfolio consists of bonds issued by U.S. domiciled state and municipality entities. The fair value of these securities is determined using spreads obtained from broker-dealers, trade prices and the new issue market which are Level 2 inputs in the fair value hierarchy. Consequently, these securities are classified within Level 2.

Non-U.S. Government. The issuers for securities in this category are non-U.S. governments and their agents including, but not limited to, the U.K., Australia, Canada, France and Germany. The fair values of certain non-U.S. government bonds, primarily sourced from international indices, are based on unadjusted market prices in active markets and are therefore classified within Level 1. The remaining non-U.S. government bonds are classified within Level 2 as they are not actively traded. The fair values of the non-U.S. agency securities, again primarily sourced from international indices, are priced using the spread above the risk-free yield curve. As the yields for the risk-free yield curve and the spreads for these securities are observable market inputs, the fair values of non-U.S. agency securities are classified within Level 2. In addition, foreign government securities include a portion of the Emerging Market Debt ("EMD") portfolio which is also classified within Level 2.

Corporate. Corporate securities consist primarily of short-term, medium-term and long-term debt issued by U.S. and foreign corporations covering a variety of industries and are generally priced by index providers and pricing vendors. Some issuers may participate in government programs which guarantee timely payment of principal and interest in the event of a default. The fair values of these securities are generally determined using the spread above the risk-free yield curve. Inputs used in the evaluation of these securities include credit data, interest rate data, market observations and sector news, broker-dealer quotes and trade volumes. In addition, corporate securities include a portion of the EMD portfolio. The Company classifies these securities within Level 2.

Mortgage-backed Securities. Residential and commercial mortgage-backed securities consist of bonds issued by the Government National Mortgage Association, the FNMA and the FHLMC. The fair values of these securities are determined through the use of a pricing model (including Option Adjusted Spread) which uses prepayment speeds and spreads to determine the appropriate average life of the mortgage-backed security. These spreads are generally obtained from broker-dealers, trade prices and the new issue market. As the significant inputs used to price mortgage-backed securities are observable market inputs, these securities are classified within Level 2.

Asset-backed Securities. Asset-backed securities are securities backed by notes or receivables against assets other than real estate. The underlying collateral for the Company's asset-backed securities consists mainly of student loans, automobile loans and credit card receivables. These securities are primarily priced by index providers and pricing vendors. Inputs to the valuation process include broker-dealer quotes and other available trade information, prepayment speeds, interest rate data and credit spreads. The Company classifies these securities within Level 2.

Short-term Investments. Short-term investments consist of highly liquid debt securities with a maturity greater than three months but less than one year from the date of purchase. Short-term investments are classified as either trading or available for sale according to the facts and circumstances of the investment held. Short-term investments are valued in a manner similar to the Company's fixed maturity investments and are classified within Levels 1 and 2.

Privately-held Investments. Privately-held investments are initially valued at cost or transaction value which approximates fair value. In subsequent measurement periods, the fair values of these securities are determined using discounted cash flow models. These models include inputs that are specific to each investment. The inputs used in the fair value measurements include dividend or interest rates and appropriate discount rates. The selection of an appropriate discount rate is judgmental and is the most significant unobservable input used in the valuation of these securities. A significant increase (decrease) in this input in isolation could result in significantly lower (higher) fair value measurement for privately-held investments. In order to assess the reasonableness of the inputs the Company uses in the discounted cash flow models, the Company maintains an understanding of current market conditions, issuer specific information that may impact future cash flows as well as collaboration with independent vendors for most securities to assess the reasonableness of the discount rate being used.

Commercial Mortgage Loans. Commercial mortgage loans consist of investments in properties including apartments, hotels, office and retail buildings, other commercial properties and industrial properties. The commercial mortgage loan portfolio is diversified by property type, geographic region and issuer to reduce risks. Commercial Mortgage Loans are initially valued at cost or transaction value which approximates fair value. In subsequent measurement periods, the fair values of these securities are determined using discounted cash flow models and are classified as Level 3.

Middle Market Loans and Other Private Debt. The middle market loans consist of investments in senior secured loan positions with full covenants, focused on the middle market in both U.S., Europe and the Caribbean. The other private debt consists of debt securities issued to private investment funds. The middle market loan and other private debt portfolio is diversified by industry type, geographic region and issuer to reduce risks. Middle market loans and other private debt are initially valued at cost or transaction value which approximates fair value. In subsequent measurement periods, the fair values of these securities are determined using discounted cash flow models and are classified as Level 3.

Asset-backed Securities. Asset-backed securities represent interests in underlying pools of diversified referenced assets that are collateralized and backed by future cash flows and these securities are performing. Asset-backed securities are initially valued at cost or transaction value which approximates fair value. In subsequent measurement periods, the fair values of these securities are determined using discounted cash flow models and are classified as Level 3.

Global Corporate Securities. The global corporate securities portfolio consists of debt securities issued by U.S. and foreign corporations. The global corporate securities are initially valued at cost or transaction value which approximates fair value. In subsequent measurement periods, the fair values of these securities are determined using discounted cash flow models and are classified as Level 3.

Short-term Investments — Privately-held. Short-term investments which are classified as privately-held consist of debt securities with a maturity greater than three months but less than one year from the debt of purchase. Short-term investments are initially valued at cost or transaction value which approximates fair value. In subsequent measurement periods, the fair values of these securities are determined using discounted cash flow models and are classified as Level 3.

The following table summarizes the quantitative inputs and assumptions used for financial assets categorized as Level 3 under the fair value hierarchy as at December 31, 2024:

At December 31, 2024	Fair Value Level 3	Valuation Techniques	Unobservable Inputs	Ranges	Weighted Average
	($ in millions)				
Privately-held investments, available for sale					
Asset-backed securities	$ 24.2	Discounted cash flow	Discount rate	5.5% — 9.5%	7.1%
Privately-held investments, trading					
Commercial mortgage loans	79.7	Discounted cash flow	Discount rate	3.8% — 11.9%	5.7%
Middle market loans and other private debt	61.0	Discounted cash flow	Discount rate	7.2% — 18.0%	9.8%
Asset-backed securities	127.6	Discounted cash flow	Discount rate	5.4% — 8.3%	6.6%
Global corporate securities	14.1	Discounted cash flow	Discount rate	6.7% — 6.7%	6.7%
Global corporate securities	4.4	Transaction value	n/a	n/a	n/a
Total	$ 311.0				

Catastrophe Bonds. Catastrophe bonds are variable rate fixed income instruments with redemption values adjusted based on the occurrence of a covered event, usually windstorms and earthquakes. Catastrophe bonds are classified as trading and reported at fair value. Catastrophe bonds are priced using an average of multiple broker-dealer quotes and as such, are classified as Level 2.

Foreign Exchange Contracts. The foreign exchange contracts which the Company uses to mitigate currency risk are characterized as OTC due to their customized nature and the fact that they do not trade on a major exchange. These instruments trade in a very deep liquid market, providing substantial price transparency and accordingly are classified as Level 2.

Derivative Liabilities - Loss Portfolio Transfer. The LPT embedded derivative is valued using the Black-Scholes model. The two primary inputs of this model are expected claim settlement patterns and expected return of the investment portfolio above a fixed minimum rate over the specified time horizon. The expected claim settlement pattern is determined on an actuarial basis for the cohort of business within scope of the LPT and is consistent with the patterns used in the valuation of technical provisions. The expected return of the investment portfolio, above a fixed minimum rate, directly impacts on the LPT derivative valuation and is subject to changes in the market conditions. In order to assess the reasonableness of the inputs, the Company updates the expected claim settlement patterns on a regular basis while maintaining an understanding of the current market conditions. The LPT embedded derivative is classified as Level 3.

Other Investments. The Company's other investments represent primarily our investments in investment funds operating strategies across real estate, infrastructure and direct lending. Adjustments to the fair values are made based on the net asset value of the investments. The net valuation criteria established by the manager of such investments are established in accordance with the governing documents and the asset manager's valuation guidelines, which include: the discounted cash flows method and the performance multiple approach, which uses a multiple derived from market data of comparable companies or assets to produce operating performance metrics. Alternative valuation methodologies may be employed for investments with unusual characteristics. As the Company is measuring the fair value of these investments using the net asset value per share as a practical expedient, they have not been classified in the fair value hierarchy.

. Reinsurance

The Company purchases retrocession and reinsurance to limit and diversify the Company's risk exposure and to increase its own insurance and reinsurance underwriting capacity. These agreements provide for recovery of losses and loss adjustment expenses from reinsurers. The Company remains liable to the extent that reinsurers do not meet their obligations under these agreements. In line with its risk management objectives, the Company evaluates the financial condition of its reinsurers and monitors concentrations of credit risk.

Balances pertaining to reinsurance transactions are reported "gross" on the consolidated balance sheet, meaning that reinsurance recoverable on unpaid losses and ceded unearned premiums are not deducted from insurance reserves but are recorded as assets. For more information on reinsurance recoverables, refer to Note 22, "Concentrations of Credit Risk — Reinsurance recoverables" and Note 10, "Reserve for Losses and Loss Adjustment Expenses" of these consolidated financial statements.

The effect of assumed and ceded reinsurance on premiums written, premiums earned and losses and loss adjustment expenses for the twelve months ended December 31, 2024, 2023 and 2022 was as follows:

	Twelve Months Ended December 31,		
	2024	2023	2022
	($ in millions)		
Premiums written:			
Insurance	$ 2,723.5	$ 2,446.6	$ 2,531.7
Reinsurance	1,885.8	1,521.0	1,807.0
Ceded	(1,666.7)	(1,385.7)	(1,442.7)
Net written premiums	$ 2,942.6	$ 2,581.9	$ 2,896.0
Premiums earned:			
Insurance	$ 2,565.7	$ 2,444.8	$ 2,370.8
Reinsurance	1,822.1	1,562.0	1,617.2
Ceded	(1,498.1)	(1,392.3)	(1,299.3)
Net earned premiums	$ 2,889.7	$ 2,614.5	$ 2,688.7
Losses and loss adjustment expenses:			
Insurance	$ 1,759.1	$ 1,644.5	$ 1,574.2
Reinsurance	915.8	707.2	939.5
Ceded	(957.1)	(798.7)	(833.7)
Losses and loss adjustment expenses	$ 1,717.8	$ 1,553.0	$ 1,680.0

Current expected credit loss model ("CECL"). As at December 31, 2024, the Company's allowance for expected credit losses was $27.5 million (2023 — $3.7 million). For the twelve months ended December 31, 2024 there was a $23.8 million increase in the CECL allowance on reinsurance recoverables (2023 — no change, 2022 — $0.4 million increase).

The Company is potentially exposed to concentrations of credit risk in respect of amounts recoverable from reinsurers, refer to Note 22, "Concentrations of Credit Risk — Reinsurance recoverables" of these consolidated financial statements for more detail.

. Derivative Contracts

The following table summarizes information on the location and amounts of derivative fair values on the consolidated balance sheet as at December 31, 2024 and 2023:

Derivatives Not Designated as Hedging Instruments Under ASC 815	Balance Sheet Location	As at December 31, 2024		As at December 31, 2023	
		Notional Amount	Fair Value	Notional Amount	Fair Value
		($ in millions)		($ in millions)	
Foreign Exchange Contracts	Derivative assets	$ 550.0	$ 17.0	$ 1,262.1	$ 31.4
Foreign Exchange Contracts [1]	Derivative liabilities	$ 1,036.9	$ (41.7)	$ 540.8	$ (9.3)
Loss Portfolio Transfer Liability - Embedded Derivative [2]	Derivative liabilities	$ —	$ (3.6)	$ —	$ (16.5)

(1) Fair value is net of $0.8 million of cash collateral (December 31, 2023 — $3.4 million).

(2) The LPT contains an embedded derivative within the contract in relation to the variable interest crediting rate.

Derivatives Designated as Cash Flow Hedges Under ASC 815	Balance Sheet Location	As at December 31, 2024 Notional Amount	As at December 31, 2024 Fair Value	As at December 31, 2023 Notional Amount	As at December 31, 2023 Fair Value
		($ in millions)		($ in millions)	
Foreign Exchange Contracts	Derivative assets	$ —	$ —	$ 76.9	$ 0.3
Foreign Exchange Contracts [1]	Derivative liabilities	$ 158.0	$ (4.2)	$ —	$ —

(1) Fair value is net of $2.0 million of cash collateral (December 31, 2023 — $Nil).

The following table provides the unrealized and realized (losses)/gains recorded in the consolidated statements of operations and other comprehensive income for derivatives that are not designated or designated as hedging instruments under ASC 815 — "*Derivatives and Hedging"* for the twelve months ended December 31, 2024 and 2023:

	Location of (Loss)/Gain Recognized on Derivatives	Amount of (Loss)/Gain Recognized on Derivatives For the Twelve Months Ended December 31, 2024	Amount of (Loss)/Gain Recognized on Derivatives For the Twelve Months Ended December 31, 2023
Derivatives not designated as hedges		($ in millions)	
Foreign Exchange Contracts	Change in Fair Value of Derivatives	$ (34.0)	$ 10.9
Loss Portfolio Transfer Liability - Embedded Derivative	Change in Fair Value of Derivatives	$ 12.9	$ 15.2
Derivatives designated as cash flow hedges			
Foreign Exchange Contracts	General, administrative and corporate expenses in consolidated statement of operations	$ (0.9)	$ (8.1)
Foreign Exchange Contracts	Net change gross of tax from current period hedged transactions in other comprehensive income	$ (6.5)	$ (14.0)

Foreign Exchange Contracts. The Company uses foreign exchange contracts to manage foreign currency risk associated with our operating expenses but also foreign exchange risk associated with net assets or liabilities in currencies other than the U.S. dollar. A foreign exchange contract involves an obligation to purchase or sell a specified currency at a future date at a price set at the time of the contract. Foreign exchange contracts will not eliminate fluctuations in the value of the Company's assets and liabilities denominated in foreign currencies but rather allow it to establish a rate of exchange for a future point in time.

As at December 31, 2024, the Company held foreign exchange contracts that were not designated as hedges under ASC 815 with an aggregate nominal amount of $1,586.9 million (2023 — $1,802.9 million). The foreign exchange contracts are recorded as derivative assets or derivative liabilities in the consolidated balance sheet with changes recorded as a change in fair value of derivatives in the consolidated statement of operations. For the twelve months ended December 31, 2024, the impact of foreign exchange contracts on net income was a loss of $34.0 million (December 31, 2023 — gain of $10.9 million).

As at December 31, 2024, the Company held foreign exchange contracts that were designated as cash flow hedges under ASC 815 with an aggregate notional amount of $158.0 million (2023 — $76.9 million). The foreign exchange contracts are recorded as derivative assets or derivative liabilities in the consolidated balance sheet with the changes in fair value recorded in other comprehensive income. For the twelve months ended December 31, 2024 the company recognized a loss of $6.5 million (December 31, 2023 — loss of $14.0 million) in other comprehensive income.

As the foreign exchange contracts settle, the realized gain or loss is reclassified from other comprehensive income into general, administrative and corporate expenses in the consolidated statement of operations. For the twelve months ended December 31, 2024, the amount recognized within general, administrative and corporate expenses for settled foreign exchange contracts was a realized loss of $0.9 million (December 31, 2023 — loss of $8.1 million). The Company estimates that $6.2 million of the existing losses as at December 31, 2024 is expected to be reclassified into earnings within the next 12 months.

Embedded derivative on loss portfolio contract. The loss portfolio transfer contract includes a funds withheld arrangement that provides returns to the reinsurer based on Aspen's investment performance, guaranteeing a minimum of 1.75% return. Such funds withheld arrangements are examples of embedded derivatives and therefore this instrument is accounted for as an option-based derivative. For the twelve months ended December 31, 2024, the amount recognized as a change in fair value of derivatives in the consolidated statement of operations is a gain of $12.9 million (December 31, 2023 — gain of $15.2 million).

. Deferred Acquisition Costs

The following table represents a reconciliation of beginning and ending deferred acquisition costs for the twelve months ended December 31, 2024 and 2023:

	Twelve Months Ended December 31, 2024	Twelve Months Ended December 31, 2023
	($ in millions)	
Balance at the beginning of the period	$ 296.2	$ 319.0
Acquisition costs deferred	446.1	357.4
Amortization of deferred acquisition costs	(420.2)	(380.2)
Balance at the end of the period	$ 322.1	$ 296.2

0. Reserve for Losses and Loss Adjustment Expenses

The following table represents a reconciliation of beginning and ending consolidated reserve for losses and loss adjustment expenses for the twelve months ended December 31, 2024, 2023 and 2022:

	As at December 31,		
	2024	2023	2022
		($ in millions)	
Reserve for losses and LAE at the start of the year	$ 7,810.6	$ 7,710.9	$ 7,611.8
Less reinsurance recoverable	(4,577.8)	(4,897.7)	(3,298.1)
Net reserve for losses and LAE at the start of the year	3,232.8	2,813.2	4,313.7
Net loss and LAE expenses disposed [1]	—	—	(1,840.1)
Movement in net reserve for losses and LAE for claims incurred:			
Current year	1,682.2	1,492.2	1,651.9
Prior years	35.6	60.8	28.1
Total incurred	1,717.8	1,553.0	1,680.0
Net Losses and LAE payments for claims incurred:			
Current year	(200.2)	(161.1)	(192.7)
Prior years	(741.3)	(1,011.9)	(1,098.4)
Total paid	(941.5)	(1,173.0)	(1,291.1)
Foreign exchange (gains)/losses	(58.5)	39.6	(49.3)
Net reserve for losses and LAE at the end of the year	3,950.6	3,232.8	2,813.2
Plus reinsurance recoverable on unpaid losses at the end of the year	4,172.0	4,577.8	4,897.7
Reserve for losses and LAE at the end of the year	$ 8,122.6	$ 7,810.6	$ 7,710.9

(1) Net loss and LAE expenses disposed of $1,840.1 million represent the net loss reserves as at May 20, 2022 (“Closing Date”) for losses in relation to 2019 and prior accident years, in addition to the $770.0 million of ceded reserves under the previous ADC agreement, recognizing a total recoverable of $2,610.1 million. These reserves were rolled forward from the initial effective date of September 30, 2021, at which time the net losses reserves were $3,120.0 million.

As at December 31, 2024, the total amount recoverable from Enstar under the LPT was $1,190.9 million (December 31, 2023 — $1,627.4 million) which includes claims paid and reserve development since the Closing Date.

For the twelve months ended December 31, 2024, there was an increase of $35.6 million in the Company’s estimate of the ultimate claims to be paid in respect of prior accident years compared to an increase of $60.8 million for the twelve months ended December 31, 2023.

The following tables show an analysis of incurred claims and allocated loss adjustment expenses, net of reinsurance and cumulative paid claims and allocated claim adjustment expenses, net of reinsurance for each of the years ended December 31, 2015 through 2024. Under the LPT agreement, the Company has reinsured net losses incurred on all accident years 2019 and prior. This has resulted in IBNR in the loss development triangles for 2019 and prior to be Nil. The loss development triangles are derived from all business written by the Company as although a limited number of contracts are written which have durations of greater than one year the contracts do not meet the definition of a long duration contract. All amounts included in the following tables related to transactions denominated in a foreign currency have been translated into U.S. Dollars using the exchange rates in effect at December 31, 2024.

The Company has chosen to disaggregate the business in its Insurance segment, for the purposes of these loss development triangles as: Property; Casualty; Marine, Aviation and Energy; and Financial and Professional insurance lines. The Company considers that this presentation of its Insurance lines loss development triangles more precisely reflects meaningful trending information. The Company presents its loss development triangles for the Reinsurance segment in line with the reportable reinsurance lines: Property Catastrophe and Other Property; Casualty; and Specialty.

Property Insurance Lines

	Incurred Claims, IBNR and Loss Adjustment Expenses, Net of Reinsurance										As at December 31, 2024	
	For the Years Ended December 31,											
	Unaudited Prior Years											
Accident Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Total of IBNR Plus Expected Development on Reported Claims	Cumulative Number of Reported Claims
	($ in millions)											
2015	$ 236.0	$ 201.7	$ 196.5	$ 198.8	$ 199.4	$ 196.3	$ 192.3	$ 192.3	$ 192.3	$ 192.3	$ —	11,558
2016		235.8	246.8	241.8	243.1	244.4	233.4	232.6	232.6	232.6	—	10,752
2017			292.5	255.6	248.8	250.1	272.1	180.4	180.4	180.4	—	9,711
2018				198.7	200.8	184.8	194.7	184.4	184.4	184.4	—	8,202
2019					124.3	128.3	102.2	189.0	189.0	189.0	—	6,863
2020						202.0	197.5	207.0	212.5	213.0	23.0	7,648
2021							206.3	201.0	194.6	191.1	9.2	6,770
2022								166.0	173.2	170.9	13.5	5,801
2023									150.8	130.1	44.3	4,056
2024										132.6	84.2	1,879
									Total	$ 1,816.4		

Property Insurance Lines

	Cumulative Paid Claims and Allocated Loss Adjustment Expenses, Net of Reinsurance									
	For the Years Ended December 31,									
	Unaudited Prior Years									
Accident Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
	($ in millions)									
2015	$ 56.7	$ 140.2	$ 167.4	$ 176.4	$ 192.6	$ 191.3	$ 192.3	$ 192.3	$ 192.3	$ 192.3
2016		66.3	167.3	199.5	221.0	230.3	233.4	232.6	232.6	232.6
2017			95.5	186.4	219.0	239.7	233.6	180.4	180.4	180.4
2018				60.9	156.1	178.4	172.1	184.4	184.4	184.4
2019					48.5	89.9	97.7	189.0	189.0	189.0
2020						60.7	123.7	151.2	169.0	178.2
2021							58.4	119.2	150.6	162.9
2022								41.0	113.2	143.4
2023									29.8	65.2
2024										19.1
									Total	$ 1,547.5
									All outstanding liabilities for 2015 and subsequent years, net of reinsurance	$ 268.9
									All outstanding liabilities before 2015, net of reinsurance	—
									Liabilities for claims and claim adjustment expenses, net of reinsurance	$ 268.9

Casualty Insurance Lines

Incurred Claims, IBNR and Loss Adjustment Expenses, Net of Reinsurance

As at December 31, 2024

Accident Year	For the Years Ended December 31, Unaudited Prior Years 2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Total of IBNR Plus Expected Development on Reported Claims	Cumulative Number of Reported Claims
	($ in millions)											
2015	$ 199.8	$ 219.8	$ 182.3	$ 199.4	$ 232.0	$ 230.3	$ 255.6	$ 178.9	$ 178.9	$ 178.9	$ —	4,843
2016		213.3	184.3	179.4	185.8	196.9	241.3	122.9	122.9	122.9	—	4,850
2017			177.9	171.4	175.1	192.5	213.3	60.2	60.2	60.2	—	5,536
2018				120.4	123.3	133.3	162.6	42.6	42.6	42.6	—	5,500
2019					122.9	145.2	152.0	48.1	48.1	48.1	—	5,217
2020						131.8	140.4	139.4	145.5	151.8	38.1	3,888
2021							171.9	186.9	196.1	194.6	81.7	3,679
2022								202.4	212.9	208.7	119.4	3,594
2023									223.1	233.8	156.0	3,105
2024										235.6	203.2	1,782
									Total	$ 1,477.2		

Casualty Insurance Lines

Cumulative Paid Claims and Allocated Loss Adjustment Expenses, Net of Reinsurance

Accident Year	For the Years Ended December 31, Unaudited Prior Years 2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
	($ in millions)									
2015	$ 3.1	$ 16.6	$ 55.7	$ 91.0	$ 136.2	$ 165.0	$ 178.9	$ 178.9	$ 178.9	$ 178.9
2016		4.1	22.3	39.1	80.6	107.2	122.0	122.9	122.9	122.9
2017			3.5	22.5	51.8	94.8	88.1	60.2	60.2	60.2
2018				3.1	27.5	42.1	57.3	42.6	42.6	42.6
2019					6.2	17.2	63.7	48.1	48.1	48.1
2020						—	9.3	36.0	61.1	91.5
2021							3.1	23.3	53.5	91.3
2022								8.9	26.6	46.4
2023									5.5	3.3
2024										36.0
									Total	$ 721.2

All outstanding liabilities for 2015 and subsequent years, net of reinsurance	$ 756.0
All outstanding liabilities before 2015, net of reinsurance	—
Liabilities for claims and claim adjustment expenses, net of reinsurance	$ 756.0

Marine, Aviation and Energy Insurance Lines

Incurred Claims, IBNR and Loss Adjustment Expenses, Net of Reinsurance — **As at December 31, 2024**

Accident Year	For the Years Ended December 31, Unaudited Prior Years										Total of IBNR Plus Expected Development on Reported Claims	Cumulative Number of Reported Claims
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
	($ in millions)											
2015	$ 294.2	$ 296.0	$ 278.7	$ 283.6	$ 307.2	$ 309.9	$ 317.2	$ 266.0	$ 266.0	$ 266.0	$ —	4,079
2016		257.8	228.1	226.4	227.0	216.8	218.6	196.2	196.2	196.2	—	4,437
2017			208.5	199.5	206.0	213.6	224.9	135.3	135.3	135.3	—	6,080
2018				169.3	206.4	207.5	234.5	149.9	149.9	149.9	—	5,201
2019					144.6	152.2	122.7	107.0	107.0	107.0	—	3,699
2020						109.6	110.7	125.0	126.1	150.9	33.5	3,866
2021							92.2	95.1	94.7	96.5	11.9	4,787
2022								107.2	105.3	112.7	25.7	5,410
2023									116.6	110.3	20.8	3,997
2024										109.6	62.3	2,358
									Total	$ 1,434.4		

Marine, Aviation and Energy Insurance Lines

Cumulative Paid Claims and Allocated Loss Adjustment Expenses, Net of Reinsurance

Accident Year	For the Years Ended December 31, Unaudited Prior Years									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
	($ in millions)									
2015	$ 44.5	$ 122.2	$ 172.6	$ 192.2	$ 220.1	$ 255.8	$ 267.5	$ 266.0	$ 266.0	$ 266.0
2016		30.9	81.7	140.6	162.3	188.7	191.7	196.2	196.2	196.2
2017			40.0	97.1	139.7	167.7	149.3	135.3	135.3	135.3
2018				26.6	104.2	132.5	150.5	149.9	149.9	149.9
2019					33.3	72.1	89.3	107.0	107.0	107.0
2020						28.5	66.4	88.5	100.9	109.2
2021							23.5	52.2	64.4	70.4
2022								24.9	57.5	73.5
2023									27.8	73.2
2024										32.4
									Total	$ 1,213.1
									All outstanding liabilities for 2015 and subsequent years, net of reinsurance	$ 221.3
									All outstanding liabilities before 2015, net of reinsurance	—
									Liabilities for claims and claim adjustment expenses, net of reinsurance	$ 221.3

Financial and Professional Insurance Lines

Incurred Claims, IBNR and Loss Adjustment Expenses, Net of Reinsurance — **As at December 31, 2024**

Accident Year	For the Years Ended December 31, Unaudited Prior Years 2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Total of IBNR Plus Expected Development on Reported Claims	Cumulative Number of Reported Claims
	($ in millions)											
2015	$ 171.7	$ 173.0	$ 183.1	$ 187.0	$ 188.0	$ 183.0	$ 195.8	$ 144.4	$ 144.4	$ 144.4	$ —	1,082
2016		188.1	209.1	213.5	199.6	182.8	184.3	133.0	133.0	133.0	—	1,244
2017			203.7	179.7	184.6	185.2	206.8	134.4	134.4	134.4	—	1,758
2018				153.6	169.3	150.7	159.7	109.7	109.7	109.7	—	4,645
2019					245.9	258.1	236.3	130.8	130.8	130.8	—	23,819
2020						345.2	345.5	336.2	349.8	352.2	73.7	106,042
2021							283.9	301.6	293.5	294.8	86.2	34,963
2022								314.1	299.8	268.6	121.3	3,356
2023									338.5	347.6	169.1	3,385
2024										423.2	292.3	3,756
									Total	$ 2,338.7		

Financial and Professional Insurance Lines

Cumulative Paid Claims and Allocated Loss Adjustment Expenses, Net of Reinsurance

Accident Year	For the Years Ended December 31, Unaudited Prior Years 2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
	($ in millions)									
2015	$ 13.6	$ 43.2	$ 69.7	$ 88.7	$ 108.8	$ 137.7	$ 150.1	$ 144.4	$ 144.4	$ 144.4
2016		14.8	70.6	100.7	128.7	124.6	129.2	133.0	133.0	133.0
2017			27.0	50.9	82.7	115.8	133.5	134.4	134.4	134.4
2018				18.3	72.3	97.6	109.8	109.7	109.7	109.7
2019					26.8	86.2	120.4	130.8	130.8	130.8
2020						47.3	120.8	173.7	225.0	240.0
2021							43.1	90.0	131.1	161.9
2022								17.7	75.1	113.4
2023									21.3	100.6
2024										89.2
										Total $ 1,357.4

All outstanding liabilities for 2015 and subsequent years, net of reinsurance	$ 981.3
All outstanding liabilities before 2015, net of reinsurance	—
Liabilities for claims and claim adjustment expenses, net of reinsurance	$ 981.3

Property Catastrophe and Other Property Reinsurance

Incurred Claims, IBNR and Loss Adjustment Expenses, Net of Reinsurance — **As at December 31, 2024**

Accident Year	For the Years Ended December 31, Unaudited Prior Years										Total of IBNR Plus Expected Development on Reported Claims	Cumulative Number of Reported Claims
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
	($ in millions)											
2015	$ 206.7	$ 181.1	$ 171.5	$ 151.4	$ 166.8	$ 166.9	$ 173.0	$ 151.9	$ 151.9	$ 151.9	$ —	1,045
2016		257.2	257.2	256.8	236.3	231.8	224.3	221.7	221.7	221.7	—	1,281
2017			544.8	524.9	508.1	496.9	568.9	431.8	431.8	431.8	—	1,940
2018				303.7	329.7	320.5	511.7	283.0	283.0	283.0	—	1,804
2019					209.9	225.0	316.3	157.5	157.5	157.5	—	1,399
2020						312.2	394.2	340.7	352.9	365.2	5.2	1,436
2021							637.7	461.2	479.8	472.5	4.9	1,518
2022								380.5	378.9	372.1	43.6	1,475
2023									223.6	215.0	40.4	1,104
2024										254.5	135.5	737
									Total	$ 2,925.2		

Property Catastrophe and Other Property Reinsurance

Cumulative Paid Claims and Allocated Loss Adjustment Expenses, Net of Reinsurance

Accident Year	For the Years Ended December 31, Unaudited Prior Years									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
	($ in millions)									
2015	$ 35.6	$ 92.4	$ 122.0	$ 135.0	$ 151.9	$ 154.2	$ 155.6	$ 151.9	$ 151.9	$ 151.9
2016		54.7	157.1	196.8	207.0	219.5	224.3	221.7	221.7	221.7
2017			122.6	353.3	410.7	434.1	407.3	431.8	431.8	431.8
2018				121.4	266.8	265.6	258.0	283.0	283.0	283.0
2019					28.0	134.1	158.8	157.5	157.5	157.5
2020						41.1	162.2	232.7	306.0	306.0
2021							74.6	229.2	351.5	414.8
2022								63.3	193.6	261.3
2023									43.9	103.8
2024										32.8
									Total	$ 2,364.6

All outstanding liabilities for 2015 and subsequent years, net of reinsurance	$ 560.6
All outstanding liabilities before 2015, net of reinsurance	—
Liabilities for claims and claim adjustment expenses, net of reinsurance	$ 560.6

Casualty Reinsurance

Incurred Claims, IBNR and Loss Adjustment Expenses, Net of Reinsurance — **As at December 31, 2024**

Accident Year	For the Years Ended December 31, Unaudited Prior Years										Total of IBNR Plus Expected Development on Reported Claims	Cumulative Number of Reported Claims
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
	($ in millions)											
2015	$ 188.9	$ 195.2	$ 204.9	$ 207.6	$ 205.5	$ 201.9	$ 192.2	$ 115.2	$ 115.2	$ 115.2	$ —	2,090
2016		226.6	238.7	238.3	248.4	255.8	246.6	135.2	135.2	135.2	—	2,268
2017			238.4	236.4	246.9	246.3	257.7	109.6	109.6	109.6	—	2,346
2018				223.7	252.6	260.6	251.2	91.7	91.7	91.7	—	2,262
2019					230.1	250.8	241.5	52.2	52.2	52.2	—	1,939
2020						250.2	231.2	195.8	178.2	187.2	42.4	1,563
2021							203.5	213.8	203.6	199.4	63.2	1,594
2022								246.6	247.8	246.0	138.5	1,650
2023									268.3	267.7	187.6	1,565
2024										286.9	260.0	848
									Total	$ 1,691.1		

Casualty Reinsurance

Cumulative Paid Claims and Allocated Loss Adjustment Expenses, Net of Reinsurance

Accident Year	For the Years Ended December 31, Unaudited Prior Years									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
	($ in millions)									
2015	$ 3.3	$ 17.4	$ 37.5	$ 64.4	$ 88.0	$ 106.8	$ 115.2	$ 115.2	$ 115.2	$ 115.2
2016		8.7	32.6	62.4	94.2	123.8	135.4	135.2	135.2	135.2
2017			8.7	29.9	58.1	96.0	109.5	109.6	109.6	109.6
2018				7.0	33.0	72.6	91.8	91.7	91.7	91.7
2019					9.1	36.0	52.0	52.2	52.2	52.2
2020						8.9	27.3	43.5	70.7	100.9
2021							7.7	36.8	63.3	96.4
2022								9.1	30.7	59.6
2023									8.2	35.0
2024										9.4
									Total	$ 805.2
									All outstanding liabilities for 2015 and subsequent years, net of reinsurance	$ 885.9
									All outstanding liabilities before 2015, net of reinsurance	—
									Liabilities for claims and claim adjustment expenses, net of reinsurance	$ 885.9

Specialty Reinsurance

Incurred Claims, IBNR and Loss Adjustment Expenses, Net of Reinsurance

As at December 31, 2024

Accident Year	For the Years Ended December 31, Unaudited Prior Years 2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Total of IBNR Plus Expected Development on Reported Claims	Cumulative Number of Reported Claims
	($ in millions)											
2015	$ 161.6	$ 164.5	$ 159.3	$ 154.0	$ 152.5	$ 148.1	$ 147.9	$ 129.2	$ 129.2	$ 129.2	$ —	775
2016		233.9	234.7	232.7	225.9	221.0	208.8	185.8	185.8	185.8	—	943
2017			372.6	385.9	370.0	359.1	352.6	303.3	303.3	303.3	—	1,337
2018				389.3	388.9	387.4	412.0	322.3	322.3	322.3	—	1,428
2019					468.6	491.7	396.9	398.6	398.6	398.6	—	1,557
2020						411.2	598.7	372.9	377.1	369.5	15.1	1,519
2021							155.2	150.3	140.0	136.4	24.3	1,385
2022								192.6	191.6	196.2	98.9	1,458
2023									140.7	144.3	73.0	1,188
2024										153.5	125.6	803
									Total	$ 2,339.1		

Specialty Reinsurance

Cumulative Paid Claims and Allocated Loss Adjustment Expenses, Net of Reinsurance

Accident Year	For the Years Ended December 31, Unaudited Prior Years 2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
	($ in millions)									
2015	$ 17.2	$ 54.6	$ 101.6	$ 118.6	$ 127.1	$ 130.1	$ 129.9	$ 129.2	$ 129.2	$ 129.2
2016		57.9	148.8	162.7	180.5	190.6	192.0	185.8	185.8	185.8
2017			93.8	236.6	267.8	302.4	303.3	303.3	303.3	303.3
2018				26.5	277.9	310.6	322.1	322.3	322.3	322.3
2019					272.2	379.0	396.9	398.6	398.6	398.6
2020						212.5	269.2	289.6	310.1	333.0
2021							28.0	52.8	75.2	87.9
2022								25.3	52.6	74.3
2023									22.3	48.1
2024										14.0
										Total $ 1,896.5

All outstanding liabilities for 2015 and subsequent years, net of reinsurance	$ 442.6
All outstanding liabilities before 2015, net of reinsurance	—
Liabilities for claims and claim adjustment expenses, net of reinsurance	$ 442.6

Reconciliation of Incurred and Paid Claims Development to total Reserve for Losses and LAE

	As at December 31, 2024 ($ in millions)	As at December 31, 2023 ($ in millions)
Net outstanding liabilities:		
Insurance lines		
- Property insurance lines	$ 268.9	$ 270.8
- Casualty insurance lines	756.0	636.5
- Marine, aviation and energy insurance lines	221.3	194.5
- Financial and professional insurance lines	981.3	837.6
Total insurance lines	$ 2,227.5	$ 1,939.4
Reinsurance lines		
- Property catastrophe and other property reinsurance	$ 560.6	$ 562.3
- Casualty reinsurance	885.9	733.6
- Specialty reinsurance	442.6	394.3
Total reinsurance lines	$ 1,889.1	$ 1,690.2
Net loss and LAE	$ 4,116.6	$ 3,629.6
Reinsurance recoverable on unpaid losses:		
Insurance lines	$ 2,698.0	$ 2,821.6
Reinsurance lines	1,474.0	1,756.2
Total reinsurance recoverable on unpaid losses	$ 4,172.0	$ 4,577.8
Deferred gain on retroactive contracts	$ 61.2	$ 27.3
Unallocated claims incurred	58.0	47.9
Other reinsurance balances recoverable [(1)]	(311.7)	(489.1)
Carbon syndicate reserves	26.5	16.7
Other	—	0.4
	$ (166.0)	$ (396.8)
Reserve for losses and LAE at the end of the year	$ 8,122.6	$ 7,810.6

(1) Other reinsurance balances recoverable primarily include short term recoverables to be collected.

Average Annual Percentage Payout of Incurred Claims by Age, Net of Reinsurance (unaudited)

Years	1	2	3	4	5	6	7	8	9	10
Property insurance lines	29.0 %	38.0 %	13.7 %	12.2 %	3.3 %	(5.8)%	— %	— %	— %	— %
Casualty insurance lines	4.1 %	19.1 %	32.2 %	23.4 %	3.5 %	(3.6)%	2.1 %	— %	— %	— %
Marine, aviation and energy insurance lines	23.1 %	34.5 %	19.6 %	11.7 %	2.6 %	0.9 %	1.7 %	(0.2)%	— %	— %
Financial and professional insurance lines	14.0 %	28.4 %	19.6 %	14.7 %	4.7 %	4.8 %	2.9 %	(1.3)%	— %	— %
Property catastrophe and other property reinsurance	21.5 %	42.7 %	16.2 %	6.9 %	3.2 %	1.9 %	(0.1)%	(0.8)%	— %	— %
Casualty reinsurance	6.1 %	19.2 %	21.6 %	19.1 %	11.8 %	5.0 %	1.8 %	— %	— %	— %
Specialty reinsurance	26.7 %	32.8 %	12.7 %	7.6 %	3.1 %	0.6 %	(0.9)%	(0.2)%	— %	— %

1. Income Taxes

Aspen Holdings and Aspen Bermuda are incorporated under the laws of Bermuda. Under Bermuda law, the corporate tax rate is currently zero and, as a result, Aspen Holdings and Aspen Bermuda are not taxed on any Bermudian income or capital gains. On December 27, 2023, the Corporate Income Tax Act 2023 received Royal Assent in Bermuda, introducing a 15% corporate tax that applies to Bermuda businesses that are part of multinational enterprise groups. This new corporate tax takes effect for accounting periods beginning on or after January 1, 2025. We have adjusted our deferred tax to account for provisions within the Corporate Income Tax Act that allow for an equitable transition to the new regime including the Economic Transition Adjustments ("ETA") and opening tax loss carryforward ("OTLC").

The Company's U.S. operating companies were subject to a U.S. federal income tax rate of 21%.

The Company's U.K. operating companies were taxed at the effective U.K. corporate tax rate of 25.0%. The U.K. tax rate changed on April 1, 2023 from 19% to 25%.

Total income tax (benefit)/expense for the twelve months ended December 31, 2024, 2023 and 2022 was allocated as follows:

	Twelve Months Ended December 31,		
	2024	2023	2022
	($ in millions)		
Income tax (benefit) allocated to net income	$ (22.0)	$ (132.1)	$ (78.1)
Income tax expense/(benefit) allocated to other comprehensive income	3.3	20.6	(23.9)
Total income tax (benefit)	$ (18.7)	$ (111.5)	$ (102.0)

Income/(loss) from operations before income taxes and income tax expense/(benefit) attributable to that income/(loss) for the twelve months ended December 31, 2024, 2023 and 2022 is provided in the tables below:

	Twelve Months Ended December 31, 2024			
	Income before tax	Current tax expense	Deferred tax expense/(benefit)	Total income tax expense/(benefit)
	($ in millions)			
Bermuda [1]	$ 85.3	$ —	$ 1.3	$ 1.3
U.S. [2]	269.0	62.7	(4.4)	58.3
U.K. [3]	106.9	3.9	(85.3)	(81.4)
Other [4]	2.9	—	(0.2)	(0.2)
Total	$ 464.1	$ 66.6	$ (88.6)	$ (22.0)

	Twelve Months Ended December 31, 2023			
	Income before tax	Current tax expense	Deferred tax (benefit)/expense	Total income tax (benefit)/expense
	($ in millions)			
Bermuda	$ 148.8	$ —	$ (201.1)	$ (201.1)
U.S.	236.3	52.4	3.0	55.4
U.K.	0.7	5.3	0.1	5.4
Other	16.8	7.9	0.3	8.2
Total	$ 402.6	$ 65.6	$ (197.7)	$ (132.1)

	Twelve Months Ended December 31, 2022			
	(Loss)/Income before tax	Current tax expense	Deferred tax (benefit)	Total income tax (benefit)/expense
	($ in millions)			
Bermuda	$ (103.3)	$ —	$ —	$ —
U.S	34.8	14.8	(102.9)	(88.1)
U.K.	62.4	7.0	—	7.0
Other	(20.9)	4.7	(1.7)	3.0
Total	$ (27.0)	$ 26.5	$ (104.6)	$ (78.1)

(1) We have recorded a deferred tax asset in Bermuda consisting of $158.9 million (2023 — $156.6 million) in respect of the ETA and $40.0 million (2023 — $44.5 million) in respect of an OTLC as a result of the newly enacted Corporate Income Tax Act 2023 in Bermuda. The ETA election allows for an adjustment equal to the difference between the fair market value and carrying value of assets and liabilities. The OTLC allows losses from year 2020 to 2024 to be carried forward. We expect this deferred tax asset to be utilized predominantly over a 10-year period. We expect to incur and pay increased taxes in Bermuda beginning in 2025.

(2) The U.S. current tax expense of $62.7 million (2023 — $52.4 million) includes $0.2 million (2023 — $0.9 million) of Base Erosion and Anti-abuse Tax.

(3) The U.K. deferred tax benefit of $85.3 million includes a change in the judgment of the brought-forward valuation allowance of $107.7 million.

(4) Current tax expense and deferred tax (benefit) in “Other” relates to the branches of Aspen UK and Aspen Bermuda Limited.

As noted above, the tax rate in Bermuda, the Company's country of domicile, is currently zero. Application of the statutory income tax rate for operations in other jurisdictions produces a differential to the expected income tax (benefit)/expense as shown in the table below. The reconciliation between the income tax (benefit) and the amount that would result from applying the statutory rate for the Company for the twelve months ended December 31, 2024, 2023 and 2022 is provided in the table below:

	Twelve Months Ended December 31,		
	2024	2023	2022
Income Tax Reconciliation		($ in millions)	
Income tax benefit at statutory tax rate of zero percent	$ —	$ —	$ —
Overseas statutory tax rates differential	88.1	56.3	16.8
Base erosion and anti-abuse tax (BEAT) expense	0.2	0.9	2.3
Prior year adjustments [(1)]	(5.9)	6.9	(2.9)
Introduction of Bermuda corporate income tax	2.2	(201.1)	—
Change in valuation allowance [(2)]	(106.6)	4.0	(98.9)
Impact of unrecognized tax benefits [(3)]	—	—	—
Australian non-resident withholding tax	—	—	1.5
Foreign exchange	0.6	(1.3)	(0.3)
Non-deductible expenses	0.3	2.5	2.4
Tax effect of OCI in income statement	—	—	6.7
Impact of changes in statutory tax rates	(0.9)	(0.3)	(5.7)
Total income tax (benefit)	$ (22.0)	$ (132.1)	$ (78.1)

(1) The submission dates for filing income tax returns for the Company's U.S. and U.K. operating subsidiaries are after the submission date of these consolidated financial statements. Accordingly, the final tax liabilities may differ from the estimated income tax expense included in these consolidated financial statements and may result in prior year adjustments being reported. The prior period adjustments for the twelve months ended December 31, 2024 predominantly relate to the determination of the results of the U.K. operating subsidiaries and its branches. The prior period adjustments for the twelve months ended December 31, 2023 and 2022 predominantly relate to the determination of results in the U.K.

(2) The decrease in valuation allowance in 2024 related to a change in judgment about the recoverability of deferred tax assets in Aspen UK.

The decrease in valuation allowance in 2022 related to a change in judgment about the recoverability of deferred tax assets in the U.S. operating subsidiaries.

(3) In 2024, the Company did not have any unrecognized tax benefits.

Income tax returns that have been filed by the Company's U.S. Operating Subsidiaries are subject to examination for 2021 and later tax years. The Company's U.K. operating subsidiaries' income tax returns are potentially subject to examination for 2023 and later tax years as these periods are considered "open" by the U.K. Tax Authority. The Company accrues interest and penalties related to an underpayment of income taxes, if applicable, as income tax expenses. The Company does not believe it will be subject to any penalties in any open tax years.

The tax effects of temporary differences and carryforwards that give rise to deferred tax assets and deferred tax liabilities are presented in the following table as at December 31, 2024 and 2023:

	As at December 31,	
	2024	2023
	($ in millions)	
Deferred tax assets:		
Operating loss carryforwards	$ 181.1	$ 217.2
Capital loss carryforwards	17.8	9.7
Insurance reserves: Losses and loss adjustment expenses	111.2	104.1
Unrealized losses on investments	7.4	8.9
Accrued expenses	11.3	13.4
Foreign tax credit carryforwards	22.0	19.0
Insurance reserves: Unearned premiums	34.5	35.0
Intangible assets	82.7	82.9
Office properties and equipment	14.7	16.5
Operating lease liabilities	15.0	15.6
Other temporary differences	8.1	7.6
Total deferred tax assets	$ 505.8	$ 529.9
Less valuation allowance	(64.0)	(172.7)
Deferred tax assets, net of valuation allowance	$ 441.8	$ 357.2
Deferred tax liabilities:		
Intangible assets	$ (0.2)	$ —
Deferred acquisition costs	(31.0)	(32.4)
Right-of-use operating lease assets	(10.4)	(10.4)
Insurance reserves: Losses and loss adjustment expenses	—	(0.1)
Other temporary differences	(3.4)	(3.3)
Total deferred tax (liabilities)	$ (45.0)	$ (46.2)
Net deferred tax assets	$ 396.8	$ 311.0

Deferred tax liabilities and assets represent the tax effect of carryforwards and temporary differences between the value of assets and liabilities for financial statement purposes and such values as measured by U.K., U.S., Bermuda and other tax laws and regulations.

In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences and carry forwards become deductible or creditable. Management considers the scheduled reversal of existing taxable temporary differences, carryback availability, projected future taxable income, and tax-planning strategies in making this assessment.

As at December 31, 2024, the Company has net operating losses carryforwards for U.S. federal income tax purposes of $324.8 million (2023 — $354.9 million), of which $247.2 million relates to the U.S. operating subsidiaries and $77.6 million to Aspen UK's U.S. branch. The Company also has net operating losses carryforwards for U.K. corporate tax purposes of $249.5 million (2023 — $248.1 million), deferred syndicate losses of $29.3 million (2023 — $64.5 million profits), and losses in other jurisdictions of $86.1 million (2023 — $97.8 million losses).

The $324.8 million that are available to offset future U.S. federal taxable income will expire between 2032 and 2041. The amount of pre-merger net operating losses carryforwards that can be used each year is limited by section 382 to $6.5 million per year for Aspen UK's U.S. branch, and $20.8 million per year for the next 15 years for the U.S. operating subsidiaries.

The net operating losses in the U.K. and other jurisdictions are available to offset future corporate income in those jurisdictions over an indefinite period.

For U.S. federal income tax purposes, the Company has capital loss carryforwards of $84.7 million, of which $51.6 million relates to the U.S. operating subsidiaries and $33.1 million to Aspen UK's branch, expiring between 2026 and 2028.

For U.K. corporate tax purposes, the Company has foreign tax credit carryforwards of $22.0 million (2023 — $19.0 million) which are available to offset future U.K. corporate tax arising on the same foreign source of income over an indefinite period.

A valuation allowance of $22.9 million (2023 — $24.5 million) on U.S. deferred tax assets (which includes these loss carryforwards) has been recognized at December 31, 2024 relating to Aspen UK's U.S. branch.

A valuation allowance of $26.1 million (2023 — $131.0 million) has been established against U.K. deferred tax assets.

The U.K., U.S. and other jurisdictions valuation allowance combined total is $64.0 million (2023 — $172.7 million).

2. Capital Structure

The following table provides a summary of the Company's authorized and issued share capital as at December 31, 2024 and 2023:

	As at December 31, 2024		As at December 31, 2023	
	Number	$ in Thousands	Number	$ in Thousands
Authorized share capital:				
Ordinary Shares $0.01 per share (2023 — $0.01 per share)	750,000,000	$ 7,500	70,000,000	$ 700
Preference Shares $0.0015144558 per share	150,000,000	227	30,000,000	45
Total authorized share capital		$ 7,727		$ 745
Issued share capital:				
Issued ordinary shares $0.01 par value per share (2023 — $0.01 par value per share)	60,395,839	$ 604	60,395,839	$ 604
Issued 5.950% preference shares of $0.0015144558 par value per share each with a liquidation preference of $25 per preference share	11,000,000	17	11,000,000	17
Issued 5.625% preference shares of $0.0015144558 par value per share each with a liquidation preference of $25 per preference share	10,000,000	15	10,000,000	15
Issued 5.625% preference shares of $0.0015144558 par value per share represented by depositary shares, each with a liquidation preference of $25,000 per preference share [(1)]	10,000	—	10,000	—
Issued 7.000% preference shares of $0.0015144558 par value per share represented by depositary shares, each with a liquidation preference of $25,000 per preference share [(2)]	9,000	—	—	—
Total issued share capital		$ 636		$ 636

(1) Each depositary share represents a 1/1000th interest in a share of the 5.625% preference shares.

(2) Each depositary share represents a 1/1000th interest in a share of the 7.000% preference shares.

(a) Ordinary Shares

Issued Ordinary Shares. The Company's issued ordinary shares of par value $0.01 at both December 31, 2024 and 2023 was 60,395,839. The Company did not issue any ordinary shares for the twelve months ended December 31, 2024.

(b) Preference Shares

Preference Shares Issuance. On May 2, 2013, the Company issued 11,000,000 5.950% Fixed-to-Floating Rate Perpetual Non-Cumulative Preference Shares, with a liquidation preference of $25 per share (the "AHL PRC Shares"). Net proceeds were $270.6 million, consisting of $275.0 million of total liquidation preference less $4.4 million of issuance expenses. See further information below under "AHL PRC Shares Redemption."

On September 20, 2016, the Company issued 10,000,000 shares of 5.625% Perpetual Non-Cumulative Preference Shares (the "AHL PRD Shares"). The 2016 Preference Shares have a liquidation preference of $25 per share. Net proceeds were $241.3 million, consisting of $250.0 million of total liquidation preference less $8.7 million of issuance expenses. The AHL PRD Shares are listed on the NYSE under the symbol "AHL PRD."

On August 13, 2019, the Company issued 10,000,000 depositary shares, each of which represents 1/1000th interest in a share of the newly designated 5.625% Perpetual Non-Cumulative Preference Shares. The depositary shares have a liquidation preference of $25 per share. Net proceeds were $241.6 million, comprising $250.0 million of total liquidation preference less $8.4 million of issuance expenses. The depositary shares are listed on the NYSE under the symbol "AHL PRE."

On November 26, 2024, the Company issued 9,000,000 depositary shares, each of which represents 1/1000th interest in a share of the newly designated 7.000% Perpetual Non-Cumulative Preference Shares. The depositary shares have a liquidation preference of $25 per share. Net proceeds were $217.0 million, comprising $225.0 million of total liquidation preference less $8.0 million of issuance expenses. The depositary shares are listed on the NYSE under the symbol "AHL PRF."

AHL PRC Shares Redemption. On November 29, 2024, the Company issued a notice of redemption in connection with all of its issued and outstanding AHL PRC Shares. The redemption took place on January 1, 2025, to be paid on January 2, 2025, and was conducted pursuant to the terms of the certificate of designation, dated May 2, 2013, governing the AHL PRC Shares. Each holder of an AHL PRC Share received $25 per preference share, representing an aggregate amount of $275.0 million. Since the redemption date is also a dividend payment date, the redemption price does not include any declared and unpaid dividends.

3. Earnings Per Ordinary Share

In December 2023, the Company filed a registration statement with the SEC relating to a proposed Initial Public Offering of our ordinary shares. As a result of that filing, and in accordance with the accounting guidance of ASC Topic 260, *"Earnings Per Share"*, the Company has presented the following disclosure on earnings per ordinary share. This disclosure was new for the fiscal year ended December 31, 2023.

Basic and diluted earnings per ordinary share are calculated by dividing net income available to holders of Aspen Insurance Holdings Limited's ordinary shares by the weighted average number of ordinary shares outstanding. The following table presents the computation of basic and diluted earnings per ordinary share for the twelve months ended December 31, 2024, 2023 and 2022.

	Twelve Months Ended December 31,		
	2024	2023	2022
	($ in millions, except share and per share amounts)		
Net income	$ 486.1	$ 534.7	$ 51.1
Less: Preference share dividends	(54.9)	(49.9)	(44.6)
Net income available to Aspen Insurance Holdings Limited's ordinary shareholders	$ 431.2	$ 484.8	$ 6.5
Basic and diluted weighted average ordinary shares outstanding	60,395,839	60,395,839	60,395,839
Basic and diluted earnings per ordinary share	$ 7.14	$ 8.03	$ 0.11

4. Statutory Requirements and Dividends Restrictions

As a holding company, the Company relies on dividends and other distributions from its Operating Subsidiaries to provide cash flow to meet ongoing cash requirements, including any future debt service payments and other expenses, and to pay dividends, if any, to our preference and ordinary shareholders. The Company must comply with the provisions of the Bermuda Companies Act 1981, as amended, (the "Companies Act") regulating the payment of dividends and distributions.

The ability of the Company's Operating Subsidiaries to pay the Company dividends or other distributions is subject to the laws and regulations applicable to each jurisdiction, as well as the Operating Subsidiaries' need to maintain capital requirements adequate to maintain their insurance and reinsurance operations and their financial strength ratings issued by independent rating agencies.

The company law of England and Wales prohibits Aspen UK, AMAL or AUL from declaring a dividend to its shareholders unless it has "profits available for distribution". The determination of whether a company has profits available for distribution is based on its accumulated realized profits and other distributable reserves less its accumulated realized losses. While the U.K. insurance regulatory laws impose no statutory restrictions on a general insurer's ability to declare a dividend, the rules of the Prudential Regulation Authority (the "PRA") require each insurance company within its jurisdiction to maintain its solvency margin at all times. Accordingly, Aspen UK, AMAL and AUL may not pay a dividend if the payment of such dividend would result in their SCR coverage ratio falling below certain levels. In addition, any future changes regarding regulatory requirements, including those described above, may restrict the ability of Aspen UK, AMAL and AUL to pay dividends in the future. As at December 31, 2024, Aspen UK had an accumulated balance of retained losses of approximately $690 million and AUL had an accumulated balance of retained losses of approximately $31 million. Aspen UK held a capital contribution reserve of $879.9 million as at December 31, 2024 which, under certain circumstances, could be distributable.

Aspen Bermuda must comply with the provisions of the Companies Act and the Insurance Act regulating the payment of dividends and distributions. Aspen Bermuda may not in any financial year pay dividends which would exceed 25% of its total statutory capital and surplus, as shown on its statutory balance sheet in relation to the previous financial year, unless it files with the BMA a solvency affidavit at least seven days in advance of payment. As at December 31, 2024, 25% of Aspen Bermuda's statutory capital and surplus amounted to $322.9 million. Aspen Bermuda must also obtain the prior approval of the BMA before reducing its total statutory capital as set out in its previous year's financial statements by 15% or more.

Aspen Specialty and AAIC are subject to North Dakota and Texas law, respectively. Under such law, the maximum ordinary dividend which can be paid by insurance companies without prior regulatory approval is subject to statutory restrictions. Ordinary dividends may only be paid out of earned surplus as distinguished from contributed surplus. The maximum amount of ordinary dividend that can be paid without prior regulatory approval is the greater of 10% of a company's surplus as of December 31 of the preceding year, or the amount of net income from the preceding fiscal year.

Actual and required statutory capital and surplus for the principal Operating Subsidiaries of the Company, excluding its Lloyd's syndicate, as at December 31, 2024 and December 31, 2023 were estimated as follows:

	As at December 31, 2024		
	U.S.	Bermuda	U.K.
	($ in millions)		
Required statutory capital and surplus	$ 565.7	$ 579.3	$ 277.3
Actual statutory capital and surplus	$ 1,164.9	$ 1,761.3	$ 651.0

	As at December 31, 2023		
	U.S.	Bermuda	U.K.
	($ in millions)		
Required statutory capital and surplus	$ 488.9	$ 601.1	$ 257.2
Actual statutory capital and surplus	$ 1,063.1	$ 1,685.2	$ 734.7

As the sole corporate member of our Lloyd's Syndicate, AUL was required to hold capital at Lloyd's of $964.6 million as at December 31, 2024, adjusting funding to meet this level on an annual basis in the following Q2 and not holding less than 90% of this amount at any time. As at December 31, 2024, AUL had capital at Lloyd's of $1,016.7 million of which $465.2 million was provided as Funds at Lloyd's by Aspen Bermuda.

The Bermuda Monetary Authority is the group supervisor of the Company. The laws and regulations of Bermuda require that the Company maintain a minimum amount of group statutory capital and surplus based on the enhanced capital requirement using the group standardized risk-based capital model of the Bermuda Monetary Authority. The Company is also subject to an early-warning level based on 120% of the enhanced capital requirement which may trigger additional reporting requirements or other enhanced oversight. The statutory capital requirements of the Company's Operating Subsidiaries are set out above. To the extent that these requirements are met, the Company do not anticipate any dividend restrictions arising as a result of the Company's enhanced capital requirement.

5. Dividends

In the twelve months ended December 31, 2024, the Company's Board of Directors paid the following preference share dividends:

Calendar Quarter	Preference Share Category [1]			Quarterly Total	Declared	Paid
	5.950% PS	5.625% PS	5.625% DS			
Q1 2024	$ 6,595,600	$ 3,516,000	$ 3,515,600	$ 13,627,200	03/01/24	04/01/24
Q2 2024	$ 6,669,300	$ 3,516,000	$ 3,515,600	$ 13,700,900	05/30/24	07/01/24
Q3 2024	$ 6,741,900	$ 3,516,000	$ 3,515,600	$ 13,773,500	08/30/24	10/01/24
Q4 2024	$ 6,815,600	$ 3,516,000	$ 3,515,600	$ 13,847,200	11/29/24	12/30/24
Total Paid	$ 26,822,400	$ 14,064,000	$ 14,062,400	$ 54,948,800		
Per Share	$ 2.44	$ 1.41	$ 1,406.24			

(1) 5.950% Preference Shares (AHL PRC) — Fixed to Floating Rate Perpetual Non-Cumulative Preference Shares.

5.625% Preference Shares (AHL PRD) — Perpetual Non-Cumulative Preference Shares.

5.625% Preference Shares (AHL PRE) are represented by depositary shares, each representing a 1/1000th interest in a share of the 5.625% Preference Shares. The dividend paid per depositary share is likewise 1/1000th of the declared dividend, equivalent to $1.40624 per depositary share.

In the twelve months ended December 31, 2024, the Company paid an ordinary shares dividend of $3.23 per share totalling $195.0 million to Highlands Bermuda Holdco, Ltd., the holder of all the Company's ordinary shares.

6. Retirement Plans

The Company operates defined contribution retirement plans for the majority of its employees at varying rates of their salaries. Total contributions by the Company to the retirement plans were $16.9 million in the twelve months ended December 31, 2024 (2023 — $14.5 million, 2022 — $12.5 million).

7. Share-Based Payments and Long-Term Incentive Plan

In 2019, the Company implemented a new long-term incentive scheme, under which annual awards are split equally between Performance Units and Exit Units. Performance units vest after two years subject to the Company achieving certain thresholds of operating income over a two year period. Exit Units vest upon change of control (sale or IPO) and achieving predetermined multiples of invested capital return targets. Both Performance Units and Exit Units are cash-based awards.

During 2024, the Company amended the long-term incentive scheme, whereby the Exit Units were replaced by annual cash-based Retention Awards on a prospective basis. The Retention Awards vest over a twelve-month period subject to the recipient continuing to remain an employee of Aspen.

The Company's total share-based compensation/long-term incentive plan expense for the twelve months ended December 31, 2024 was $14.6 million (December 31, 2023 — $5.5 million), which is related to a charge of $9.8 million (December 31, 2023 — $5.5 million) in relation to Performance Units and $4.8 million in relation to Retention Units. The income tax effect of this is not considered to be material. As at December 31, 2024, the Company had recorded a payable of $20.0 million (December 31, 2023 — $7.6 million) related to the long-term incentive plan, which is included within accrued expenses and other payables in the consolidated balance sheet.

Management Equity Plan

During 2023, selected senior employees were granted Management Equity Plan ("MEP") stock options to acquire non-voting shares at a management equity vehicle affiliated with the Company at no cost to the employee. The stock options vest at the later of (a) certification of the attainment of the underlying operating income goal and (b) the exit or liquidity event, with vesting subject to an exit or liquidity event occurring, a two-year cumulative operating income hurdle being achieved over the cumulative two years ending December 31, 2024, and certain other contractual terms being achieved. The weighted average exercise price of the options is $0.001 and the total number of options granted was 10,000. All of the options were granted in 2023, none vested in 2023 or 2024. During 2024, 900 options were forfeited, leaving an outstanding balance as of December 31, 2024 totalling 9,100.

As of December 31, 2024, no cost has been recognized in relation to the MEP awards as management has determined that it is improbable that the exit or liquidity event will occur. The fair value of the stock options was based on an estimate of the cumulative operating income for the two year period ended December 31, 2024, which included actual results for the year ended December 31, 2024, and an estimate of the exit value using market multiples. The total cost of MEP has been determined based on the estimated fair value as of the original grant date. In the event of an exit or liquidity event, and based upon the aforementioned performance conditions being met at a future date, the cost will be recognized. If management had determined that the performance conditions were probable of achievement as of December 31, 2024, the Company would have recognized an estimated $35.0 million of cumulative stock-based compensation expense as of that date and would have $Nil of unrecognized compensation expense. The fair value of these options as of December 31, 2024 totalled $41.3 million.

8. Intangible Assets and Goodwill

Aspen's intangible assets relate to trademarks and licenses to trade in the U.S. and U.K. For the twelve months ended December 31, 2024 and December 31, 2023, the Company had intangible assets and goodwill totaling $19.9 million and $21.7 million, respectively.

The "Aspen" trademark, valued at $1.1 million, $16.7 million of insurance licenses and $2.1 million of goodwill are considered to have an indefinite life and are tested annually for impairment or when events or changes in circumstances indicate that these assets might be impaired.

During the year ended December 31, 2024, the Company sold its investment in Digital Re for no consideration. As a result, the associated goodwill of $1.8 million was fully written off.

For the year ended December 31, 2024, the Company performed its annual qualitative assessment and determined that it was more likely than not that the remaining intangible assets and goodwill are not impaired.

9. Operating Leases

As at December 31, 2024, the Company has recognized right-of-use operating lease assets of $53.5 million, net of impairment and operating lease liabilities of $75.6 million. Right-of-use operating lease assets comprise primarily of leased office real estate globally and other assets. For all office real estate leases, rent incentives, including reduced-rent and rent-free periods and contractually agreed rent increases during the lease term, have been included when determining the present value of future cash flows.

As part of the Company's operating effectiveness and efficiency program, the Company has consolidated its office space. Where negotiations are either in advanced stages of discussion and it is probable that the sub-lease transactions will be completed, or the Company has agreed terms to sub-lease our office space, the Company has assessed the right-of-use lease assets for impairment. During the twelve months ended December 31, 2024, no impairment has been recognized on the right-of-use lease asset (2023 — $Nil).

The Company has no lease transactions between related parties.

Operating lease charge. The following table summarizes the operating lease charge for the twelve months ended December 31, 2024, 2023 and 2022:

	For the Twelve Months Ended		
	December 31, 2024	December 31, 2023	December 31, 2022
	($ in millions)		
Amortization charge on right-of-use operating leased assets	$ 9.9	$ 10.7	$ 10.1
Interest on operating lease liabilities	4.1	4.5	5.4
Operating lease charge	$ 14.0	$ 15.2	$ 15.5

Lease Liabilities. The following table summarizes the maturity of lease liabilities under non-cancellable leases as of December 31, 2024 and 2023:

	December 31, 2024	December 31, 2023
	($ in millions)	
Operating leases — maturities		
2024	$ —	$ 15.4
2025	15.4	15.1
2026	14.6	14.3
2027	13.2	12.8
2028	13.0	12.7
2029	10.9	11.2
Later years	21.5	21.2
Total minimum lease payments	$ 88.6	$ 102.7
Less imputed interest	(13.0)	(16.6)
Total lease liabilities	$ 75.6	$ 86.1

Other lease information. The following table summarizes the cash flows on operating leases for the twelve months ended December 31, 2024, 2023 and 2022 and other supplemental information:

	For the Twelve Months Ended		
	December 31, 2024	December 31, 2023	December 31, 2022
		($ in millions)	
Cash paid for amounts included in the measurement of lease liabilities			
- Operating cash outflow from operating leases	$ (15.9)	$ (15.5)	$ (15.5)
Right-of-use assets obtained in exchange for lease obligations			
- Operating leases	$ 2.1	$ 0.2	$ 1.9
Reduction to Right-of-use assets resulting from reductions to lease obligations			
- Operating leases	$ 0.3	$ 0.1	$ 7.0
Weighted Averages			
- Operating leases, remaining lease terms (years)	6.4	7.3	8.1
- Operating leases, average discount rate	5.1 %	5.0 %	5.0 %

0. Related Party Transactions

Apollo's indirect subsidiary, Apollo Asset Management Europe PC LLP ("AAME"), serves as the investment manager for the Company and certain of the Company's subsidiaries, and Apollo's indirect subsidiary, Apollo Management Holdings, L.P. ("AMH"), provides the Company with management consulting services and advisory services. With effect from January 1, 2025, the rights and obligations of AAME were novated to an affiliate of AAME, Apollo Asset Management Europe LLP.

Additionally, certain employees of Apollo and its affiliates serve on the Board.

A description of relationships and transactions that have existed or that the Company and certain of the Company's subsidiaries has entered into with Apollo and its affiliates are described below.

Investment Management Relationships

AAME provides centralized asset management investment advisory and risk services for the portfolio of the Company's investments and investments of such subsidiaries pursuant to the investment management agreements ("IMAs") that have been entered into with AAME.

In addition, pursuant to the IMAs, AAME may engage sub-advisors or delegates to provide certain of the investment advisory and management services to the Company's subsidiaries. Such sub-advisors may include affiliates of AAME.

Under each of the IMAs, AAME will be paid an annual investment management fee (the "Management Fee") which will be based on a cost-plus structure. The "cost" is comprised of the direct and indirect fees, costs, expenses and other liabilities arising in or otherwise connected with the services provided under the IMAs. The "plus" component will be a mark-up in an amount of up to 25% determined based on an applicable transfer pricing study. The Management Fee will be subject to certain maximum threshold levels, including an annual fee cap of 15 bps of the total amount of investable assets. Affiliated sub-advisors, including Apollo Management International LLP, will also earn additional fees for sub-advisory services rendered.

During the year ended December 31, 2024, the Company recognized IMA fees of $9.2 million (2023 — $9.4 million; 2022 — $4.9 million), of which $4.0 million (2023 — $2.1 million) remains payable to AAME at year end.

Management Consulting Agreement

As previously disclosed, the Company entered into a Management Consulting Agreement, dated March 28, 2019 (the "Management Consulting Agreement"), with AMH. Pursuant to the Management Consulting Agreement, AMH will provide the Company management consulting and advisory services related to the business and affairs of the Company and its subsidiaries. The Company will pay AMH in consideration for its services under the Management Consulting Agreement, an annual management consulting fee equal to the greater of (i) 1% of the consolidated net income of the Company and its subsidiaries for the applicable fiscal year, or (ii) $5 million.

During the year ended December 31, 2024, the Company recognized Management Consulting fees of $5.0 million (2023 — $5.0 million; 2022 — $5.0 million), of which $1.3 million remains payable to AMH at year end (2023 — $1.2 million).

Related Party Investments

During the year, the Company bought or held the following securities or investments in Apollo:

As at December 31, 2024, the Company's investment in Funds managed by Apollo had a fair value of $78.6 million (2023 — $39.8 million). During the twelve months ended December 31, 2024, the Company incurred income of $0.4 million (2023 — losses of $0.4 million; 2022 — income of $3.1 million) which is included in net investment income on the consolidated statement of operations and other comprehensive income. These investments are included in other investments on the consolidated balance sheet.

As at December 31, 2024, the Company's investment in Notes issued by special purpose vehicles established and managed by subsidiaries of Apollo had a fair value of $66.6 million (2023 — $82.2 million). During the twelve months ended December 31, 2024, the Company recognized income of $5.5 million (2023 — income of $5.5 million; 2022 — losses of $0.4 million) which is included in the consolidated statement of operations and other comprehensive income. These investments are included in privately-held investments on the consolidated balance sheet.

As at December 31, 2024, the Company's investments in Collateralized Loan Obligations issued by special purpose vehicles established and managed by subsidiaries of Apollo had a fair value of $88.9 million (2023 — $129.8 million). During the twelve months ended December 31, 2024, the Company recognized income on these investments of $11.3 million (2023 — income of $17.4 million; 2022 —$Nil) which is included in the consolidated statement of operations and other comprehensive income. Of these investments, $74.9 million are included in fixed income securities, trading, and $14.0 million are included in fixed income securities, available for sale on the consolidated balance sheet.

As at December 31, 2024, the Company's investments in Middle Market Loans originated and managed by a subsidiary of Apollo had a fair value of $7.0 million (2023 — $45.1 million). During the twelve months ended December 31, 2024, the Company recognized income of $0.5 million (2023 — income of $5.8 million; 2022 — $Nil) which is included in the consolidated statement of operations and other comprehensive income. The Middle Market Loans are included in privately-held investments on the consolidated balance sheet.

Other Payables to Related Parties

As at year end December 31, 2024, the Company had an intercompany payable balance of $1.2 million (2023 — $1.2 million), due to its parent, Highlands Bermuda Holdco, Ltd.

1. Commitments and Contingent Liabilities

(a) Restricted assets

The Company's subsidiaries are obliged by the terms of its contractual obligations to U.S. policyholders and by obligations to certain regulatory authorities to facilitate issue of letters of credit or maintain certain balances in trust funds for the benefit of policyholders.

The following table details the forms and values of the Company's material restricted assets as at December 31, 2024 and 2023:

	As at December 31, 2024	As at December 31, 2023
	($ in millions, except for percentages)	
Regulatory trusts and deposits:		
Affiliated transactions	$ 433.4	$ 660.8
Third party	2,713.5	2,714.4
Letters of credit / guarantees [1]	153.2	172.0
Total restricted assets (excluding illiquid assets)	$ 3,300.1	$ 3,547.2
Other investments — illiquid assets	267.2	209.3
Total restricted assets and illiquid assets	$ 3,567.3	$ 3,756.5
Total as percentage of cash and invested assets [2]	46.4 %	50.2 %

(1) As at December 31, 2024, the Company had pledged funds of $153.2 million (December 31, 2023 — $172.0 million) as collateral for the secured letters of credit.

(2) Investable assets comprise total investments, cash and cash equivalents, accrued interest, receivables for securities sold and payables for securities purchased.

Investment Funds. We invest in investment funds which, as is typical for this type of investment, have lock-up periods. A lock-up period is the initial amount of time an investor is contractually required to remain invested before having the ability to redeem. As at December 31, 2024, the lock-up periods across these funds range from one quarter to several years. Thereafter these funds could also be redeemed on a pro-rata basis depending on the liquidity position of the fund. There are no assurances as to when the Company may be able to withdraw, in whole or in part, its redemption request from the fund.

Letters of Credit. The Company's current arrangements with our bankers for the issue of letters of credit require us to provide collateral in the form of cash and investments for the full amount of all secured and undrawn letters of credit that are outstanding. We monitor the proportion of our otherwise liquid assets that are committed to trust funds or to the collateralization of letters of credit. As at December 31, 2024 and 2023, these funds amounted to approximately 46.4% of the $7.7 billion and approximately 50.2% of the $7.5 billion of investable assets held by the Company, respectively. We do not consider that this unduly restricts our liquidity at this time. For more information on our credit facilities and long-term debt arrangements, refer to Note 24, "Credit Facilities and Long-term Debt" of these consolidated financial statements.

Funds at Lloyd's. AUL operates at Lloyd's as the corporate member for Syndicate 4711. AUL also participates in underwriting activities of Carbon Syndicate 4747. Lloyd's determines required regulatory capital by considering the underwriting activities that AUL participates in. Such capital, called Funds at Lloyd's, consists of investable assets as at December 31, 2024 in the amount of $471.9 million (2023 — $517.4 million).

The amounts provided as Funds at Lloyd's will be drawn upon and become a liability of the Company in the event of Syndicate 4711 declaring a loss at a level that cannot be funded from other resources, or if Syndicate 4711 requires funds to cover a short-term liquidity gap. The amount which the Company provides as Funds at Lloyd's is not available for distribution to the Company for the payment of dividends. Aspen Managing Agency Limited, the managing agent to Syndicate 4711, is also required by Lloyd's to maintain a minimum level of capital which as at December 31, 2024 was £0.4 million (December 31, 2023 — £0.5 million). This is not available for distribution by the Company for the payment of dividends.

U.S. Reinsurance Trust Fund. For its U.S. reinsurance activities, Aspen UK has established and must retain a multi-beneficiary U.S. trust fund for the benefit of its U.S. cedants so that they may take financial statement credit without the need to post cedant-specific security. The minimum trust fund amount is $20.0 million plus an amount equal to 100% of Aspen UK's U.S. reinsurance liabilities, which were $648.8 million as at December 31, 2024 and $823.5 million as at December 31, 2023. As at December 31, 2024, the balance (including applicable letter of credit facilities) held in the trust was $1,001.5 million (2023 — $1,016.9 million).

Aspen Bermuda has also established and must retain a multi-beneficiary U.S. trust fund for the benefit of its U.S. cedants so that they may take financial statement credit without the need to post cedant-specific security. The minimum trust fund amount is $20.0 million plus an amount equal to 100% of Aspen Bermuda's liabilities to its U.S. cedants which was $182.3 million and $320.6 million as at December 31, 2024 and 2023, respectively. As at December 31, 2024, the balance held in the U.S. trust fund and other Aspen Bermuda trusts was $334.0 million (2023 — $394.7 million).

U.S. Surplus Lines Trust Fund. Aspen UK and Syndicate 4711 have also established a U.S. surplus lines trust fund with a U.S. bank to secure liabilities under U.S. surplus lines policies. The balance held in trust as at December 31, 2024 was $150.2 million (2023 — $126.6 million).

U.S. Regulatory Deposits. As at December 31, 2024, Aspen Specialty had a total of $6.9 million (2023 — $6.8 million) on deposit with six U.S. states in order to satisfy state regulations for writing business in those states. AAIC had a further $6.5 million (2023 — $6.4 million) on deposit with twelve U.S. states.

Canadian Trust Fund. Aspen UK has established a Canadian trust fund with a Canadian bank to secure a Canadian insurance license. As at December 31, 2024, the balance held in trust was CAD$219.8 million ($162.7 million) (2023 — CAD$228.4 million).

Australian Trust Fund. Aspen UK has established an Australian trust fund with an Australian bank to secure policyholder liabilities and as a condition for maintaining an Australian insurance license. As at December 31, 2024, the balance held in trust was AUD$78.1 million ($54.1 million) (2023 — AUD$131.0 million).

Swiss Trust Fund. Aspen UK has established a Swiss trust fund with a Swiss bank to secure policyholder liabilities and as a condition for maintaining a Swiss insurance license. As at December 31, 2024, the balance held in trust was CHF4.8 million ($5.7 million) (2023 — CHF9.9 million).

Singapore Fund. Aspen UK and Aspen Bermuda have established segregated Singaporean bank accounts to secure policyholder liabilities and as a condition for maintaining a Singaporean insurance license and meet local solvency requirements. As at December 31, 2024, the total balance in the accounts was SGD$201.7 million ($157.3 million) (2023 — SGD$192.1 million).

(b) Contingent liabilities

In common with the rest of the insurance and reinsurance industry, the Company is also subject to litigation and arbitration in the ordinary course of business. The Company's Operating Subsidiaries are regularly engaged in the investigation, conduct and defense of disputes, or potential disputes, resulting from questions of insurance or reinsurance coverage or claims activities. Pursuant to insurance and reinsurance arrangements, many of these disputes are resolved by arbitration or other forms of alternative dispute resolution. Such legal proceedings are considered in connection with estimating the Company's Reserve for Losses and Loss Adjustment Expenses, as provided on the Company's consolidated balance sheet.

In some jurisdictions, noticeably the U.S., a failure to deal with such disputes or potential disputes in an appropriate manner could result in an award of "bad faith" punitive damages against the Company's Operating Subsidiaries. In accordance with ASC 450-20-50-3, for (a) reasonably possible losses for which no accrual is made because any of the conditions for accrual in ASC 450-20-25-2 are not met and (b) reasonably possible losses in excess of the amounts accrued pursuant to ASC 450-20-30-1, the Company will provide an estimate of the possible loss or range of possible loss or state that such an estimate cannot be made.

As at December 31, 2024, based on available information the probability of the ultimate resolution of pending or threatened litigation or arbitrations having a material effect on the Company's financial condition, results of operations or liquidity is remote.

2. Concentrations of Credit Risk

The Company is potentially exposed to concentrations of credit risk in respect of amounts recoverable from reinsurers, investments and cash and cash equivalents, and insurance and reinsurance balances owed by the brokers with whom the Company transacts business.

The Company defines credit risk tolerances in line with the risk appetite set by our Board and they, together with the Group's risk management function, monitor exposures to individual counterparties. Any exceptions are reported to senior management and the Risk Committee of the Board of Directors.

Reinsurance recoverables

At December 31, 2024, the total amount recoverable by the Company from reinsurers was $4,172.0 million (December 31, 2023 — $4,577.8 million). Of the Company's reinsurance recoverable balance at December 31, 2024, 55.9% is collateralized by our reinsurers, 44.0% is recoverable from reinsurers rated A- or higher by major rating agencies and 0.1% is recoverable from reinsurers rated lower than A- by major rating agencies (December 31, 2023 — 56.8%, 42.9% and 0.3%, respectively). As at December 31, 2024, the Company's largest uncollateralized exposures to individual reinsurers represent 15.4% (December 31, 2023 — 15.9%), 11.5% (December 31, 2023 — 11.1%), and 8.8% (December 31, 2023 — 9.2%) of the uncollateralized reinsurance recoverables.

Under the current expected credit loss model ("CECL"), the Company recognized a provision against reinsurance recoverables of $27.5 million as at December 31, 2024 (December 31, 2023 — $3.7 million). For the twelve months ended December 31, 2024, there was a $23.8 million increase in the CECL allowance on reinsurance recoverables.

Underwriting premium receivables

The total underwriting premium receivable by the Company as at December 31, 2024 was $1,617.0 million (2023 — $1,435.3 million). As at December 31, 2024, $111.1 million of the total underwriting premium receivable balance has been due for settlement for more than one year. The Company assesses the recoverability of premium receivables through a review of policies and the concentration of receivables by broker. The Company has recognized an allowance for credit losses of $24.6 million as at December 31, 2024 (December 31, 2023 — $21.0 million) on underwriting premium receivables.

Investments and cash and cash equivalents

The Company's investment policies include specific provisions that limit the allowable holdings of a single issue and issuer. As at December 31, 2024, there were no investments in any single issuer, other than the U.S. government and the Canadian government in excess of 2% of the aggregate investment portfolio.

3. Reclassifications from Accumulated Other Comprehensive Income

The following table sets out the components of the Company's Accumulated Other Comprehensive Income ("AOCI") that are reclassified into the consolidated statement of operations for the twelve months ended December 31, 2024, 2023 and 2022:

	Amount Reclassified from AOCI			
Details about the AOCI Components	**Twelve Months Ended December 31, 2024**	**Twelve Months Ended December 31, 2023**	**Twelve Months Ended December 31, 2022**	**Affected Line Item in the Consolidated Statement of Operations**
		($ in millions)		
Available for sale:				
Realized (gains) on sale of securities	$ (3.2)	$ (2.2)	$ (3.9)	Realized and unrealized investment gains
Realized losses on sale of securities	62.6	42.4	58.9	Realized and unrealized investment losses
	59.4	40.2	55.0	Income from operations before income tax
Tax on net realized losses of securities	(11.5)	(6.6)	—	Income tax (expense)/benefit
	$ 47.9	$ 33.6	$ 55.0	Net income
Realized derivatives:				
Net realized losses/(gains) on settled derivatives	$ 0.9	$ (8.1)	$ 15.4	General, administrative and corporate expenses
Tax on settled derivatives	(0.2)	—	—	Income tax (expense)/benefit
	$ 0.7	$ (8.1)	$ 15.4	Net income
Total reclassifications from AOCI to the statement of operations, net of income tax	$ 48.6	$ 25.5	$ 70.4	Net income

4. Credit Facilities and Long-term Debt

In the normal course of its operations, the Company enters into agreements with financial institutions to obtain financing through secured and unsecured credit facilities. As at December 31, 2024, the Company had utilized or drawn on approximately $1.7 billion of capital under these facilities, with additional unutilized capacity available, notably approximately $774 million from the Credit Agreement (defined below) and our FHLBB (defined below) line of credit, with the significant facilities as follows:

Credit Facilities

On December 1, 2021, Aspen Holdings and certain of its direct or indirect subsidiaries (collectively, the "Borrowers") entered into a Third Amended and Restated Credit Agreement, as further amended from time to time (the "Credit Agreement") with various lenders and Barclays Bank plc, as administrative agent, which amends and restates the Amended and Restated Credit Agreement, dated as of June 12, 2013 and the Second Amended and Restated Credit Agreement, dated as of March 27, 2017, among Aspen Holdings, certain subsidiaries thereof, various lenders and Barclays Bank plc, as administrative agent. The Credit Agreement will be used by the Borrowers to finance the working capital needs of the Aspen Holdings and its subsidiaries, for letters of credit in connection with the insurance and reinsurance businesses of the Company and its subsidiaries and borrowings for other general corporate purposes. Initial availability under the Credit Agreement was $300.0 million and the Company has the right to request (subject to the terms and conditions of the Credit Agreement) an increase to the credit facility by up to $100.0 million. The Credit Agreement will expire on December 1, 2026.

As at December 31, 2024, there were no borrowings outstanding under the Credit Agreement. The fees and interest rates on the loans and the fees on the letters of credit payable by the Borrowers under the Credit Agreement are based upon the credit ratings for the Company's long-term unsecured senior, non-credit enhanced debt rating of the Company, as determined by S&P and Moody's. In addition, the fees for a letter of credit vary based upon whether the applicable Borrower has provided collateral (in the form of cash or qualifying debt securities) to secure its reimbursement obligations with respect to such letter of credit.

Under the Credit Agreement, the Company must not permit (a) consolidated tangible net worth as at the last day of each fiscal quarter of the Company to be less than the sum of (i) $2,019.6 million, (ii) 25% of consolidated net income during the period from January 1, 2021 to and including such last day of such fiscal quarter (if positive) and (iii) 25% of the aggregate net cash proceeds of all issuances by the Company of shares of its capital stock during the period from January 1, 2021 to and including such last day of such fiscal quarter, but excluding (x) any amount included in the Company's accumulated other comprehensive income or loss related to unrealized gains or losses on available for sale securities and (y) during the period from January 1, 2022, any amount included in net unrealized investment gains or losses, related to unrealized gains or losses on trading securities, (b) the ratio of its total consolidated debt to the sum of such debt plus our consolidated tangible net worth to exceed 35% as at the last day of any fiscal quarter of the Company or (c) any material insurance subsidiary to have a financial strength rating of less than "B++" from A.M. Best. The Credit Agreement contains other customary affirmative and negative covenants, including (subject to various exceptions) restrictions on the ability of the Company and its subsidiaries to incur indebtedness, create or permit liens on their assets, engage in mergers or consolidations, dispose of assets, pay dividends or other distributions, purchase or redeem the Company's equity securities, make investments and enter into transactions with affiliates. In addition, the Credit Agreement has customary events of default, including (subject to certain materiality thresholds and grace periods) payment default, failure to comply with covenants, material inaccuracy of representation or warranty, bankruptcy or insolvency proceedings, change of control and cross-default to other debt agreements.

Other Credit Facilities.

(i) On February 7, 2019, Aspen European Holdings Limited ("Aspen European") and Aspen Holdings (acting as guarantor of Aspen European) entered into a letter of credit facility for the purpose of obtaining a letter of credit in favor of Aspen UK for a sum not to exceed $100.0 million to provide approved regulatory capital for Aspen UK. A letter of credit was issued in favor of Aspen UK for a sum of $100.0 million. This facility was amended and restated with effect from February 7, 2023, pursuant to which the $100.0 million letter of credit was extended to February 11, 2027.

(ii) On October 31, 2024 AUL and Aspen Holdings (acting as guarantor of AUL), effected an amendment to a letter of credit facility agreement for the account of AUL, pursuant to which a syndicate of lenders issued several letters of credit in an aggregate amount of $430.0 million, for the benefit of Lloyd's, to support AUL's Funds at Lloyd's requirements in connection with the 2025 year of account at Lloyd's. This further amended the letter of credit facility agreement, dated November 3, 2020, entered into between AUL, Aspen Holdings (acting as guarantor of AUL) and various lenders, for the account of AUL, pursuant to which a lender provided a maximum aggregate amount of $235.0 million, to support AUL's Funds at Lloyd's requirements in connection with the 2021 year of account at Lloyd's, as amended on May 7, 2021, November 1, 2021, May 6, 2022, October 27, 2022, October 24, 2023 and April 29, 2024 in connection with the 2021, 2022 and 2023 underwriting years of account at Lloyd's, as applicable.

(iii) On October 31, 2024, AUL and Aspen Holdings (acting as guarantor of AUL) amended a Funds at Lloyd's Facility Agreement dated November 25, 2020, as amended on December 2, 2021, December 1, 2022, and as further amended on November 29, 2023, for the account of AUL. This facility provides that a maximum aggregate amount of up to £60.0 million of acceptable securities may be deposited with, and for the benefit of, Lloyd's on behalf of AUL to support AUL's Funds at Lloyd's requirements in connection with the 2025 year of account at Lloyd's.

(iv) On October 31, 2024, AUL and Aspen Holdings (acting as guarantor of AUL) entered into a Funds at Lloyd's Facility, for the account of AUL. This facility provides that a maximum aggregate amount of up to £25.0 million of acceptable securities may be deposited with, and for the benefit of, Lloyd's on behalf of AUL to support AUL's Funds at Lloyd's requirements in connection with the 2025 year of account at Lloyd's.

(v) On April 1, 2021, the Company's subsidiaries, AAIC and Aspen Specialty, each established a secured line of credit at Federal Home Loan Bank of Boston ("FHLBB"). Advances may be used to support general corporate purposes. The maximum amount available under these facilities will vary based on the borrower's net admitted assets or reserve assets (total invested assets) and the lender's underwriting criteria. Aspen Specialty's maximum borrowing capacity available from FHLBB upon initial application is 15% of net admitted assets or approximately $262 million, and is subject to North Dakota approval. Under Texas state insurance law, without the prior consent of the Texas Department of Insurance, the amount of assets AAIC may pledge to secure debt obligations is limited to 10% of its reserve assets, resulting in a maximum borrowing capacity for AAIC under its FHLBB facility of approximately $212 million. Neither AAIC nor Aspen Specialty expects to draw on these facilities in the near future.

(vi) On November 5, 2024, Aspen Holdings effected an amendment to a letter of credit facility dated November 5, 2021 to extend the term for another 3 years. The letter of credit issued under this facility is the for the benefit of Aspen Bermuda, as beneficiary, and has been applied towards the eligible capital of Aspen Bermuda, and classified as ancillary Tier 3 capital of such entity, in accordance with applicable Bermuda laws and regulations. The total commitment under the facility is $100.0 million. A letter of credit in the full amount of the available commitment has been issued to Aspen Holdings under this facility.

(vii) On December 29, 2021, Aspen Holdings entered into a committed letter of credit facility agreement. The letter of credit issued under this facility is for the benefit of Aspen Bermuda, as beneficiary, and has been applied towards the eligible capital of Aspen Bermuda, and classified as ancillary Tier 3 capital of such entity, in accordance with applicable Bermuda laws and regulations. The total commitment under the facility is $75.0 million. A letter of credit in the full amount of the available commitment has been issued to Aspen Holdings under this facility. In December 2024, the term of the letter of credit was extended for another 3 years.

(viii) On November 15, and 20, 2023, Aspen Bermuda and Aspen UK each signed a Global Master Repurchase Agreement with two selected banks to enable bilateral repurchase agreement to be entered, with cash and US Government Bonds as eligible collateral for the margin transfer. Advances may be used to support general corporate purposes. As of December 31, 2024, no active repurchase agreement has been entered with either of the banks.

The above credit facilities include certain restrictive covenants customary for facilities of this type, including restrictions on indebtedness, consolidated tangible net worth, and minimum financial strength ratings, with such financial covenants largely consistent with these set forth in the Credit Agreement. In addition, the agreements include default covenants, which could require the Company to fully secure the outstanding amounts thereunder and/or result in the Company not being allowed to issue any new letters of credit.

At December 31, 2024, no conditions of default existed under these facilities.

Debt Facilities

On July 26, 2023, the Company entered into a $300.0 million term loan facility, as amended from time to time, at a borrowing rate of Term Secured Overnight Financing Rate ("SOFR") plus an applicable margin, which will adjust depending on the form of the loan and long-term debt rating of Aspen Holdings, as determined by specified rating issuers from time to time. The Company drew down on the term loan on November 9, 2023 due November 9, 2026 (the "2026 Term Loan") and the proceeds were used to settle the 2023 Senior Notes. Subject to applicable law, the 2026 Term Loan will be the senior unsecured obligations of Aspen Holdings and will rank equally in right of payment with all of our other senior unsecured indebtedness from time to time outstanding. The Company has recorded the long-term debt at amortized cost in the consolidated balance sheet. Interest incurred on the long-term debt is included within interest expense in the consolidated statement of operations. The interest expense for the twelve months ended December 31, 2024 was $20.5 million (December 31, 2023 — $3.0 million).

The following table summarizes our contractual obligations under long-term debt as at December 31, 2024.

	Payments Due By Period				
Contractual Basis	**Less than 1 year**	**1-3 years**	**3-5 years**	**More than 5 years**	**Total**
			($ in millions)		
Long-term Debt Obligations	$ —	$ 300.0	$ —	$ —	$ 300.0

5. Allowance for Expected Credit Losses

The following tables summarize the Company's allowance for expected credit losses for the twelve months ended December 31, 2024 and December 31, 2023 in available for sale investments, reinsurance recoverables and receivables:

Available for Sale Investments	December 31, 2024	December 31, 2023
	($ in millions)	
Balance at the beginning of the period	$ 2.9	$ 7.7
Additions to the allowance for credit losses on securities for which credit losses were not previously recognized	0.3	0.3
Decreases to the allowance for credit losses on securities that had an allowance in the prior period	(0.9)	(3.6)
Reductions to the allowance for securities sold	(1.3)	(1.5)
Balance at the end of the period	$ 1.0	$ 2.9

	December 31, 2024		December 31, 2023	
	Reinsurance Recoverables	Receivables	Reinsurance Recoverables	Receivables
	($ in millions)		($ in millions)	
Balance at the beginning of the year	$ 3.7	$ 21.0	$ 3.7	$ 25.0
Movement in the year	23.8	3.6	—	(4.0)
Balance at the end of the year	$ 27.5	$ 24.6	$ 3.7	$ 21.0

6. Subsequent Events

On February 28, 2025, the Company's Board of Directors declared the following dividends:

	Dividend	Payable on:	Record Date:
5.625% Preference Shares (AHL PRD)	$ 0.3516	April 1, 2025	March 15, 2025
5.625% Preference Shares, represented by depositary shares (AHL PRE)[1]	$ 351.56	April 1, 2025	March 15, 2025
7.000% Preference Shares, represented by depositary shares (AHL PRF) [2]	$ 612.50	April 1, 2025	March 31, 2025

(1) The 5.625% Preference Shares are represented by depositary shares, each representing a 1/1000th interest in a share of the 5.625% Preference Shares. The dividend paid per depositary share is likewise 1/1000th of the declared dividend, equivalent to $0.3516 per depositary share.

(2) The 7.000% Preference Shares are represented by depositary shares, each representing a 1/1000th interest in a share of the 7.000% Preference Shares. The dividend paid per depositary share is likewise 1/1000th of the declared dividend, equivalent to $0.6125 per depositary share.

Preference Shares Redemption. On November 29, 2024, the Company issued a notice of redemption in connection with all of its issued and outstanding 5.950% Fixed-to-Floating Perpetual Non-Cumulative Preference Shares (the "AHL PRC Shares") (NYSE: AHLPRC). The redemption took place on January 1, 2025, to be paid on January 2, 2025, and was conducted pursuant to the terms of the certificate of designation, dated May 2, 2013, governing the AHL PRC Shares. Each holder of an AHL PRC Share received $25 per preference share, representing an aggregate amount of $275.0 million. Since the redemption date is also a dividend payment date, the redemption price does not include any declared and unpaid dividend.

California Wildfires. The California Wildfires, commencing in January 2025, have led to a range of publicly available industry insured loss estimates in the range of $35 to $45 billion. Based solely on the Company's modeled loss projections, industry loss estimates and exposure analysis as of the date of this report, the Company's preliminary assessment of pre-tax losses associated with the California Wildfires is expected to be between $50 and $75 million, net of outwards reinsurance and reinstatement premiums. The Company's actual losses from the California Wildfires may differ materially from this preliminary estimate due to limitations in one or more of the models and because, as a recent large catastrophe event, this preliminary estimate is not based on actual terms and conditions of individual treaties and policies expected to be impacted, future loss information expected to follow from clients and brokers, further market intelligence, or any loss reports. The final settlement of claims associated with the California Wildfires is likely to take place over a considerable period of time.

INDEX OF FINANCIAL STATEMENT SCHEDULES

	S Pages
Schedule I — Investments	S-1
Schedule II — Condensed Financial Information of Registrant	S-2
Schedule III — Supplementary Insurance Information	S-5
Schedule IV — Reinsurance	S-6
Schedule V — Valuation and Qualifying Accounts	S-7

#ASPEN INSURANCE HOLDINGS LIMITED

SCHEDULE I - CONSOLIDATED SUMMARY OF INVESTMENTS
OTHER THAN INVESTMENTS IN RELATED PARTIES
For the Twelve Months Ended December 31, 2024
($ in millions)

Type of investment	Amortized Cost or Cost	Fair Value	Amount at which shown in the Balance Sheet
Fixed income securities			
U.S. government	$ 1,767.7	$ 1,741.9	$ 1,741.9
U.S. agency	7.5	7.2	7.2
Municipal	85.8	83.9	83.9
Corporate	2,200.8	2,137.5	2,137.5
High Yield Loans	101.7	102.4	102.4
Non-U.S. government-backed corporate	135.7	134.1	134.1
Non-U.S. government	272.6	271.2	271.2
Asset-backed [1]	767.7	770.8	859.7
Agency commercial mortgage-backed	5.0	4.4	4.4
Agency residential mortgage-backed	635.0	549.8	549.8
Total fixed income securities	**$ 5,979.5**	**$ 5,803.2**	**$ 5,892.1**
Short term investments	$ 262.9	$ 262.9	$ 262.9
Catastrophe bonds	$ 1.0	$ 1.0	$ 1.0
Privately held investments [2]	$ 312.0	$ 237.4	$ 311.0
Investments, equity method		$ 7.3	$ 7.3
Other investments at fair value [3]		$ 188.6	$ 267.2
Total investments		$ 6,589.3	$ 6,741.5

(1) Fixed income securities, asset-backed excludes related party investments totaling fair value of $88.9 million.

(2) Privately-held investments excludes related party investments totaling $73.6 million.

(3) Other investments excludes related party investments of $78.6 million in Funds managed by Apollo.

ASPEN INSURANCE HOLDINGS LIMITED

SCHEDULE II - CONDENSED FINANCIAL INFORMATION OF REGISTRANT

BALANCE SHEETS

As at December 31, 2024 and 2023

	As at December 31, 2024	As at December 31, 2023
	($ in millions)	
ASSETS		
Fixed income securities (trading)	$ 44.3	$ 43.2
Cash and cash equivalents	43.5	43.5
Investments in subsidiaries [1]	3,361.3	3,284.2
Intercompany funds due from affiliates	20.6	4.3
Right-of-use operating lease assets	1.0	1.5
Other receivables	275.0	—
Other assets	44.7	5.6
Total assets	**$ 3,790.4**	**$ 3,382.3**
LIABILITIES		
Accrued expenses and other payables	$ 20.7	$ 27.8
Intercompany funds due to affiliates	96.9	144.7
Long-term debt	300.0	300.0
Operating lease liabilities	0.9	1.3
Total liabilities	**$ 418.5**	**$ 473.8**
SHAREHOLDERS' EQUITY		
Ordinary shares	$ 0.6	$ 0.6
Preference shares	970.5	753.5
Additional paid in capital	761.2	761.2
Retained earnings	2,029.7	1,793.5
Accumulated other comprehensive income, net of taxes:		
Unrealized (loss) on investments	(198.2)	(227.6)
(Loss) on derivatives	(5.3)	(0.2)
Cumulative (losses) on foreign currency translation adjustments	(186.6)	(172.5)
Total accumulated other comprehensive (loss)	(390.1)	(400.3)
Total shareholders' equity	3,371.9	2,908.5
Total liabilities and shareholders' equity	**$ 3,790.4**	**$ 3,382.3**

(1) The Company's investment in subsidiaries is accounted for under the equity method and adjustments to the carrying value of these investments are made based on the Company's share of capital, including share of income and expenses. Changes in the value were recognized in "equity in net earnings of subsidiaries and other investments, equity method" in the statement of operations.

ASPEN INSURANCE HOLDINGS LIMITED

SCHEDULE II - CONDENSED FINANCIAL INFORMATION OF REGISTRANT (CONTINUED)

STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME

For the Twelve Months Ended December 31, 2024, 2023 and 2022

	Twelve Months Ended December 31, 2024	Twelve Months Ended December 31, 2023	Twelve Months Ended December 31, 2022
		($ in millions)	
Operating Activities:			
Equity in net earnings of subsidiaries and other investments, equity method	$ 108.9	$ 304.7	$ 14.2
Dividend income	511.4	364.4	121.7
Net realized and unrealized investment gains/(losses)	0.5	1.1	(4.0)
Other income	4.3	3.2	1.0
Total revenues	$ 625.1	$ 673.4	$ 132.9
Expenses:			
General, administrative and corporate expenses	$ (109.5)	$ (121.3)	$ (62.7)
Interest expense	(21.1)	(15.6)	(14.3)
Other expense	(3.9)	(1.8)	(4.8)
Income from operations before income taxes	490.6	534.7	51.1
Income tax expense	(4.5)	—	—
Net income	**$ 486.1**	**$ 534.7**	**$ 51.1**
Other comprehensive income/(loss), net of taxes:			
Change in unrealized gains/(losses) on investments	$ 29.4	$ 105.6	$ (367.8)
Net change from current period hedged transactions	(5.1)	(14.0)	15.4
Change in foreign currency translation adjustment	(14.1)	14.4	(30.9)
Other comprehensive income/(loss), net of tax	10.2	106.0	(383.3)
Comprehensive Income /(loss)	**$ 496.3**	**$ 640.7**	**$ (332.2)**

ASPEN INSURANCE HOLDINGS LIMITED

SCHEDULE II - CONDENSED FINANCIAL INFORMATION OF REGISTRANT (CONTINUED)

STATEMENTS OF CASH FLOWS

For the Twelve Months Ended December 31, 2024, 2023 and 2022

	Twelve Months Ended December 31, 2024	Twelve Months Ended December 31, 2023	Twelve Months Ended December 31, 2022
		($ in millions)	
Cash flows from operating activities:			
Net income (excluding equity in net earnings of subsidiaries)	$ 377.2	$ 230.0	$ 36.9
Adjustments:			
Realized and unrealized investment (gains)/losses	(0.4)	(14.8)	19.7
Loss/(gain) on derivative contracts	—	14.0	(15.4)
Depreciation and amortization	0.7	0.5	0.5
Interest on operating lease liabilities	0.1	0.1	0.1
Change in other assets	(39.0)	0.3	2.1
Change in accrued expenses and other payables	(7.1)	5.5	(3.2)
Change in intercompany activities	(64.1)	(38.4)	41.1
Change in operating lease liabilities	(0.5)	(0.5)	(0.6)
Net cash provided by operating activities	$ 266.9	$ 196.7	$ 81.2
Cash flows from investing activities:			
(Purchases) of fixed income securities, trading	$ (11.3)	$ (8.1)	$ (10.0)
Proceeds from sales and maturities of fixed securities, trading	10.3	6.4	7.8
Investment in subsidiaries	42.0	(105.7)	5.0
Net cash provided by/(used in) investing activities	$ 41.0	$ (107.4)	$ 2.8
Cash flows from financing activities:			
Repayment of short-term debt	$ —	$ (300.0)	$ —
Proceeds from term loan facility	—	300.0	—
Redemption of preference shares	(275.0)	—	—
Preference share issuance	217.0	—	—
Dividends paid on ordinary shares	(195.0)	(40.3)	(40.0)
Dividends paid on preference shares	(54.9)	(49.9)	(44.6)
Net cash (used in) financing activities	$ (307.9)	$ (90.2)	$ (84.6)
(Decrease) in cash and cash equivalents	—	(0.9)	(0.6)
Cash and cash equivalents — beginning of period	43.5	44.4	45.0
Cash and cash equivalents — end of period	$ 43.5	$ 43.5	$ 44.4

ASPEN INSURANCE HOLDINGS LIMITED

SCHEDULE III - SUPPLEMENTARY INSURANCE INFORMATION

For the Twelve Months Ended December 31, 2024, 2023 and 2022

Supplementary Information

($ in millions)

Year Ended December 31, 2024	Deferred Policy Acquisition Costs	Net Reserves for Losses and LAE	Net Reserves for Unearned Premiums	Net Earned Premiums	Net Investment Income	Losses and LAE Expenses	Policy Acquisition Expenses	Net Written Premiums	General and Administrative Expenses
Reinsurance	$ 248.2	$ 1,691.5	$ 580.0	$ 1,305.7		$ 741.3	$ 227.0	$ 1,275.7	$ 141.7
Insurance	73.9	2,259.1	1,164.1	1,584.0		976.5	193.2	1,666.9	264.2
Total	$ 322.1	$ 3,950.6	$ 1,744.1	$ 2,889.7	$ 318.0	$ 1,717.8	$ 420.2	$ 2,942.6	$ 405.9

Year Ended December 31, 2023	Deferred Policy Acquisition Costs	Net Reserves for Losses and LAE	Net Reserves for Unearned Premiums	Net Earned Premiums	Net Investment Income	Losses and LAE Expenses	Policy Acquisition Expenses	Net Written Premiums	General and Administrative Expenses
Reinsurance	$ 201.5	$ 1,373.1	$ 644.5	$ 1,154.5		$ 611.1	$ 208.6	$ 1,098.0	$ 120.6
Insurance	94.7	1,859.7	1,048.3	1,460.0		941.9	171.6	1,483.9	233.9
Total	$ 296.2	$ 3,232.8	$ 1,692.8	$ 2,614.5	$ 275.7	$ 1,553.0	$ 380.2	$ 2,581.9	$ 354.5

Year Ended December 31, 2022	Deferred Policy Acquisition Costs	Net Reserves for Losses and LAE	Net Reserves for Unearned Premiums	Net Earned Premiums	Net Investment Income	Losses and LAE Expenses	Policy Acquisition Expenses	Net Written Premiums	General and Administrative Expenses
Reinsurance	$ 227.2	$ 1,360.7	$ 862.4	$ 1,251.8		$ 770.3	$ 252.4	$ 1,426.4	$ 142.5
Insurance	91.8	1,452.5	857.8	1,436.9		909.7	179.4	1,469.6	244.0
Total	$ 319.0	$ 2,813.2	$ 1,720.2	$ 2,688.7	$ 188.1	$ 1,680.0	$ 431.8	$ 2,896.0	$ 386.5

ASPEN INSURANCE HOLDINGS LIMITED

SCHEDULE IV - REINSURANCE

For the Twelve Months Ended December 31, 2024, 2023 and 2022

Premiums Written

	Direct	Assumed	Ceded	Net Amount
	($ in millions)			
2024	$ 2,723.5	$ 1,885.8	$ (1,666.7)	$ 2,942.6
2023	$ 2,446.6	$ 1,521.0	$ (1,385.7)	$ 2,581.9
2022	$ 2,531.7	$ 1,807.0	$ (1,442.7)	$ 2,896.0

Premiums Earned

	Gross Amount	Assumed From Other Companies	Ceded to Other Companies	Net Amount	Percentage of Amount Assumed to Net Amount
	($ in millions, except for percentages)				
2024	$ 2,565.7	$ 1,822.1	$ (1,498.1)	$ 2,889.7	63.1 %
2023	$ 2,444.8	$ 1,562.0	$ (1,392.3)	$ 2,614.5	59.7 %
2022	$ 2,370.8	$ 1,617.2	$ (1,299.3)	$ 2,688.7	60.1 %

ASPEN INSURANCE HOLDINGS LIMITED

SCHEDULE V - VALUATION AND QUALIFYING ACCOUNTS
For the Twelve Months Ended December 31, 2024, 2023 and 2022

The following table shows the movement in the Company's valuation and qualifying accounts during the twelve months ended December 31, 2024, 2023 and 2022:

	Balance at Beginning of Year	Charged to Costs and Expenses	Charged to Other Accounts	Deductions	Balance at End of Year
			($ in millions)		
2024					
Premiums receivable from underwriting activities	$ 21.0	$ 3.6	$ —	$ —	$ 24.6
Reinsurance	$ —	$ 27.5	$ —	$ —	$ 27.5
2023					
Premiums receivable from underwriting activities	$ 25.0	$ (4.0)	$ —	$ —	$ 21.0
Reinsurance	$ —	$ —	$ —	$ —	$ —
2022					
Premiums receivable from underwriting activities	$ 30.2	$ (5.2)	$ —	$ —	$ 25.0
Reinsurance	$ —	$ —	$ —	$ —	$ —

REPORT OF THE INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of Directors of Aspen Insurance Holdings Limited

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheet of Aspen Insurance Holdings Limited (the Company) as of December 31, 2024, the related consolidated statement of operations and other comprehensive income (loss), consolidated statement of changes in shareholders' equity and consolidated statement of cash flows for the year ended December 31, 2024, and the related notes and financial statement schedules I to V (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024, and the results of its operations and its cash flows for the year ended December 31, 2024, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion. .

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of the critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Valuation of Incurred but not Reported Reserve Estimates, Gross and Net of Reinsurance

Description of the Matter

At December 31, 2024, the Company's reserves for losses and loss adjustment expenses, net of reinsurance, was $3,950.6 million, of which a significant proportion is incurred but not reported reserves ('IBNR'). As described in Notes 2(b) and 10 of the consolidated financial statements, losses and loss adjustment expenses represents management's estimate of the ultimate costs of all reported and unreported losses incurred through the balance sheet date. There is significant uncertainty inherent in estimating the IBNR, gross and net of reinsurance. In particular, management's estimate is sensitive to the actuarial methods selected and the significant assumptions applied, including the impact of catastrophe events and other large losses, reinsurance assumptions incorporated into net loss ratios, expected trends in claims severity and frequency, and expected duration of the respective claim's development period.

Auditing management's estimate for IBNR reserve estimates, gross and net of reinsurance, was complex and required the involvement of our actuarial specialists, due to the sensitivity of the estimate to the actuarial methods selected and the judgmental nature of the significant assumptions used in the valuation of the estimate, including the netting of IBNR for reinsurance.

How We Addressed the Matter in Our Audit

To assess the actuarial methodologies applied, with the assistance of our actuarial specialists, we compared management's methods to those used in the industry for similar lines of business. To evaluate the significant assumptions used in the Company's estimates, with the assistance of our actuarial specialists, our procedures included, among others, comparing the significant assumptions, such as incurred to ultimate loss ratios, and industry loss levels specifically for the catastrophe events and other large losses, expected trends in claims severity and frequency and expected duration of the respective claim's development period, as well as reinsurance assumptions, to current industry benchmarks, compiled from information in the public domain, as well as those we have developed internally, from our experience with businesses in the same industry as the Company. Our procedures also included using the Company's historical data to develop our own independent projections and a range of reserve estimates for selected classes of business. We compared our independent projections and range of reserve estimates to the Company's recorded losses and loss adjustment expense reserves, both gross and net of reinsurance.

Valuation of Privately–Held Investments

Description of the Matter

At December 31, 2024, the fair value of the Company's privately-held investments totaled $286.8 million. The fair values are based on discounted cash flow models as discussed in Note 6 to the consolidated financial statements. The discount and dividend or interest rates used by management in the cash flow models are significant unobservable inputs, which create greater subjectivity when determining the fair value of these investments.

Auditing the fair value of the privately-held investments was challenging, due to the judgmental nature of the inputs and assumptions used, including discount, dividend, interest rates and timing of cash flows, as these were not directly observable in the market.

How We Addressed the Matter in Our Audit

To test the fair value estimates, among other procedures, we involved our valuation specialists to independently determine a range of fair values for a sample of securities, which we compared to management's estimates of fair value for the selected securities. In developing our independent estimates, we, together with our valuation specialists, compared management's assumptions such as discount, dividend and interest rates, as well as timing of cashflows, to comparable publicly available market information, comparable instruments and other valuation techniques, if available. We also compared the fair value of the privately-held investments to independent third-party vendor pricing, where available.

/s/ Ernst & Young Ltd.

We have served as the Company's auditor since 2024.

Hamilton, Bermuda

March 19, 2025

REPORT OF THE INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of Directors of Aspen Insurance Holdings Limited

We have audited the accompanying consolidated balance sheets of Aspen Insurance Holdings Limited (the Company) as of December 31, 2023 and 2022, the related consolidated statements of operations and other comprehensive income (loss), changes in shareholders' equity and cash flows for each of two years in the period ended December 31, 2023, and the related notes and financial statement schedules I to V (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023, and 2022, and the results of its operations and its cash flows for each of the two years in the period ended December 31, 2023, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Valuation of Incurred but not Reported Reserve Estimates, Gross and Net of Reinsurance

Description of the Matter

At December 31, 2023, the Company's reserves for losses and loss adjustment expenses, net of reinsurance, was $3,232 million, of which a significant proportion is incurred but not reported reserves ('IBNR'). As described in Notes 2(b) and 10 of the consolidated financial statements, losses and loss adjustment expenses represents management's estimate of the ultimate costs of all reported and unreported losses incurred through the balance sheet date. There is significant uncertainty inherent in estimating the IBNR, gross and net of reinsurance. In particular, management's estimate is sensitive to the actuarial methods selected and the significant assumptions applied, including the impact of catastrophe events and other large losses, reinsurance assumptions incorporated into net loss ratios, expected trends in claims severity and frequency, and expected duration of the respective claim's development period.

Auditing management's estimate for IBNR reserve estimates, gross and net of reinsurance, was complex and required the involvement of our actuarial specialists, due to the sensitivity of the estimate to the actuarial methods selected and the judgmental nature of the significant assumptions used in the valuation of the estimate, including the netting of IBNR for reinsurance.

How We Addressed the Matter in Our Audit

To assess the actuarial methodologies applied, with the assistance of our actuarial specialists, we compared management's methods to those used in the industry for similar lines of business. To evaluate the significant assumptions used in the Company's estimates, with the assistance of our actuarial specialists, our procedures included, among others, comparing the significant assumptions, such as incurred to ultimate loss ratios, and industry loss levels specifically for the catastrophe events and other large losses, expected trends in claims severity and frequency and expected duration of the respective claim's development period, as well as reinsurance assumptions, to current industry benchmarks, compiled from information in the public domain, as well as those we have developed internally, from our experience with businesses in the same industry as the Company. Our procedures also included using the Company's historical data to develop our own independent projections and a range of reserve estimates for selected classes of business. We compared our independent projections and range of reserve estimates to the Company's recorded losses and loss adjustment expense reserves, both gross and net of reinsurance.

Valuation of Privately–Held Investments

Description of the Matter

At December 31, 2023, the fair value of the Company's privately-held investments totaled $475 million. The fair values are based on internally developed discounted cash flow models as discussed in Note 6 to the consolidated financial statements. The discount and dividend or interest rates used by management in the cash flow models are significant unobservable inputs, which create greater subjectivity when determining the fair value of these investments.

Auditing the fair value of the privately-held investments was challenging, due to the judgmental nature of the inputs and assumptions used, including discount, dividend, interest rates and timing of cash flows, as these were not directly observable in the market.

How We Addressed the Matter in Our Audit

To test the fair value estimates, among other procedures, we involved our valuation specialists to independently determine a range of fair values for a sample of securities, which we compared to management's estimates of fair value for the selected securities. In developing our independent estimates, we, together with our valuation specialists, compared management's assumptions such as discount, dividend and interest rates, as well as timing of cashflows, to comparable publicly available market information, comparable instruments and other valuation techniques, if available. We also compared the fair value of the privately-held investments to independent third-party vendor pricing, where available.

/s/ Ernst & Young LLP

We served as the Company's auditor from 2022 to 2024.

London, United Kingdom

April 1, 2024

Item 19. Exhibit Index

(a) Financial Statements, Financial Statement Schedules and Exhibits

1. *Financial Statements:* The Consolidated Financial Statements of Aspen Insurance Holdings Limited and related Notes thereto are listed in the accompanying Index to Consolidated Financial Statements and Reports on page F-1 and are filed as part of this Report.

2. *Financial Statement Schedules:* The Schedules to the Consolidated Financial Statements of Aspen Insurance Holdings Limited are listed in the accompanying Index to Schedules to Consolidated Financial Statements on page S-1 and are filed as part of this Report.

3. *Exhibits:*

Exhibit Number	Description
1.1	Certificate of Incorporation and Memorandum of Association (incorporated herein by reference to exhibit 3.1 to the Company's 2003 Registration Statement on Form F-1 (Registration No. 333-110435))
1.2	Certificate of Deposit of Memorandum of Increase of Share Capital, dated April 9, 2024 (incorporated herein by reference to exhibit 3.3 of the Company's 2024 Registration Statement on Form F-1(Registration No. 333-276163)
1.3	Altered Memorandum of Association (incorporated herein by reference to exhibit 3.1 of the Company's Current Report on Form 6-K filed on July 29, 2019)
1.4	Second Amended and Restated Bye-laws (incorporated herein by reference to exhibit 3.3 of the Company's Registration Statement on Form 8-A filed on November 26, 2024)
2.1	Description of Securities, (incorporated herein by reference to exhibit 2.1 with the Company's Annual Report on Form 20-F for the year ended December 31, 2022 filed on April 20, 2023)
3.1	Indenture, dated August 16, 2004, between the Company and Deutsche Bank Trust Company Americas, as trustee (incorporated herein by reference to exhibit 4.3 to the Company's 2004 Registration Statement on Form F-1 (Registration No. 333-119-314))
3.2	Form of Certificate of Designation of the Company's 5.625% Perpetual Non-Cumulative Preference Shares, dated September 20, 2016 (incorporated herein by reference to exhibit 3.1 to the Company's Current Report on Form 8-K filed on September 21, 2016)
3.3	Specimen Certificate for the Company's 5.625% Perpetual Non-Cumulative Preference Shares (incorporated herein by reference to the form of which is in exhibit 4.1 to the Company's Current Report on Form 8-K filed on September 21, 2016)
3.4	Form of Certificate of Designation for the Company's 5.625% Perpetual Non-Cumulative Preference Shares represented by Depositary Shares, each such Depositary Share representing a 1/1000th interest in a 5.625% Perpetual Non-Cumulative Preference Share, dated August 13, 2019 (incorporated herein by reference to exhibit 4.1 to the Company's Current Report on Form 6-K filed on August 13, 2019)
3.5	Form of Share Certificate evidencing the 5.625% Perpetual Non-Cumulative Preference Shares represented by Depositary Shares (incorporated herein by reference to exhibit 4.2 to the Company's Current Report on Form 6-K filed on August 13, 2019)
3.6	Deposit Agreement dated as of August 13, 2019 among the Company, Computershare Inc. and Computershare Trust Company, N.A. (incorporated herein by reference to exhibit 4.3 to the Company's Current Report on Form 6-K filed on August 13, 2019)
3.7	Form of Depositary Receipt (incorporated herein by reference to exhibit 4.4 to the Company's Current Report on Form 6-K filed on August 13, 2019)
3.8	Certificate of Designation of the Company's 7.00% Perpetual Non-Cumulative Preference Shares, dated November 26, 2024 (incorporated herein by reference to exhibit 4.1 to the Company's Current Report on Form 6-K filed on November 26, 2024)
3.9	Form of Share Certificate for the Company's 7.00% Perpetual Non-Cumulative Preference Shares (incorporated herein by reference to exhibit 4.2 to the Company's Current Report on Form 6-K filed on November 26, 2024)
3.10	Deposit Agreement dated as of November 26, 2024 among the Company, Computershare Inc. and Computershare Trust Company, N.A. (incorporated herein by reference to exhibit 4.3 to the Company's Current Report on Form 6-K filed on November 26, 2024

3.11	Form of Depositary Receipt (incorporated herein by reference to exhibit 4.4 to the Company's Current Report on Form 6-K filed on November 26, 2024)
4.1	Agreement and Plan of Merger, dated as of August 27, 2018, by and among Aspen Insurance Holdings Limited, Highlands Holdings, Ltd, and Highlands Merger Sub, Ltd (incorporated herein by reference to exhibit 2.1 to the Current Report on Form 8-K filed on August 28, 2018)
4.2	Service Agreement, dated February 19, 2019, by and among Mark Cloutier, Aspen Insurance Holdings Limited and Aspen Bermuda Limited (incorporated herein by reference to exhibit 10.1 to the Company's Form 10-K/A filed on April 29, 2019)*
4.3	Management Consulting Agreement, dated March 28, 2019, between Aspen Insurance Holdings Limited and Apollo Management Holdings, L.P. (incorporated herein by reference to exhibit 10.1 to the Company's Current Report on Form 8-K filed on March 29, 2019)
4.4	Third Amended and Restated Credit Agreement, dated as of December 1, 2021, among the Company, various subsidiaries therefor, various lenders and Barclays Bank plc, as administrative agent (incorporated herein by reference to exhibit 99.1 of the Company's Current Report on Form 6-K, filed on December 2, 2021)
4.5	First Amendment to Third Amended and Restated Credit Agreement, dated as of January 6, 2023, among the Company, various subsidiaries therefor, various lenders and Barclays Bank, plc, as administrative agent (incorporated herein by reference to exhibit 4.7 with the Company's Annual Report on Form 20-F for the year ended December 31, 2023 filed on April 1, 2024)
4.6	Second Amendment to Third Amended and Restated Credit Agreement, dated as of June 29, 2023, among the Company, various subsidiaries therefor, various lenders and Barclays Bank plc, as administrative agent (incorporated herein by reference to exhibit 4.8 with the Company's Annual Report on Form 20-F for the year ended December 31, 2023 filed on April 1, 2024)
4.7	Amended and Restated Outsourcing Agreement, dated March 31, 2023, between Aspen Insurance UK Services Limited, Aspen Insurance U.S. Services, Inc., Aspen Bermuda Limited and Genpact (UK) Limited (incorporated herein by reference to exhibit 4.9 with the Company's Annual Report on Form 20-F for the year ended December 31, 2023 filed on April 1, 2024)
4.8	First Amendment to the Outsourcing Agreement, dated December 20, 2023, between Aspen Insurance UK Services Limited, Aspen Insurance U.S. Services Inc., Aspen Bermuda Limited and Genpact (UK) Limited (incorporated herein by reference to exhibit 4.10 with the Company's Annual Report on Form 20-F for the year ended December 31, 2023 filed on April 1, 2024)
4.9	Outsourcing Agreement, dated as of November 5, 2024, between Aspen Insurance UK Services Limited, Aspen Insurance U.S. Services Inc., Aspen Bermuda Limited and Cognizant Worldwide Limited, filed with this report
4.10	Amended and Restated Reinsurance Agreement, dated January 10, 2022, among the Company, various subsidiaries therefor, and Cavello Bay Reinsurance Limited+, (incorporated herein by reference to exhibit 4.23 with the Company's Annual Report on Form 20-F for the year ended December 31, 2022 filed on April 20, 2023)
4.11	Master Services Agreement: ITO Services, dated May 27, 2022, between Aspen Insurance UK Services Limited and Mindtree Limited, (incorporated herein by reference to exhibit 4.24 with the Company's Annual Report on Form 20-F for the year ended December 31, 2022 filed on April 20, 2023)
4.12	Term Loan Credit Agreement, dated as of July 26, 2023, among Aspen Insurance Holdings Limited, the several lenders from time to time parties thereto, Citibank N.A. as administrative agent, and other parties thereto (incorporated herein by reference to exhibit 4.14 with the Company's Annual Report on Form 20-F for the year ended December 31, 2023 filed on April 1, 2024)
4.13	First Amendment to the Term Loan Credit Agreement, dated as of December 18, 2023, among Aspen Insurance Holdings Limited, several banks and Citibank, N.A. as administrative agent that are parties hereto (incorporated herein by reference to exhibit 4.15 with the Company's Annual Report on Form 20-F for the year ended December 31, 2023 filed on April 1, 2024)
4.14	Investment Management Agreement, dated as of April 16, 2019, by and between Aspen American Insurance Company and Apollo Asset Management Europe PC LLP, filed with this report
4.15	Deed of Novation, dated as of January 24, 2025, by and among Aspen American Insurance Company, Apollo Asset Management Europe PC LLP and Apollo Asset Management Europe LLP, filed with this report
8.1	Subsidiaries of the Company, filed with this report
11.1	Aspen Insurance Holding Limited's Policy on Insider Trading and Misuse of Inside Information, filed with this report

12.1	Officer Certification of Mark Cloutier, Chief Executive Officer of Aspen Insurance Holdings Limited, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, filed with this report
12.2	Officer Certification of Mark Pickering, Chief Financial Officer of Aspen Insurance Holdings Limited, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, filed with this report
13.1	Officer Certification of Mark Cloutier, Chief Executive Officer of Aspen Insurance Holdings Limited, and Mark Pickering, Chief Financial Officer of Aspen Insurance Holdings Limited, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, filed with this report
15.1	Consent of Independent Registered Public Accounting Firm - Ernst & Young Ltd
15.2	Consent of Independent Registered Public Accounting Firm - Ernst & Young LLP
15.3	Letter from Ernst & Young LLP (incorporated herein by reference to exhibit 99.1 to the Company's Current Report on Form 6-K, as filed on July 12, 2024)**
97.1	Aspen Insurance Holding Limited's Policy on Recoupment of Incentive Compensation (incorporated herein by reference to exhibit 97.1 with the Company's Annual Report on Form 20-F for the year ended December 31, 2023 filed on April 1, 2024)
101	The following financial information from Aspen Insurance Holdings Limited's annual report on Form 20-F for the year ended December 31, 2024 formatted in XBRL includes: (i) Consolidated Balance Sheets; (ii) Consolidated Statements of Operations and Comprehensive Income; (iii) Consolidated Statements of Shareholders' Equity; (iv) Consolidated Statements of Cash Flows; and (v) Notes to the Audited Consolidated Financial Statements, tagged as blocks of text and in detail**

* This exhibit is a management contract or compensatory plan or arrangement.

\+ Certain portions of this exhibit (indicated by "[***]"), including certain schedules (or similar attachments) thereto, have been redacted. The registrant agrees to furnish a copy of any omitted information schedule to the Securities and Exchange Commission upon request.

** As provided in Rule 406T of Regulation S-T, this information is "furnished" herewith and not "filed" for the purposes of Sections 11 and 12 of the Securities Act and Section 18 of the Exchange Act. Such exhibit will not be deemed to be incorporated by reference into any filing under the Securities Act or the Exchange Act unless Aspen Insurance Holdings Limited specifically incorporates it by reference.

SIGNATURE

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this annual report on its behalf.

ASPEN INSURANCE HOLDINGS LIMITED

By: /s/ Mark Pickering
Name: Mark Pickering
Title: Chief Financial Officer

Date: March 19, 2025

(1) ASPEN INSURANCE UK SERVICES LIMITED

- and -

(2) ASPEN INSURANCE U.S. SERVICES INC.

- and -

(3) ASPEN BERMUDA LIMITED

- and -

(4) COGNIZANT WORLDWIDE LIMITED

OUTSOURCING AGREEMENT

CONTENTS

PART A DEFINITIONS AND INTERPRETATION 6
1. DEFINITIONS 6
2. INTERPRETATION 6
PART B TERM AND SERVICE PROVISION 6
3. TERM 6
4. SERVICES 8
5. DELAY 10
6. ACCEPTANCE 11
7. TRANSITION 12
8. GOVERNANCE, REPORTING AND PERFORMANCE 13
9. CHANGE CONTROL 14
PART C PERFORMANCE AND QUALITY 14
10. HOLDBACK, SERVICE LEVELS AND LIQUIDATED DAMAGES 14
11. SERVICE IMPROVEMENT AND ADVANCES IN TECHNOLOGY 15
12. REFERENCE 15
PART D OPERATION OF THE SERVICES 16
13. ASSETS 16
14. CO-OPERATION AND THIRD PARTY CONTRACTS 17
15. PERSONNEL 18
16. SERVICE LOCATIONS 19
17. SUBCONTRACTORS 20
18. DATA AND SECURITY REQUIREMENTS 20
19. BUSINESS CONTINUITY AND DISASTER RECOVERY 22
20. REGULATORY MATTERS AND AUDIT RIGHTS 22
21. CUSTOMER DEPENDENCIES 25
PART E PAYMENT 26
22. CHARGES 26
23. TAX 26
24. VALUE FOR MONEY/BENCHMARKING 27
PART F INTELLECTUAL PROPERTY, CONFIDENTIALITY AND DATA PROTECTION 27
25. INTELLECTUAL PROPERTY RIGHTS 27
26. CONFIDENTIAL INFORMATION 31
27. DATA PROTECTION 32
28. PUBLICITY 35

PART G REPRESENTATIONS, WARRANTIES AND INDEMNITIES 35
29. REPRESENTATIONS AND WARRANTIES 35
30. INDEMNITIES 36
PART H IMPACT OF A FAILURE TO PERFORM 38
31. FORCE MAJEURE 38
32. STEP IN 39
33. ENHANCED CO-OPERATION 40
34. LIABILITY 42
35. INSURANCE 45
PART I TERMINATION 46
36. TERMINATION 46
37. TERMINATION ASSISTANCE/EXIT 48
PART J MISCELLANEOUS PROVISIONS 49
38. COMPLIANCE WITH LAWS 49
39. TRANSFER OF THIS AGREEMENT 49
40. NO PARTNERSHIP, AGENCY ETC 50
41. NOTICES 50
42. THIRD PARTY RIGHTS 51
43. SURVIVAL 51
44. SEVERABILITY 52
45. ENTIRE AGREEMENT 52
46. WAIVER 52
47. CORPORATE SOCIAL RESPONSIBILITY, COMPLIANCE WITH LAWS AND LLOYDS CENTRE OF EXCELLENCE 52
48. CUMULATIVE REMEDIES 54
49. DISPUTE RESOLUTION 55
50. COUNTERPARTS 55
51. GOVERNING LAW AND JURISDICTION 55

SCHEDULES

Schedule 1 **Definitions**
Schedule 2 **Service Descriptions**
Schedule 3 **Service Levels and Service Credits**
Schedule 4 **Customer Dependencies**
Schedule 5 **Sub-Contractor List**
Schedule 6 **Standards and Policies**
Schedule 7 **Security – IT & Physical**

Schedule 8	**Transition Plan**
Schedule 9	**Form of Local Agreement**
Schedule 10	**Pricebook, Charges and Invoicing**
Schedule 11	**Benchmarking**
Schedule 12	**Governance and Service Management**
Schedule 13	**Contract Change Control Procedure**
Schedule 14	**Service Integration and Management**
Schedule 15	**Exit Plan and Service Transfer Arrangements**
Schedule 16	**Business Continuity and Disaster Recovery**
Schedule 17	**Human Resources Provisions**
Schedule 18	**Key Personnel**
Schedule 19	**COTS Vendor Usage Restrictions and Related Obligations**
Schedule 20	**SOW Pro forma**
Schedule 21	**Data Transfer and Processing**
Schedule 22	**Locations and Site Licence**
Schedule 23	**Innovation Fund**

THIS AGREEMENT is made on the date of final signature by the Parties to this Agreement.

BETWEEN:

(1) **ASPEN INSURANCE UK SERVICES LIMITED** a company incorporated in England with registered number 04270446, whose registered office is at 30 Fenchurch Street, London EC3M 3BD (the "**UK Customer**");

(2) **ASPEN INSURANCE U.S. SERVICES INC.** a company incorporated in Delaware, United States, whose registered office is at 251 Little Falls Drive, Wilmington, DE 19808 (the "**US Customer**");

(3) **ASPEN BERMUDA LIMITED** a company incorporated in Bermuda with company number 127314 and registration number 32866, whose registered office is at 141 Front Street, Hamilton, HM 19, Bermuda (the "**Bermuda Customer**"); and

(4) **COGNIZANT WORLDWIDE LIMITED** a company incorporated in England with registered number 07195160, whose registered office is at 280 Bishopsgate, London, United Kingdom, EC2M 4AG (the "**Service Provider**").

Together, the UK Customer, the US Customer and the Bermuda Customer are referred to in this Agreement in the singular form as the "**Customer**".

WHEREAS:

(A) The Customer and the Service Provider entered into an Outsourcing Agreement dated 31 August 2020 ("**Original Agreement**") for the provision and management of the Customer's information technology services. The Parties wish to re-negotiate the terms of the Original Agreement, and this Agreement sets out the new terms that have been negotiated between the Parties.

(B) The Service Provider is experienced in providing information technology services, including the provision of digital, technology and operations services and shall remain responsible for certain aspects of the provision and management of the Customer's information technology services functions.

(C) The Customer now therefore wishes to procure and the Service Provider wishes to provide the Services to the Customer, subject to and in accordance with the terms and conditions set out in this Agreement.

IT IS AGREED as follows:

PART A DEFINITIONS AND INTERPRETATION

1. DEFINITIONS

1.1 In this Agreement, unless the context otherwise requires, the capitalised terms used herein shall have the meanings set out in Schedule 1 (Definitions).

2. INTERPRETATION

2.1 In this Agreement a reference to:

2.1.1 a "**person**" includes bodies corporate and unincorporated associations of people;

2.1.2 a clause, Schedule, paragraph, section, Exhibit, Appendix or Annex are, except where otherwise stated, a reference to a clause, Schedule, paragraph, section, Exhibit, Appendix or Annex to this Agreement. The Schedules form part of this Agreement and shall be read as though they were set out in this Agreement;

2.1.3 a word importing one gender shall (where appropriate) include any other gender and a word importing the singular shall (where appropriate) include the plural and vice versa;

2.1.4 any statute or statutory provision includes, except where otherwise stated, the statute or statutory provision as amended, consolidated or re-enacted from time to time and includes any subordinate legislation made under the statute or statutory provision (as so amended, consolidated or re-enacted) from time to time;

2.1.5 "**including**", "**includes**" and "**in particular**" are illustrative, none of them shall limit the sense of the words preceding it and each of them shall be deemed to incorporate the expression "**without limitation**". "**Other**" and "**otherwise**" are also illustrative and shall not limit the sense of the words preceding them;

2.1.6 words denoting persons include bodies corporate and unincorporated associations and vice versa where the context requires. The words "**subsidiary**" and "**holding company**" shall have the meanings given to them in section 1159 and schedule 6 of the Companies Act 2006;

2.1.7 the index and headings in this Agreement and any descriptive notes in brackets are for convenience only and shall not affect its interpretation; and

2.1.8 in the case of any inconsistency between any provision of the Schedules to this Agreement and any term of this Agreement the latter shall prevail. In the case of any inconsistencies between any provisions of a SOW and this Agreement, the latter shall prevail. In the case of any inconsistencies between any provisions of a SOW and a Local Agreement, the latter shall prevail. In the case of any inconsistency between any provision of the Annexes or Appendices and any provision of the Schedules, the latter shall prevail.

PART B TERM AND SERVICE PROVISION

3. TERM

3.1 Notwithstanding the date of signature of this Agreement, the term of this Agreement shall begin on the Effective Date and shall expire (unless terminated earlier or extended in accordance with the Agreement) at midnight on 31 December 2027 (such period being the "**Initial Term**").

3.2 The Customer may, in its sole discretion, extend the Initial Term by a further period of two (2) years from the expiry of the Initial Term, by giving written notice to the Service Provider at least ninety (90) days prior to the expiry of the Initial Term or an extension period, as applicable.

3.3 The Service Provider shall provide notice to the Customer of the expiry of the Initial Term and any extension period at least one hundred and eighty (180) days prior to the same.

3.4 The Customer may require that Local Agreements and/or Statements of Work are put in place between the Customer or its Affiliates and the Service Provider or, exceptionally, its Affiliates (it being agreed that wherever possible such arrangements shall be made with the Service Provider only) pursuant to which the provision of local delivery of certain of the Services may be managed or Change Project (under Statements of Work) provided. The Service Provider agrees that, subject always to agreement on the appropriate invoicing and taxation arrangements and Service Provider Applicable Regulations, it shall not unreasonably withhold its consent to the agreement of such Local Agreements and further agrees that any such Local Agreements shall (subject always to the liability provisions of clause 34) incorporate all of the terms of this Agreement save as specified and agreed by the executing parties in such Local Agreement and approved in writing by the relevant Customer(s) and the Service Provider.

3.5 The Parties have agreed that:

3.5.1 the UK Customer shall be entitled (acting as agent) to make decisions and provide instructions to the Service Provider and its Affiliates pursuant to this Agreement as “the Customer” for and on behalf of each of the US Customer and the Bermuda Customer and references to the Customer instructing the Service Provider or otherwise engaging with it in relation to the provision of instructions hereunder shall be understood to mean that, save with respect to SOWs entered into by the US Customer or the Bermuda Customer to which the UK Customer is not a party, the UK Customer can provide such instructions for and on behalf of the US Customer and the Bermuda Customer (and in the event of any conflict between any instructions received by the Service Provider from the UK Customer and either of the US Customer or the Bermuda Customer, the instructions of the UK Customer as agent will prevail);

3.5.2 the UK Customer shall procure that the relevant Customer entity complies with the requirements of the relevant Customer Dependencies;

3.5.3 notwithstanding clause 3.5.1, the UK Customer may appoint a local representative from each of the other Customers to give instructions to the Service Provider and its Affiliates working “on the ground” (a “**Local Manager**”), such appointment to be set out in writing between the Parties. In the event of any conflict between the Local Manager’s instructions and any instruction from the UK Customer, the instruction of the UK Customer shall prevail;

3.5.4 the UK Customer, the US Customer and the Bermuda Customer shall have joint and several liability under this Agreement and any SOW to which they are all parties;

3.5.5 the US Customer and the Bermuda Customer each hereby formally appoints the UK Customer as its agent for service of legal proceedings and hereby authorises the UK Customer to execute SOWs, formal variations to this Agreement and Change Control Notes on its behalf;

3.5.6 any SOW or Change Control Note to which all three of the UK Customer, the US Customer and the Bermuda Customer are party shall be executed by each such entity

albeit that, pursuant to clause 3.5.3, the execution may be carried out by the UK Customer for and on behalf of the US Customer and the Bermuda Customer respectively;

3.5.7 invoices for the Charges payable in respect of Services delivered to all of the UK Customer, the US Customer and the Bermuda Customer under this Agreement and SOWs entered into by all three Customer Parties shall be apportioned in accordance with the mechanisms set out in Schedule 10 (Pricebook, Charges and Invoicing);

3.5.8 pursuant to clause 34.10, the UK Customer shall be the only Party entitled to bring a claim against the Service Provider in connection with this Agreement or any SOW to which (i) all three of the UK Customer, the US Customer and the Bermuda Customer are party; or (ii) the UK Customer and one of the US Customer and the Bermuda Customer are a party. Accordingly, where a loss is suffered by a Customer (the UK Customer, US Customer or Bermuda Customer) under this Agreement or a SOW to which all three of the UK Customer, US Customer and Bermuda Customer are parties then the UK Customer shall bring that claim (unless prohibited by law); and

3.5.9 Where the UK Customer is not a party to any SOW and there is more than one other Customer entity contracting, then the Parties agree that:

3.5.9.1 the SOW shall set out applicable terms for governance and management of the SOW in place of the terms of this clause 3.5 and appoint a managing agent;

3.5.9.2 the relevant Customer contracting entities shall have joint and several liability under that SOW;

3.5.9.3 appropriate mechanisms for invoicing in relation to each relevant Customer contracting entity shall be set out in the SOW; and

3.5.9.4 the party nominated as the managing agent for the purposes of that SOW under 3.5.9.1 shall be the only party entitled to bring claims for losses suffered under that SOW (unless prohibited by law).

4. SERVICES

General

4.1 The Service Provider shall provide the Services to the Customer and the Customer Group in accordance with the terms of the Agreement and also:

4.1.1 in accordance with the requirements set out in the applicable Schedules save for immaterial or cosmetic deviations;

4.1.2 with diligence, professionalism and in accordance with Good Industry Practice;

4.1.3 with sufficient, suitably trained and qualified resources to provide the Services;

4.1.4 in a cost-effective manner, but without prejudice to the level of quality and performance required;

4.1.5 in accordance with the relevant time frames specified or if none are specified, within a reasonable time frame;

4.1.6 in material compliance with the Customer Standards and Policies made available to it in writing from time to time (with changes to the versions listed in Schedule 6 (Standards

and Policies) notified by Customer to Service Provider and managed via the Contract Change Control Procedure);

4.1.7 to meet or exceed any Service Levels; and

4.1.8 at Customer Locations or from Service Provider Service Locations approved in writing by the Customer or, where agreed in writing by the Parties, from Remote Locations in accordance with clause 16.3; and

4.1.9 in accordance with the processes set out in Schedule 23 (Innovation and Investment).

4.2 The Customer shall, and shall ensure that all Customer Personnel who are necessary or appropriate for the successful implementation of the Services, co-operate with the Service Provider in all matters relating to the Services and, on reasonable notice: (a) are available to assist the Service Provider Personnel by answering business, technical and operational questions and providing requested information, documents, guidelines and procedures in a timely manner; (b) participate in the Services as set out in the SOW; (c) participate in those meetings as set out in Schedule 12 (Governance and Service Management); (d) contribute to any software and system testing, including testing of the Deliverables in accordance with clause 6; (e) provide such information and documentation as the Service Provider may reasonably require, and ensure the accuracy of the same; and (f) are available to assist the Service Provider with any other activities or tasks required to complete the Services in accordance with the SOW.

4.3 The Customer shall ensure that all Customer Personnel: (i) do not access any of Service Provider's or its other clients' premises without the prior written consent of Service Provider; and (ii) comply at all times Service Provider Cognizant's security policy and instructions when at Service Provider's premises.

4.4 The Service Provider shall adopt processes and related behaviour that shall:

4.4.1 support closely the Customer's business model and business objectives;

4.4.2 enable the Customer and its Service Provider to respond promptly and effectively to predictable and unpredictable change;

4.4.3 promote rational, fact based problem solving;

4.4.4 increase ease of communication and understanding;

4.4.5 increase openness, reliability and consistency;

4.4.6 facilitate the identification and deployment of creative solutions to optimise value; and

4.5 reflect the partnership principles set out in the annex that will form part of the Schedule 12 (Governance and Service Management). The Customer considers "scope creep" to be a particular risk in any outsourcing project and considers that its suppliers, as experts in the field, should take responsibility for managing the downside risk of scope creep. Accordingly, if any services, functions or responsibilities are not specifically described in the Agreement or any are required being necessary or inherent for, the performance and provision of the Services, they shall be implied by and automatically included within the applicable Schedule and the agreed Charges, to the same extent and the same manner as if specifically described in the Agreement.

4.6 The Service Provider shall increase or decrease the amount of the Core Services according to the agreed forecast demand for these Services, the Customer's other requirements and, in any event, the Customer reserves the right to add or remove Services comprising the Core Services.

Such additions or removals shall be effected using the systems agreed in the applicable Service Description, Schedule 10 (Pricebook, Charges and Invoicing) or pursuant to the Contract Change Control Procedure.

4.7 Except as otherwise expressly provided in this Agreement, the Service Provider shall be responsible for providing all the facilities, personnel and other resources necessary to provide the Services.

4.8 Without prejudice to the obligations of the Customer in relation to the Contract Committed Revenue and the Contract Committed Revenue set out in paragraph 6 of Schedule 10 (Pricebook, Charges and Invoicing), the Customer reserves the right, in its sole discretion, to provide any or all of the Services itself or to contract with third party suppliers to perform all or any part of the Services at any time.

4.9 In respect of any New Service required by Customer, Service Provider shall submit bids that are competitively priced and demonstrate that Service Provider has taken advantage of technological and efficiency advances. Where it can demonstrate the same, Service Provider shall be considered the preferred service provider for such New Service during the Initial Term. In this regard the parties recognise that:

4.9.1 by meeting the requirements of this clause and otherwise providing a competitively priced bid, as well as by leveraging its existing provision of Services and intimate knowledge of Customer as an incumbent vendor, it is anticipated that Service Provider would have a strong possibility of success when bidding for New Services; but

4.9.2 due to Customer's corporate governance processes, which require an equal and fair assessment be undertaken as part of any New Services, providing a bid for New Services will not always guarantee that Service Provider will have New Services awarded to it. Where this is the case, Customer will provide reasoning for non-award in writing to the Service Provider.

4.10 The Service Provider agrees that the Customer has the right to call off project work under Statements of Work incorporating the full terms of this Agreement and the particular arrangements for doing so are set out in Schedule 2 (Service Descriptions).

5. DELAY

5.1 If the Service Provider becomes aware that the provision of the Services or any other activity under this Agreement is being, or in its reasonable estimation is likely to be, delayed or interrupted (for whatever reason), such that it shall not meet any of its obligations under this Agreement, then the Service Provider shall, unless otherwise agreed by the Customer, give written notice immediately to the Customer of the relevant circumstances (the "**Delay Notice**"). The giving of such notice shall not prejudice the Customer's rights under this Agreement.

5.2 The Delay Notice shall:

5.2.1 identify the cause or causes of the delay or interruption;

5.2.2 state whether, and to what extent, the delay or interruption is, or is expected to be, caused by a Force Majeure Event;

5.2.3 provide details of the delay or interruption and its expected duration;

5.2.4 identify clearly which Services, Milestones (if any), Performance Standards and/or other Agreement obligations are likely to be affected and, in the reasonable opinion of the Service Provider, the extent to which they are likely to be affected; and

5.2.5 identify as far as possible the extent to which the Service Provider's fulfilment of the relevant obligations under this Agreement will be delayed, interrupted or otherwise affected.

5.3 If the Service Provider fails to achieve a Milestone other than in the circumstances described in clause 21.2, at no additional charge to the Customer, and without prejudice to the Customer's other rights, the Service Provider shall (as the case may be):

5.3.1 continue to provide the Services so as to meet the Milestone as soon as possible after the Milestone Date; or

5.3.2 re-perform the Services so as to meet the Milestone as soon as possible after the Milestone Date.

5.4 If the delay or interruption continues for more than five (5) Business Days, the Service Provider shall provide the Customer periodically (and at least on a weekly basis) with updated information in relation to the matters referred to in clause 5.2, notwithstanding any discussions or negotiations relating to the continued performance of this Agreement following a Force Majeure Event or the Customer exercising its other rights.

6. ACCEPTANCE

6.1 Where applicable, the Parties shall agree and set out Acceptance Criteria for each Acceptance Item and the rest of this clause 6 shall apply. If no such procedures or criteria are set out, the Services provided under the Agreement shall be deemed accepted upon receipted delivery to the Customer and the remaining clauses of this clause 6 shall not apply, save that in the case of documentary Deliverables any failure to comply with a requirement that they be clearly and concisely set out with no material errors or omissions shall entitle the Customer to require that they be rectified and redelivered at no additional charge.

6.2 The Service Provider must undertake its own internal testing of any Acceptance Item before submitting it to the Customer for acceptance testing.

6.3 The Service Provider must provide the Customer with at least seven (7) Business Days' notice prior to submitting any item for acceptance testing.

6.4 Unless otherwise agreed between the Parties, the Customer shall conduct the acceptance testing promptly after receiving the Acceptance Item and promptly notify the Service Provider whether it accepts, rejects or conditionally accepts the Acceptance Item. The Customer shall promptly issue an Acceptance Certificate if it accepts or conditionally accepts the Acceptance Item.

6.5 The Service Provider shall provide all reasonable support to the Customer in relation to conducting the acceptance testing at no additional charge.

6.6 If the Service Provider conducts the acceptance testing, the Customer shall be entitled to observe the acceptance testing and shall provide reasonable support to the Service Provider in relation to the conduct of the acceptance testing.

6.7 If an Acceptance Item is rejected, the Customer shall provide reasons for such rejection, and the Service Provider shall remedy the relevant defects at no additional charge and re-submit the Acceptance Item to the Customer as soon as reasonably practicable but in all cases within seven

(7) Business Days or such longer period as may be reasonable in the circumstances and as such longer period is stipulated in the applicable Change Control Note.

6.8 If an Acceptance Item is rejected a second time, without prejudice to any other rights the Customer may have, the Customer shall have the option to:

6.8.1 require the Service Provider to rectify any defects and re-submit the Acceptance Item for acceptance;

6.8.2 accept the Acceptance Item subject to an equitable reduction in fees (which shall be at least 10%) and, in this scenario, such Acceptance Item shall be treated as if it were fully accepted; or

6.8.3 immediately terminate the Service related to the Acceptance Item and any other affected Services for material breach and be refunded all Charges paid under this Agreement in connection with the same provided that all Acceptance Items related to such termination are returned to the Service Provider.

6.9 In no circumstances (other than those referred to in clause 6.1 and clause 6.9) shall the Customer be deemed to have accepted an Acceptance Item, other than where it is unconditionally accepted and an Acceptance Certificate is issued. Notwithstanding the foregoing, the Customer agrees that if it puts an Acceptance Item into live, productive use without either the prior written consent of the Service Provider or having agreed as part of the original Acceptance Testing approach that the final test is live use or as part of any conditional acceptance that this would happen then it shall be deemed to have accepted the Acceptance Item.

6.10 Notwithstanding clause 6.9, the Service Provider may issue an invoice for the relevant Milestone payment if the Customer has not confirmed acceptance or rejection within one month of the due date for acceptance of the Acceptance Item. For the avoidance of doubt, the lack of confirmation of acceptance shall not be ground for the Customer to claim that the invoice has been improperly rendered pursuant to paragraph 3.7 of Schedule 10 (Pricebook, Charging & Invoicing).

6.11 If the Customer conditionally accepts an Acceptance Item, it shall notify the Service Provider of the conditions to which the acceptance is subject and the Acceptance Item shall not be fully accepted until such conditions have been met. The Charges related to the relevant Acceptance Item shall be subject to an equitable reduction (which shall be at least 10%), with the balance paid when the defects or backlog of issues have been completed.

7. TRANSITION

7.1 The Parties agree to complete a Transition Plan with sufficient detail, Milestones and obligations to realise the benefits set out in Appendix 10-C.

7.2 The Transition Plan will be agreed within four (4) weeks of the date of signature of this Agreement and the Parties will amend Schedule 8 (Transition Plan) accordingly via the Contract Change Control Procedure. Such Transition Plan shall include inter alia:

7.2.1 Specific activities with associated Milestones to transition to the new model and realise benefits;

7.2.2 The Duration of Commitment for each Key Personnel in Schedule 18 (Key Personnel).

8. GOVERNANCE, REPORTING AND PERFORMANCE

Governance

8.1 The Service Provider shall comply with the Customer's governance requirements as set out in Schedule 12 (Governance and Service Management) at no additional charge.

Procedures Manual

8.2 The Service Provider shall endeavour to develop within 20 Business Days following the completion of the Transition Plan a policy and procedures manual (the "**Procedures Manual**") that describes how the Services will be performed and delivered. The minimum content of the Procedures Manual shall include the following at a minimum:

8.2.1 how the Services are to be performed and delivered;

8.2.2 the Equipment and Software to be used;

8.2.3 the relevant Documentation including operations manuals and user guides;

8.2.4 the quality assurance procedures approved by the Customer;

8.2.5 the supervision, monitoring, staffing, reporting, planning and oversight activities to be undertaken by the Service Provider;

8.2.6 the Service Provider's problem management escalation procedures;

8.2.7 other pertinent Service Provider standards and procedures; and

8.2.8 the Standards and Policies.

8.3 The Service Provider shall update and maintain the Procedures Manual at such frequency as agreed during the Transition Plan, but for the avoidance of doubt, at least annually and the Customer and the Service Provider shall agree on any policies and procedures to be included within the same.

8.4 Until the Procedures Manual is approved, the Service Provider shall perform the Services consistent with existing Customer Standards and Policies.

Escalation

8.5 The Service Provider agrees that if an agreed trigger event occurs (it being agreed that this shall include if: (i) there are repeated delivery or service failures; (ii) there is a major one-off failure; (iii) and/or it fails to comply with its rectification obligations) then it will commit to executive escalation as follows:

8.5.1 as a first level of executive escalation ("**Executive Escalation (a)**") the Service Provider has agreed that should Executive Escalation (a) be triggered then Service Provider's Executive Sponsor (as identified during the Transition Plan) shall be available during Business Hours and attend regular meetings to lead the Service Provider's team and to explain progress; and the Service Provider's UK CEO or his or her nominee who shall be a main board member of the Service Provider's UK entity shall telephone the Customer's CEO once each week to report progress. Without prejudice to its other rights and remedies the Customer may in its sole and absolute discretion elect to waive or defer Executive Escalation (a); and

8.5.2 as a second level of executive escalation ("**Executive Escalation (b)**") the Service Provider has agreed that should Executive Escalation (a) not result in the successful resolution of the issue that gave rise to Executive Escalation (a) then the Service Provider's UK CEO or his or her nominee who shall be member of the leadership of the Service Provider's UK business (and not the person already identified as Executive Escalation (a)) shall be available during Business Hours and attend regular meetings to lead the Service Provider's team and to explain and report progress. Without prejudice to its other rights and remedies the Customer may in its sole and absolute discretion elect to waive or defer Executive Escalation (b).

9. CHANGE CONTROL

9.1 No variation of this Agreement shall be effective unless made in writing, signed by or on behalf of all of the Parties and expressed to be such a variation. Pursuant to clause 3.5, the Parties agree that the UK Customer may bind all of the UK Customer, US Customer and Bermuda Customer with respect to agreeing such variations.

9.2 Day-to-day operational changes to the Services shall be effected through an operational change management process, which shall be agreed by the Parties before the Effective Date and incorporated into the Procedures Manual. Such changes shall not result in any alteration to the Charges.

9.3 Additions of new Services, major alterations to the Services or other variations to this Agreement shall be effected through Schedule 13 (Contract Change Control Procedure).

PART C PERFORMANCE AND QUALITY

10. HOLDBACK, SERVICE LEVELS AND LIQUIDATED DAMAGES

10.1 If the Service Provider fails to achieve a Key Milestone for any reason other than a Force Majeure Event or a failure by the Customer to meet a Customer Dependency, without prejudice to its other rights and remedies, the Customer may claim the Liquidated Damages associated with that Key Milestone (if any) to the extent agreed and set out in an applicable SOW, in which case:

10.1.1 the Liquidated Damages amount shall be deducted from the next invoice or paid to the Customer if there are no further invoices due to be rendered under the Agreement within thirty (30) days from the date of the invoice issued by the Customer; and

10.1.2 the Parties agree that the Liquidated Damages are a genuine pre-estimate of some of the loss the Customer is likely to suffer as a result of the Service Provider's failure to achieve a Milestone.

10.2 The Parties acknowledge that, prior to the commencement date for a particular Service, the mechanisms in Schedule 3 (Service Levels and Service Credits) and clause 32 (Step-In) are not applicable.

10.3 **Holdback**

10.3.1 The Parties agree that with respect to Change Projects, a holdback mechanism may apply which allows interim time and materials or fixed price invoicing but with a proportion of each interim invoice being held back for release on successful conclusion of the project ("**Holdback**") and, if agreed to be applicable, shall be documented in the relevant SOW. The Service Provider shall not unreasonably withhold its agreement to include such a Holdback.

10.4 The Service Provider acknowledges that material or repeated failures to provide a Service to a Performance Standard may have a material adverse impact on the business and operations of the Customer and that, accordingly, it shall:

10.4.1 at all times achieve or exceed the Performance Standards in respect of the Services; and

10.4.2 perform the Services with at least the same level of performance (including in respect of accuracy, quality, timeliness, responsiveness and efficiency) as was provided by or for the Customer prior to the Effective Date (unless expressly agreed to the contrary in the Agreement) or, if higher, in accordance with Good Industry Practice.

10.5 Each Party acknowledges and agrees that any Service Credits that may become payable are an adjustment to the Charges and that the payment and receipt of Service Credits and/or Liquidated Damages is without prejudice to any other right or remedy available to the Customer as a result of the Service Provider's failure to meet the relevant Service Levels or achieve the relevant Milestone (as applicable).

10.6 In addition to Service Levels, the Service Provider shall measure other key indicators of performance of the Services as agreed between the parties in writing (including by carrying out a customer satisfaction survey) and shall provide such measurements to the Customer in order for the Customer to fully understand the levels of performance of the Service being provided by the Service Provider.

10.7 At the Customer's election, Service Levels may be added, deleted or revised due to change in the Customer's business requirements once suitable agreement on the impact of such changes on the Service and the Service Credits has been reached through the Contract Change Control Procedure.

11. SERVICE IMPROVEMENT AND ADVANCES IN TECHNOLOGY

11.1 Other than the Standards and Policies, the Service Provider shall keep the systems, methodologies and processes used and owned or licenced by the Service Provider in performing the Services current and the Customer shall receive the benefits of any available upgrades in the same through increases in efficiency and productivity.

11.2 The Service Provider shall cause the delivery of the Services, as approved by the Customer, to evolve and be modified, enhanced, supplemented and replaced as necessary for the Services to keep pace with advances in the methods of delivering services, where such advances are at the time pertinent and in general use. Accordingly, the Service Provider shall proactively seek out new technologies by surveying the market and the technology landscape more generally to identify advances or changes in technology that are appropriate and beneficial to the Customer. In particular, the Service Provider shall ensure that it complied with its obligations under Schedule 23 (Innovation and Investment) at all times in respect of the delivery of the Services.

12. REFERENCE

12.1 The Service Provider shall use the Customer as a referee in relation to at least two (2) bids each year. Such bids shall be for services broadly similar to the Services for clients of a similar size to the Customer. Failure to do this shall, without limitation, require the Service Provider's UK and Ireland CEO to provide detailed reasons for such failure to the Customer's CIO.

PART D OPERATION OF THE SERVICES

13. ASSETS

Equipment

13.1 In the event the Customer deems it necessary to require the Service Provider to use equipment owned or operated by the Customer ("**Customer Equipment**"), the Service Provider shall be responsible for transfer of the Customer equipment to the Service Provider's sites/environments. As at the Effective Date, the Parties do not envisage any Customer Equipment being installed on the Service Provider's sites/environments.

13.2 The Customer makes no warranties with regard to the Customer Equipment (if any).

13.3 The Service Provider shall be fully responsible for monitoring the operation of and maintenance of the Customer Equipment (if any) and shall promptly notify the Customer of any issues with the same that may impact the provision of the Services or achievement of the Service Levels.

13.4 The Service Provider may, where directed to do so by the Customer, acquire future equipment ("**Future Equipment**"), including modifications, upgrades, enhancements, additions and replacements of the Customer Equipment, as necessary or appropriate to provide the Services. Such Future Equipment shall be acquired in the name of the Customer and title shall vest in the Customer and, unless agreed to the contrary pursuant to the Contract Change Control Procedure, the Customer shall pay the vendor directly for such Future Equipment.

13.5 The Customer shall have the right to approve any software or Service Provider Tools used by the Service Provider in relation to the Services and installed on Customer Systems prior to the Service Provider's use of the same in order to provide the Services, such approval shall not be unreasonably withheld or delayed. The Service Provider shall be responsible for:

13.5.1 in consideration of the Core Charges, installing, operating and maintaining the Service Provider Software and Service Provider Tools;

13.5.2 in consideration of the Core Charges, managing and using any other Software, Systems or Materials (including the Customer Software, Customer Systems and Customer Materials) required to provide the Services; and

13.5.3 in consideration of any agreed Flex Charges, modifying such other Software, Systems or Materials (including the Customer Software, Customer Systems and Customer Materials) where the same is agreed as part of the relevant Change Management Services.

Risk of Loss

13.6 Each Party shall be responsible for risk of loss of, and damage to, Equipment, Software or other Material in its possession or under its control, provided that the Service Provider will notify the Customer prior to installing any single piece of Equipment worth more than £50,000 at a Customer Location.

13.7 The Service Provider shall be responsible for the risk of loss of, and damage to, any property, systems or material used by it to provide the Services, except to the extent that any loss of, or damage to, any such property, systems or materials is caused by an intentional wrongful act or omission of the Customer or Customer Personnel.

14. CO-OPERATION AND THIRD PARTY CONTRACTS

14.1 The Service Provider acknowledges that it will be delivering the Services to the Customer in a multi-vendor environment. Accordingly, the Service Provider shall co-operate in good faith with the Customer, to the extent relevant to obtain the benefit of the Services, and with the Customer's other suppliers to facilitate the integrated and efficient carrying out of the Customer's operations and the provision of the Services. Such co-operation shall include providing advice, assistance, data and information as reasonably required by the Customer and (subject to reasonable confidentiality provisions being in place and applicable requirements under Relevant Law) its suppliers.

14.2 Where applicable to its service model, the Service Provider will agree to specific operation level agreements with those Third Party Suppliers of the Customer identified by the Parties from time to time and, without prejudice to the generality of clause 14.1, the Service Provider shall comply with such co-operation obligations.

14.3 Notwithstanding Schedule 14 Appendix A, the Parties will identify any third party contracts under which a Third Party Provider furnishes or provides services to the Customer that are associated with the Services and which are required to be maintained in the name of the Customer (or its Affiliates) and managed by the Service Provider in accordance with Schedule 14 (Service Integration) ("**Managed Agreements**"). Any such contracts not already included in Schedule 14, Appendix 14-A will be added to it by written agreement of the Parties. For the avoidance of doubt, the Parties agree that no such services are required at the Effective Date.

14.4 Without prejudice to the generality of its obligations under clauses 14.1 and 14.2, the Service Provider agrees that in relation to any such Managed Agreements, it will monitor the performance of each applicable Third Party Service Provider and take steps to address with each Third Party Service Provider any issues arising with its performance and shall promptly escalate any concerns it may have with respect to such performance to the Customer.

14.5 The Service Provider shall ensure that reasonable knowledge transfer takes place between it and the applicable Third Party Service Providers including in relation to:

14.5.1 difficulties and issues such Third Party Service Providers may encounter in delivering their services in the context of the Service Provider's provision of the Services;

14.5.2 information regarding the operating environment, system constraints and other operating parameters applicable to the provision of the Services by the Service Provider as a supplier with reasonable technical skills and expertise would find reasonably necessary in order to perform its work; and

14.5.3 such information as is necessary to assist each such Third Party Service Provider to ensure that the results of its services have the ability to interoperate with the Services.

14.6 The Parties acknowledge that from time to time the Service Provider may need to appoint third parties as its subcontractors in order to enable it to perform aspects of the Services. The Service Provider agrees that the Customer shall have the right to propose certain Third Party Suppliers to be its subcontractors in relation to such Services. Where requested to do so by the Customer, the Service Provider shall act reasonably to seek either to manage such contracts on the Customer's behalf or to enter into direct contracts with such Third Party Suppliers provided, in such latter case, that: (i) the Service Provider is able to reach a commercial agreement in relation to the same; and (ii) the relevant Third Party Supplier passes the Service Provider's ethics, security and compliance checks. Where requested to enter into a direct subcontract with a third party pursuant to this clause, the Service Provider shall negotiate in good faith and use its reasonable

commercial endeavours to reach agreement and the Customer agrees to provide reasonable support to assist with such discussions (if requested to do so).

15. PERSONNEL

Staff Transfer

15.1 The Parties shall comply with the terms of Schedule 17 (Human Resources Provisions). The Parties will agree via the Contract Change Control Procedure any amendments to Schedule 17 necessary to reflect any changes required but at the Effective Date the Parties do not envisage any Personnel will transfer under this Agreement in accordance with the Transfer Regulations.

General

15.2 The personnel assigned to the Customer account by the Service Provider (or its Sub-contractors) will be and remain employees of the Service Provider (or such Sub-contractors) ("**Service Provider Personnel**") and the Service Provider (or such Sub-contractors) shall be liable for all taxes, national insurance and other costs, compensation and benefits of such personnel, including salary, health, accident and workers' compensation benefits, pensions and contributions that an employer is required to pay with respect to the employment of employees related to the Service Provider Personnel ("**Employment Costs**").

15.3 If the actions or inactions of Service Provider Personnel create:

15.3.1 additional work in connection with the performance of the Services by the Service Provider that would have otherwise been unnecessary in the absence of such action or inaction; or

15.3.2 additional work for the Customer to enable it to obtain the full benefit of the Services,

the Service Provider shall perform all such additional work at no additional charge to the Customer.

15.4 The Customer shall have the right to require the removal of any member of the Service Provider Personnel assigned to perform under this Agreement where such Service Provider Personnel's performance and competence, responsiveness, capabilities, cooperativeness, ability to work within the Customer's culture, or fitness for a particular task of any person assigned by the Service Provider to perform Services, is insufficient to perform the Services in a manner acceptable to the Customer. In these circumstances, the Customer shall provide to the Service Provider written reasons for the request for removal. Without prejudice to the foregoing, the Service Provider shall furnish a qualified replacement as soon as reasonably practicable but in all cases, within twenty (20) days of the removal.

Key Personnel

15.5 The Customer shall have the right to designate certain employees of the Service Provider or its Sub-contractors as key employees (the "**Key Personnel**"), provided that the Service Provider may reasonably refuse such designation. The Parties shall agree a maximum number of Key Personnel. The Key Personnel shall devote sufficient effort to perform their role in the delivery of the applicable Services. The Key Personnel will be listed in Schedule 18 (Key Personnel) to this Agreement.

15.6 During their Duration of Commitment, the Service Provider shall only remove or change the Key Personnel with the written consent of the Customer except where the removal or change results from resignation, death, disability, or termination of employment of the Key Personnel in question

in which case the Service Provider must promptly notify the Customer of such removal and the proposed replacement. The Service Provider may review its team after the expiry of the initial Duration of Commitment set out in Schedule 18 (Key Personnel) and thereafter every twelve (12) months and advise which Key Personnel are to be changed in accordance with this clause 15.6 and clause 15.7 and any such changes will be made on at least six (6) months' notice.

15.7 The Service Provider may only assign or replace any Key Personnel with the Customer's prior written consent (which in the circumstances set out above shall be deemed to have been given) and only after the Service Provider has provided the Customer with the relevant curriculum vitae of the relevant Key Personnel and with a reasonable opportunity to interview such Key Personnel. At no additional cost to the Customer, the Service Provider will provide for an appropriate transition (including overlap) period for the new individual so that there is no disruption to the performance of the Service Provider's obligations or the Customer's receipt of the Services under this Agreement.

Non-Solicitation

15.8 Save for any exceptions agreed by the Parties in writing, and subject to the parties respective obligations set out in Schedule 17 (Human Resources Provisions), each Party agrees that during the period between 1 October 2024 and the earlier of: (i) the date falling six (6) months after the expiry or termination of this Agreement, or (ii) the date falling six (6) months after the date the relevant individual has left his or her employment , it will not and will procure that its Affiliates will not directly or indirectly, either on its own account or in conjunction with or on behalf of any other person, employ, hire, solicit or endeavour to entice away from the other Party (or its Affiliates) any person who, at any point since 1 October 2024:

15.8.1 in the case of the Customer, has been an officer, manager, employee, agent or consultant of the Customer or its Affiliates; or

15.8.2 in the case of the Service Provider, has been engaged in the provision of the Services to the Customer under this Agreement.

16. SERVICE LOCATIONS

16.1 When working at any Customer facilities, Service Provider Personnel shall comply with the requirements of Schedule 22 (Locations and Site Licence) and all applicable Standards and Policies, including the Customer's standard workplace security, administrative, safety and other policies and procedures applicable to the Customer's own employees or contractors ("**Customer Location Policies**") and the Customer IT and security policies as set out in Schedule 7 (Security – IT and Physical).

16.2 The Customer shall notify the Service Provider of any subsequent modifications or amendments to the Customer Location Policies. Any such changes to the Customer Location Policies which impose materially increased obligations or costs on the Service Provider, shall be agreed through the Contract Change Control Procedure.

16.3 Customer agrees and acknowledges that Service Provider has implemented a flexible working policy for its personnel. Under this flexible working policy, where agreed in writing by the Parties, Service Provider Personnel are permitted to work from Remote Locations. In connection with the foregoing, Service Provider shall: (i) procure that Service Provider Personnel comply with the terms and conditions under this Agreement, including performance obligations, and adherence to applicable Standards and Policies; and (ii) ensure that appropriate security measures are in place in relation to the delivery of Services by Service Provider Personnel working at locations other than Customer Locations or Service Provider Service Provider Service Locations

17. SUBCONTRACTORS

17.1 The Service Provider shall not delegate or subcontract any of its obligations under this Agreement without the prior written consent of the Customer and shall ensure that all Sub-contractors comply with obligations akin to those set out in Schedules 17 (Human Resources Provisions), 5 (Sub-Contractor List and Service Provider Tools), 7 (Security - IT and Physical), and 21 (Data Transfer and Processing).

17.2 The Customer acknowledges and agrees that the consent required pursuant to clause 17.1 has been granted in respect of those Approved Sub-contractors identified in Schedule 5 (Sub-Contractor List) and any Sub-contractor it formally requires the Service Provider to use in connection with the provision of the Services pursuant to clause 14.6.

17.3 The Customer may revoke its approval of a Sub-contractor if it has good faith doubts about the Sub-contractor's ability to perform the sub-contracted Services.

17.4 The Service Provider shall on request advise the Customer of the impact of any revocation action pursuant to clause 17.3 by the Customer including any impact on the timetable and the Charges.

17.5 If the Customer wishes to proceed with the revocation action pursuant to clause 17.3 then any changes shall be agreed through the Contract Change Control Procedure.

17.6 The Parties agree that there will be no impact on the Charges if the Customer revokes its approval of a Sub-contractor as a result of any fraud, fraudulent misrepresentation, Wilful Default or Wilful Abandonment or any other criminal act by a Sub-contractor or its employees.

17.7 If the Customer consents to the Service Provider's proposed use of a Sub-contractor to perform the Services (or part thereof) the Service Provider shall remain fully responsible and liable for the acts and omissions of the Sub-contractors to the same extent as if such acts and omissions were those of the Service Provider.

17.8 Subject to ensuring that all Service Provider Applicable Regulations and the Customer Applicable Regulations that it has been made aware of pursuant to clause 20.1 in relation to the same are complied with (provided always that compliance with Customer Applicable Regulations shall be deemed where the Service Provider complies with and has taken the steps agreed between the Parties pursuant to clause 20.1), the Service Provider may engage any of its Affiliates to provide Services and Deliverables to the Customer and the Customer Group under this Agreement. Notwithstanding anything to the contrary in this Agreement, the Service Provider will remain fully liable for Services and Deliverables provided under this Agreement by its Affiliates.

17.9 Any references to "sub-contracting" in this clause 17 and throughout this Agreement shall include sub-outsourcing.

18. DATA AND SECURITY REQUIREMENTS

18.1 The Service Provider shall comply with the current Standards and Policies relating to IT and security and the requirements of Schedule 7 (Security – IT and Physical) at no additional cost to the Customer. If the Standards and Policies change these will be notified to the Service Provider by the Customer in accordance with clause 4.1.6 and the Service Provider will review such changes, and notify the Customer of any implications of such changes. Any such changes to this Agreement or the Services required as a direct result of the changes to the Standards and Policies and/or the requirements of Schedule 7 will be agreed through the Contract Change Control Procedure save that the Charges shall only be increased where the changes materially increase obligations or costs on the Service Provider.

18.2 The Service Provider shall provide ongoing training for all the Service Provider Personnel employed or engaged in the provision of the Services in compliance with the Standards and Policies.

18.3 Without limiting clause 18.1, the Service Provider shall comply and shall ensure that all Sub-contractors comply with vetting procedures and policies in respect of all Service Provider Personnel that comply with Good Industry Practice.

18.4 The Service Provider shall ensure that principles aligned to ISO 27001 and ISO 9001 are reflected in its performance of the Services.

18.5 The Customer shall retain exclusive rights and ownership of all of Customer Data and the Customer Data shall not be:

18.5.1 used by the Service Provider for any purpose other than as required under the Agreement in connection with providing the Services;

18.5.2 disclosed, sold, assigned, leased or otherwise provided to third parties by the Service Provider; or

18.5.3 commercially exploited or otherwise used by or on behalf of the Service Provider, its affiliates, officers, directors, employees, or agents, other than in accordance with the Agreement.

18.6 Upon request by the Customer and at its election and at no additional charge, the Service Provider shall promptly return to the Customer the Customer Data in the format and on the media as reasonably requested by the Customer, or erase or destroy Customer Data in the Service Provider's possession, power or control (except that the Service Provide may retain one copy for legal records) and, if requested by the Customer to do so, shall provide the Customer with confirmation in writing signed by a corporate officer of the Service Provider.

18.7 The Service Provider shall protect the Customer's data in its possession, power or control so as to not lose, damage, destroy or corrupt the Customer Data.

18.8 Pursuant to the requirements of Schedule 7 (Security – IT and Physical) the Service Provider shall establish and maintain all appropriate technical and organisational controls to safeguard against the destruction, loss or alteration of Customer Data and that are no less rigorous than those maintained by the Service Provider for the Service Provider's own information of a similar nature or that otherwise comply with Good Industry Practice.

18.9 Service Provider Personnel must not attempt to access, or allow access to, Customer Data to which they are not entitled or that is not required for the performance of the Services by Service Provider Personnel.

18.10 The Service Provider acknowledges its obligations with respect to data security set out in this clause 18.8 and 18.9 apply to the same extent to any of the Customer's Confidential Information that is received by the Service Provider. Similarly, the Customer shall ensure that any Service Provider Confidential Information is kept securely in a manner consistent with the data security requirements imposed on the Service Provider under clauses 18.8 and 18.9.

18.11 The Service Provider acknowledges that the Customer is subject to the New York Department of Financial Services Cybersecurity Regulation (23 NYCRR Part 500) ("NYDFS") and that the Service Provider's compliance with clauses 18.8 and 18.9 in relation to Customer Confidential Information is required for the Customer to comply with NYDFS. The Service Provider will also reasonably assist the Customer to comply with any additional requirements of NYDFS (at the

Customer's cost) provided that the Parties agree in writing the scope of any such additional requirements via the Contract Change Control Procedure.

19. BUSINESS CONTINUITY AND DISASTER RECOVERY

19.1 Without prejudice to any Services relating to disaster recovery or business continuity the Parties may agree, the Service Provider shall manage and maintain internal disaster recovery and business continuity policies and procedures consistent with Good Industry Practice and the requirements of Schedule 16 (Business Continuity and Disaster Recovery Plan) throughout the Term at no additional cost to the Customer.

20. REGULATORY MATTERS AND AUDIT RIGHTS

General

20.1 The Service Provider shall comply with all Service Provider Applicable Regulations. Without prejudice to the generality of the foregoing, the Customer may notify the Service Provider of (i) any Customer Applicable Regulations it specifically requires the Service Provider to comply with (including any requirements set out in the Standards and Policies to either comply with Customer Applicable Regulations referenced there or to ensure compliance with Customer Applicable Regulations by following certain policies or procedures) and/or (ii) if it requires compliance with what would otherwise be a Service Provider Applicable Regulation in a Customer specific way (such specific compliance becoming compliance with a Customer Applicable Regulation for the purposes of this Agreement and the definition of Service Provider Applicable Regulation). Once any such Customer Applicable Regulations are identified, the Parties will act reasonably to agree as to how they are to be complied with via Contract Change Control Procedure. For the avoidance of doubt, such notifications may relate to compliance with Customer Applicable Regulations in any jurisdictions worldwide in which the Customer or its Affiliates operate or do business from time to time. The Service Provider shall make any modifications to the Services as reasonably necessary as a result of changes to Service Provider Applicable Regulations at no extra cost to the Customer. Where the relevant modification is required to address a change in Customer Applicable Regulations the effect on cost and delivery shall be assessed and agreed via the Contract Change Control Procedure.

20.2 The Service Provider recognises that the Customer and its Affiliates are subject to regulation by (or has regulatory responsibilities in respect of) the regulatory authorities in the jurisdictions in which it operates and that, in particular, the Customer has regulatory responsibilities in respect of:

20.2.1 the Financial Conduct Authority and the Prudential Regulation Authority;

20.2.2 the Bermuda Monetary Authority;

20.2.3 the North Dakota Department of Insurance and the Texas Department of Insurance;

20.2.4 the Jersey Financial Services Commission;

20.2.5 the Central Bank of Ireland;

20.2.6 the successor organisations/regulators of each entity listed in clauses 20.2.1 to 20.2.5 from time to time; and

20.2.7 various other relevant governmental agencies or bodies around the world.

20.3 Subject to clause 26 and the applicable terms in clauses 20.4 and 20.5, the Service Provider shall provide such cooperation with all applicable regulatory authorities as may reasonably be

requested by the Customer or otherwise required by such authorities and in any event shall cooperate with both the Customer and any regulatory authorities in responding to any enquiries made by such authorities. Such cooperation shall be provided at the Customer's reasonable cost. The Service Provider's obligations under this clause 20.3 shall include:

20.3.1 providing, on request, such assistance as the Customer may reasonably require to prove its compliance with its regulatory requirements in the context of the Services;

20.3.2 providing to the Customer such information and/or documentation as a Regulatory Body may request in its supervision of the performance of the Services and it consents to such information and documentation being passed on to the relevant Regulatory Body (subject to the controls in clause 26.3); and

20.3.3 in addition to the Customer's own audit rights hereunder, permitting a Regulator to carry out audits of the Service Provider where such Regulator requires the right to do so under Relevant Laws.

External Audits

20.4 The Customer (or its nominee) shall be entitled to audit the Service Provider's conformance with its obligations under the Agreement (including to verify the Charges) and the relevant Service Provider's facilities in each case in respect of the Services provided to each of the UK Customer, the US Customer and the Bermuda Customer during business hours once per year for all audits under clause 20.4 (at no additional charge to Customer, though the Customer is responsible for its own costs in respect of such audit) on reasonable written notice (which shall, other than in the case of an emergency or regulatory audit, be no less than one (1) month), provided that the audit is carried out subject to clauses 20.5, 20.6 and 20.10; the auditor is not a direct competitor of the Service Provider; and the auditor enters into a confidentiality agreement with the Customer on terms no less onerous than those set out in clause 26. For the avoidance of doubt, the audit departments of the "Big 4" accountancy firms are not direct competitors of the Service Provider, provided that they sign a confidentiality agreement with the Service Provider, including the obligation to put in place appropriate ethical walls between their audit departments and those parts of their business which provide business and technology consulting and services, to ensure that all information obtained by their audit department is not disclosed to parts of their business which may compete with the Service Provider.

20.5 The Service Provider shall provide all reasonable co-operation with any audits conducted pursuant to clause 20.4 and the Customer shall use its reasonable endeavours to seek to:

20.5.1 minimise any disruption to the Services; and

20.5.2 consolidate such audits for each key Customer Location, where possible.

20.6 In conducting an audit, the Customer (or its nominee) shall comply with the Service Provider's reasonable security and confidentiality procedures and shall not be permitted to have unsupervised access to the Service Provider's shared facilities and systems. The Service Provider shall be entitled to reasonable relief if there is any disruption to the Services as a direct result of the Customer carrying out an audit.

20.7 Not used

20.8 If, as a result of an audit, it is determined that the Service Provider has overcharged the Customer, the Customer shall notify the Service Provider of the amount of such overcharge and the Service Provider shall promptly pay to the Customer the amount of the overcharge, plus interest at a rate of two percent (2%) above the annual base rate of the Bank of England from

time to time calculated from the date of receipt by the Service Provider of the overcharged amount until the date of payment to the Customer.

20.9 In the event any such audit by the Customer or its agents reveals an overcharge to the Customer by the Service Provider of five percent (5%) or more of a particular fee category, the Service Provider shall reimburse the Customer for the cost of such audit in addition to the repayment of the sum plus interest at the rate set out above.

20.10 The Service Provider agrees that the restrictions on the number of audits and the notice period for such audits set out in clause 20.4 will not apply to audits required for legal or regulatory reasons. Such audits shall be conducted at the Customer's cost where the number set out in clause 20.4 has been exceeded.

20.11 If any audit by an auditor designated by the Customer or a regulatory authority having jurisdiction over the Customer results in the Customer being notified that it is not in compliance with any generally accepted accounting principle or audit requirement relating to the Services, then provided that the non-compliance resulted from the Service Provider's default, the Service Provider shall, at its own expense and within the period of time specified by such auditor or regulatory authority, bring the Services into compliance. If the Service Provider fails to bring the Services into compliance within a reasonable time the Customer shall be entitled to terminate this Agreement on the grounds of the Service Provider's irremediable material breach of contract on the provision of written notice.

20.12 The Service Provider shall maintain and retain in a manner that complies with Good Industry Practice accurate records (including complete financial records of its operations and activities specifically related to the Services) in relation to the provision of the Services provided to the Customer during the Term for seven (7) years after the termination or expiry of the Agreement and make the same available to the Customer and its auditors.

20.13 The Service Provider shall provide all reasonable assistance and information in relation to the conduct of the audit at its own cost. For the avoidance of doubt such information shall not include the provision of any background cost or overhead information or any of the Service Provider internal reports relating to the Services (although the Service Provider shall act reasonably in this regard).

Internal Audit

20.14 The Service Provider shall establish and maintain a system of internal audits to provide management with assurance that a quality assurance system is being utilised, is effective, meets customer and business needs and continues to improve ("**Internal Audits**").

20.15 The Service Provider shall maintain internal controls lists in a manner consistent with Good Industry Practice and provide confirmation of the same at least once per year.

20.16 Where specifically requested by the Customer, the Service Provider shall also provide a copy (if any are produced) of its:

(a) internal independent audit reports concerning International Standard on Assurance Engagements No. 3402 (ISAE 3402) Assurance Reports on Controls at a Service Organisation;

(b) Statement on Standards for Attestation Engagements No. 18 (SSAE 18); and/or

(c) SOC 1 Type 2 Report prepared in accordance with AT-C320 issued by the AICPA,

to the Customer within a reasonable time after any such reports are completed (provided the Service Provider is not required to provide copies of which reports which cover or refer to other clients of the Service Provider) and shall make all documents regarding such audits available to any applicable Regulator. The Customer acknowledges that for any of the audit reports specified in (a) to (c) above to be able to demonstrate appropriate control operating effectiveness in accordance to these audits' requirements, processes have to be in steady stable state for over eight (8) months. Accordingly, the Customer agrees that it shall not make a request pursuant to this clause 20.16 until a at least one (1) year after the relevant commencement date in respect of the relevant Services.

20.17 Should any Internal Audit identify an overcharge, the provisions of clauses 20.8 and 20.9 shall apply.

21. CUSTOMER DEPENDENCIES

21.1 The Service Provider's sole and exclusive remedy for the Customer failing to meet any of its Customer Dependencies is set out in this clause 21 and the Service Provider shall not be entitled to sue the Customer for breach of contract or terminate the Agreement due to a failure of the Customer to meet the Customer Dependencies.

21.2 The Service Provider shall be excused from failures or delays to perform its obligations under this Agreement or any SOW if the Customer delays or fails to provide the Customer Dependencies or in respect of any consequences arising as a result of Service Provider or Service Provider Personnel following the instructions of Customer Personnel specifically authorised to give instructions to Service Provider under this Agreement where: (i) it is reasonable for the Service Provider or Service Provider Personnel to rely on Customer's instructions; and (ii) acting in accordance with Good Industry Practice the Service Provider knew or should have known that following such instructions would lead to a delay or failure of the Service Provider (each "**Relief Event**") but only:

21.2.1 to the extent that a Relief Event causes Service Provider's failure to perform;

21.2.2 provided that such acts or omissions are not undertaken by the Customer at the Service Provider's direction or with the Service Provider's written consent;

21.2.3 provided that the Service Provider gives the Customer prompt written notice of the Relief Event; and

21.2.4 provided the Service Provider uses Commercially Reasonable Efforts to mitigate the adverse consequences of the Customer's failure and continues to provide the Services.

21.3 Provided the Service Provider has complied with the obligations set out in clause 21.2 and has obtained the Customer's prior written approval, the Service Provider will be entitled to receive a reasonable adjustment in the timeframes to deliver and reimbursement of its reasonable, demonstrable, unavoidable costs incurred directly as a result of the Customer's failure to perform the relevant Customer Dependency (with such costs being calculated by reference to the time spent and the Rate Card).

21.4 The Service Provider shall only be entitled to relief under this clause 21 from the date on which it notifies the Customer in accordance with clause 21.2.3.

PART E PAYMENT

22. CHARGES

22.1 The Service Provider's pricing shall not be subject to or contingent upon any due diligence to be performed after the Effective Date except in respect of New Services.

22.2 In the event the Parties agree that a particular pass-through expense is to be paid directly by the Customer, such pass-through expense shall not be subject to any mark-up and the Service Provider shall provide the Customer with the original third party invoice together with a statement that the Charges are proper and valid and should be paid by the Customer.

22.3 In consideration for the provision of the Services the Customer shall pay to the Service Provider all undisputed Charges within forty-five (45) days of receipt of a correctly rendered invoice.

22.4 In the event of late payment, the Service Provider reserves the right to charge interest on amounts overdue at a rate of two percent (2%) above the annual base rate of the Bank of England from time to time.

22.5 Except as otherwise agreed by the Parties in writing, no rates or charges other than those set out in clauses 22.3, 22.4 and Schedule 10 (Pricebook, Charges and Invoicing) shall be applicable to the provision of the Services under this Agreement.

22.6 The Service Provider shall only be entitled to invoice the Customer for its expenses if such expenses have been approved in writing in advance and are incurred in accordance with the version of the Customer's expenses policy notified to the Service Provider from time to time.

22.7 The Service Provider shall maintain complete and accurate records of, and supporting documentation for, the amounts billable to and payments made by the Customer under this Agreement and the Service Provider shall provide the Customer with documentation and other information with respect to each invoice as may be reasonably requested by the Customer to verify accuracy and compliance with the provisions of the Agreement.

22.8 The Customer shall have the right to deduct from amounts owed by the Customer to the Service Provider amounts that the Service Provider is obliged to pay to or credit to the Customer under the Agreement.

22.9 The Customer may withhold payment of particular charges that the Customer reasonably and in good faith disputes on notice to the Service Provider.

22.10 If the Customer disputes a part of an invoice, the Service Provider shall re-issue an invoice (with the original invoice date) for the undisputed Charges and the Customer shall pay such undisputed Charges in accordance with clause 22.3. The Service Provider shall also re-issue a separate invoice for the disputed Charges (with the original invoice date). The Parties shall diligently pursue an expedited resolution of such dispute in accordance with clause 49 .

22.11 The Service Provider shall render invoices in accordance with paragraph 3 of Schedule 10 (Pricebook, Charges and Invoicing).

23. TAX

23.1 All charges are exclusive of taxes. Client shall pay amounts equal to any federal, state or local sales, use, excise, privilege, value added, goods and services taxes (the latter being "**VAT**"), duties, imposts, levies or similar assessment relating to the Services and Deliverables provided

by the Service Provider hereunder, exclusive of taxes based on Service Provider's net income or net worth.

23.2 Unless otherwise agreed between the Parties, the Service Provider will be responsible for all other taxes which are incurred as a result of its provision of the Services under this Agreement.

23.3 The Customer shall be entitled to deduct the sums required to pay any withholding taxes, demanded by any taxation authority, from payment to the Service Provider. Upon becoming aware that it must make a tax deduction, the Customer must notify the Service Provider accordingly.

23.4 If the Customer does deduct any amounts pursuant to clause 23.3, it shall pay such sums to the relevant taxation authority within the period for payment permitted by law, and furnish the Service Provider with evidence of payment of the relevant amount from the relevant tax authority. The Customer shall upon request reasonably assist the Service Provider with obtaining relevant basic information about such tax obligations and shall use reasonable efforts to assist the Service Provider with reclaiming such withholding tax, where any double-tax treaties or similar rules in the jurisdiction allow for tax reclaims to reduce the Service Provider's tax burden, or with claiming a foreign tax credit.

23.5 If VAT or other taxes are payable on damages payable or paid under this Agreement, then the Party liable for payment of such damages must pay any such VAT or other taxes in addition to the relevant amount of damages upon production of a valid VAT or other appropriate tax invoice by the other Party.

24. VALUE FOR MONEY/BENCHMARKING

24.1 The Service Provider agrees that:

24.1.1 the Charges applicable to the Services it provides under this Agreement shall be competitive and offer value for money to the Customer; and

24.1.2 the Performance Standards applicable to the Services shall accord with Good Industry Practice,

and, in order to demonstrate this to the Customer, the Service Provider agrees to comply with the terms of this clause 24 and Schedule 11 (Benchmarking).

PART F INTELLECTUAL PROPERTY, CONFIDENTIALITY AND DATA PROTECTION

25. INTELLECTUAL PROPERTY RIGHTS

General

25.1 Each Party shall retain its rights in its own Pre-existing IPR and the Service Provider shall retain its rights in the Service Provider IPR. Except as provided in this clause 25, neither Party shall gain by virtue of the Agreement any rights of ownership in any IPR owned by the other Party or any third party.

25.2 The Service Provider shall procure that all Service Provider Personnel waive all Moral Rights in any Service Provider IPR (excluding any Third Party Materials) provided to, or used by, the Customer in connection with the Agreement.

25.3 Developed IPR shall be solely owned by the Customer and shall vest in the Customer on creation provided always that such Developed IPR in any Deliverable which is rejected under clause 6.8.3 shall automatically vest in the Service Provider upon such rejection and, to the extent that any such rights to not automatically vest, the Customer agrees to irrevocably assign, transfer and convey to the Service Provider all rights, title and ownership in the relevant Developed IPR in the rejected Deliverable. The Customer shall and shall procure that its personnel shall give the Service Provider or its designees, all reasonable assistance and execute all documents necessary to assist or enable the Service Provider to perfect, preserve, register or record its rights in the relevant Developed IPR in the rejected Deliverable at the Service Provider's cost.

25.4 The Service Provider may use the Developed IPR solely to provide the Services to the Customer during the Term.

25.5 To the extent that title and/or ownership rights may not automatically vest in the Customer as contemplated by clause 25.3, the Service Provider agrees to irrevocably assign, transfer and convey to the Customer all rights, title and ownership in the Developed IPR. The Service Provider shall and shall procure that Service Provider Personnel shall give the Customer or its designees, all reasonable assistance and execute all documents necessary to assist or enable the Customer to perfect, preserve, register or record its rights in the Developed IPR at the Customer's cost.

25.6 The Service Provider shall ensure that where it develops Developed IPR for the Customer, it shall deliver the same in Source Code and object code form, with appropriate Documentation and that both versions shall be able to be used by a reasonably skilled programmer familiar with the relevant software language.

25.7 The Service Provider shall ensure that all Documentation related to any software Deliverable (or a component thereof) is up to date at the date of delivery.

25.8 Subject to clause 25.10, 25.11 and 25.12, the Service Provider grants to the Customer and the Customer Group a, royalty-free, world-wide, non-exclusive, non-transferable (subject to clause 39) licence (at no additional charge) to use the Service Provider owned Service Provider Pre-existing IPR:

25.8.1 that is provided to the Customer and/or the Customer Group as part of the Services during the Term and (which includes any applicable Termination Assistance Period) where necessary for the Customer's and the Customer Group's use and receipt of the Services (which right includes the right for the Customer Group's agents and subcontractors to (i) use for and (ii) and assist the Customer Group in its receipt of the Services, in each case in connection with their own provision of services to the Customer Group) but excluding any (i) Digital Products (to be licensed on separate terms) or (ii) Service Provider Tools (and Customer will use reasonable endeavours to keep Service Provider informed as to the identity of the sub-contractors and agents permitted access under this clause); and

25.8.2 in perpetuity and including the right to sub-licence, where such Service Provider's Pre-existing IPR is embedded into a Deliverable,

in each case subject to: (a) the restriction that it may not be deconstructed (to the maximum extent permitted by Relevant Law) or extracted from the relevant Services or Deliverable or used as a standalone product; and (b) any further limitations set out in a Statement of Work or otherwise agreed in writing by the Parties. The Customer shall also ensure that any sub-licensee under 25.8 complies with the licence conditions set out in this clause.

25.9 The Service Provider agrees that for Change Projects under this Agreement it will not develop any standalone modifications, functionality or derivatives of Service Provider IPR without Aspen's prior written consent. Where a Change Project may involve the delivery of modifications, enhancements or derivatives of Service Provider IPR (but excluding Third Party Materials) which are in existence prior to the Effective Date, the parties may discuss deviations to the allocation of ownership of Developed IPR set out in the definition of Developed IPR in Schedule 1 (Definitions), along with the commercial implications of any such deviation.

25.10 **Third Party Materials Generally**

25.10.1 The Service Provider shall obtain the Customer's prior written consent before embedding in any Deliverables or using or providing to Customer or installing in the Customer's environment any Third Party Materials or its own Digital Products or Service Provider Tools (each as defined in clause 25.11).

25.10.2 Where Service Provider does propose to use Third Party Materials with Customer's consent (including any non-Service Provider owned Service Provider Tools) then, subject always to clause 25.12, it shall use Commercially Reasonable Efforts and at mutually agreed terms (but at no additional cost as regards the Service Provider's efforts to procure a licence), to procure the grant to the Customer and the Customer Group and, to the extent necessary, its sub-contractors, agents and representatives of a world-wide, non-exclusive licence to use, modify, enhance and maintain the Third Party Materials to be embedded in the Deliverables or to be made available to the Customer specifically to provide the Services to the Customer.

25.10.3 Notwithstanding the foregoing, the Parties agree that it may not be possible to procure such a licence under clause 25.10.2 and that, in addition to addressing the variations required by clause 25.12 the Parties may need to either: (i) agree further variations to the terms of this Agreement and appropriate pass through terms from the third party in respect of such Third Party Materials only; or (ii) arrange for such Third Party Materials to be licensed directly to the Customer Group. In this latter case, the Service Provider shall use Commercially Reasonable Efforts to assist the Customer in the procurement of a licence directly from the licensor of any Third Party Materials.

25.10.4 Where the Service Provider has not complied with the terms of clause 25.10.1 and obtained the Customer's prior consent to use, provision or installation in the Customer's environment or to embed in any Deliverable Third Party Materials then, without prejudice to the Customer's other rights and remedies hereunder, the Service Provider shall (at its cost and option) either: (i) procure a licence for the Customer to use such Third Party Materials; or (ii) re-provide the relevant Services and/or Deliverables in such a manner that the relevant Third Party Materials are not required but until such time as its failure to comply with clause 25.10.1 is identified and then, following such identification remedied pursuant to this clause 25.10.4, the Third Party Materials in question will be deemed to have been licensed to the Customer for it to use in connection with its receipt of the Services and use of Deliverables but only to the extent strictly necessary to permit such use.

25.11 **Service Provider Tools and Digital Products**

25.11.1 The Parties acknowledge and agree that from time to time the Service Provider may propose the use of its own proprietary products that are typically licenced on stand-alone terms (the "**Digital Products**") and that subject always to agreement between the Parties as to such terms, any such Digital Products shall be licenced on separate terms (and subject to escrow requirements, or not, in accordance with such separate terms) and the

other terms of this clause 25 shall not apply to their use. The Service Provider undertakes to ensure that the impact of the use of Digital Products on the Customer's receipt of the Services and the wider terms of this Agreement is minimised.

25.11.2 As part of delivering the Services, the Customer acknowledges that Service Provider Personnel may also utilise proprietary software, methodologies, tools, specifications, drawings, sketches, models, samples, records, documentation, works of authorship, creative works, ideas, know-how, data or other materials which have been or are originated, developed, licensed, purchased, or acquired by Service Provider or its Affiliates or Sub-contractors (collectively, "**Service Provider Tools**"). Where necessary to deliver the Services, Customer consents to installation in its environment of the Service Provider Tools listed in Schedule 5 (Sub-contractors and Service Provider Tools) or the applicable SOW but agrees and acknowledges that it (and its agents and sub-contractors) will not directly or independently use (and will not have any right to so use) any such Service Provider Tools unless otherwise specifically agreed by the Parties in writing via the Contract Change Control Procedure or in a SOW.

25.12 **COTS, Cloud and Similar Materials and Services**

25.12.1 In the event that an element of the Services to be provided by the Service Provider is to be procured from and passed through to the Customer from a commercially available off the shelf package software provider, cloud services provider or similar provider of software, hardware or solutions on standard terms (a "**COTS Vendor**"), then the Parties will negotiate the terms of such pass through supply and that such negotiations shall include agreeing, subject to confirming the same via the Contract Change Control Procedure, that: (i) the Service Provider's liability arising in relation to or in connection with breaches of clause 27 caused by the COTS Vendor shall be capped at the level at which the COTS Vendor caps its liability to the Service Provider and which the Service Provider is entitled to recover from such COTS Vendor under its terms; and (ii) the approach to the management of data export requirements (including the requirement that such COTS Vendor enter into any Data Protection Model Clauses) imposed by this Agreement, it being agreed that the Parties shall agree such other lawful data export mechanism as is appropriate where the COTS Vendor refuses to enter into the Data Protection Model Clauses.

25.12.2 The Parties agree that as at the Effective Date, save for those COTS Vendors listed in Schedule 19 (COTS Vendors) to whom the terms listed in Schedule 19 (COTS Vendor Usage Restrictions and Related Obligations) apply, there are no COTS Vendors in scope and thus clause 25.12.1 does not apply to the scope of the Services set out in the Agreement as at the Effective Date.

25.12.3 The Service Provider shall not change the Services after the Effective Date such that a new COTS Vendor in respect of which the Service Provider would wish to apply this clause is introduced into delivery of the Services without the prior written consent of the Customer. For the avoidance of doubt, if the Service Provider wishes to change the Services (including end-to-end solutions) and an element of such Services will be provided on a pass through basis using a new COTS Vendor not listed in Schedule 19 then the Service Provider and the Customer shall agree through the Contract Change Control Procedure what COTS Vendors will be used and the terms that will apply, updating Schedule 19 (COTS Vendors) accordingly.

25.13 The Customer grants to the Service Provider and its Affiliates a non-exclusive, non- transferable, revocable licence (including the right to sub-licence, but only to sub-contractors approved by the Customer in accordance with this Agreement) to use, copy, modify, and prepare derivative works

of the IPR arising in any materials (including Developed IPR and all hardware, software or other items) provided by or on behalf of the Customer or any of its Affiliates to the Service Provider in connection with its delivery of the Services for the sole purpose of providing the Services to the Customer for the Term (which includes any applicable Termination Assistance period).

Escrow

25.14 As at Effective Date there is no anticipation of a requirement for escrow but if, pursuant to a SOW or the Contract Change Control Procedure a need for escrow is identified then the following terms shall apply save to the extent varied in the SOW or Contract Change Control Note:

25.14.1 The Service Provider shall ensure that the Source Code in the Service Provider Software embedded in Deliverables (excluding any Third Party Materials which are instead subject always to the provisions of clause 25.10 and which may or may not be subject to escrow depending on the terms agreed with the third party vendor in question) together with any related Documentation, is deposited in escrow pursuant to the terms of the Escrow Agreement.

25.14.2 The Service Provider and the Customer mutually undertake to sign the Escrow Agreement promptly following delivery of any Deliverable to which clause 25.14 applies. The Service Provider additionally undertakes to procure that the relevant escrow agent promptly signs the Escrow Agreement.

25.15 Not used

Residual Knowledge

25.16 Nothing contained in the Agreement shall restrict either Party from the use of any general ideas, concepts, know-how, methodologies, processes, technologies, algorithms or techniques retained in the unaided mental impressions of such Party's personnel relating to the Services which either Party, individually or jointly, develops or discloses under the Agreement ("**Residual Knowledge**") provided that in doing so such Party does not:

25.16.1 infringe the Intellectual Property Rights of the other Party or third parties who have licensed or provided materials to the other Party; or

25.16.2 breach its confidentiality obligations under the Agreement or under agreements with third parties.

26. CONFIDENTIAL INFORMATION

26.1 Subject to clause 26.2, each Receiving Party will treat and keep all confidential information of the Disclosing Party as secret and confidential and will not, without the Disclosing Party's written consent, directly or indirectly communicate or disclose (whether in writing or orally or in any other manner) Confidential Information to any other person other than in accordance with the terms of this Agreement.

26.2 Clause 26.1 shall not apply to the extent that:

26.2.1 the Receiving Party needs to disclose the Confidential Information of the Disclosing Party to any of its employees, Affiliates (and their employees) or Sub-contractors and/or in the case of the Service Provider, COTS Vendors in order to fulfil its obligations, exercise its rights under this Agreement or to receive the benefit of the Services, provided always that the Receiving Party shall ensure that every person to whom disclosure is made pursuant

to this clause 26.2.1 uses such Confidential Information solely for such purposes, and complies with this clause 26 to the same extent as if it were a Party to this Agreement;

26.2.2 any Service Provider Confidential Information is embodied in or otherwise incorporated into any Developed IPR;

26.2.3 such Confidential Information is in the public domain at the Effective Date or at a later date comes into the public domain, other than as a result of breach of this Agreement;

26.2.4 the Receiving Party obtains or has available such Confidential Information from a source other than the Disclosing Party without breaching any obligation of confidence;

26.2.5 subject to clause 26.3, such Confidential Information is required to be disclosed pursuant to any Relevant Law or the rules of any Regulator or stock exchange; or

26.2.6 the Receiving Party can show such Confidential Information was independently developed by it otherwise than in connection with this Agreement.

26.3 Notwithstanding clause 26.1, the Customer may disclose Confidential Information to its solicitors, auditors, insurers, accountants or other operational or service-related advisers for the purposes of reporting to or seeking advice from the relevant Party provided that neither Party may pass commercially sensitive information of the other to its competitors, notwithstanding any other provision of this Agreement or a SOW. In such circumstances as this clause 26.3 permits disclosure of Service Provider Confidential Information, the Customer shall ensure that every person to whom disclosure is made pursuant to this clause 26.3 uses such Confidential Information solely for such purposes and complies with this clause 26 to the same extent as if it were a Party to this Agreement. Prior to making any disclosure under 26.2.5 the Receiving Party shall, unless prohibited from doing so by Relevant Law, provide the Disclosing Party with prompt notice of such request(s) so that the Disclosing Party may seek an appropriate protective order or other appropriate remedy and/or waive compliance with the confidentiality provisions of this Agreement. In the event that such protective order or other remedy is not obtained, or Disclosing Party grants a waiver hereunder, Receiving Party may furnish that portion (and only that portion) of the Confidential Information which the Receiving Party is legally compelled to disclose and will exercise its reasonable efforts to obtain reliable assurance that confidential treatment will be accorded any Confidential Information so furnished.

27. DATA PROTECTION

27.1 The categories of personal data to be processed by the Service Provider, categories of data subjects whose personal data will be processed, and the nature and purpose of processing activities to be performed under this agreement is set out in Schedule 21 (Data Transfer and Processing) of this Agreement as enhanced or clarified in relation to an SOW in the applicable SOW.

27.2 Each Party shall comply with its respective obligations under applicable Data Protection Legislation and, without prejudice to the foregoing, the Service Provider shall not process Customer Personal Data in a manner that will or is likely to result in the Customer breaching its obligations under Data Protection Legislation provided that the Customer gives reasonable written notice to the Service Provider of such obligations.

27.3 Upon termination or expiry of this agreement, the Service Provider shall, at the Customer’s request, promptly delete or return all Customer Personal Data and delete the copies thereof (unless otherwise required by Data Protection Legislation) and shall certify to the Customer that it has done so.

27.4 The Parties acknowledge that, in respect of all Customer Personal Data processed by the Service Provider for the purpose of the provision of Services under this Agreement:

27.4.1 the Customer alone shall determine the purposes for which and the manner in which such Customer Personal Data will be processed by the Service Provider;

27.4.2 the Customer shall be the data controller; and

27.4.3 the Service Provider shall be the data processor.

27.5 Where in connection with this Agreement the Service Provider processes Customer Personal Data as the data processor of the Customer, the Service Provider shall:

27.5.1 process Customer Personal Data only on behalf of the Customer, only for the purposes of performing this Agreement and only in accordance with instructions contained in this Agreement or as otherwise received from time to time; the Service Provider shall notify the Customer prior to taking any further action if it considers an instruction to be likely to result in processing that is in breach of Data Protection Legislation. However, for the avoidance of doubt, the Service Provider is not obliged to analyse the lawfulness of the Customer's instructions;

27.5.2 not otherwise modify, amend, disclose or permit the disclosure of any of the Customer Personal Data to any third party (including a data subject) unless specifically authorised or directed to do so in writing by the Customer;

27.5.3 implement and maintain appropriate technical and organisational measures to protect Customer Personal Data against unauthorised or unlawful processing and against accidental loss, destruction, damage, alteration or disclosure. Upon the Customer's request, the Service Provider shall provide the Customer with a written description of the technical and organisational measures implemented by itself and its Sub-contractors as well as copies of all documentation relevant to such compliance including, protocols, procedures, guidance, training and manuals;

27.5.4 ensure the reliability of any of the Service Provider Personnel with access to Customer Personal Data, that such access is granted on a 'need to know' basis, and that they are subject to binding obligations of confidentiality with respect to Customer Personal Data;

27.5.5 comply with:

27.5.5.1 all binding guidance and recommendations from the relevant supervisory authorities in countries where the Customer is established;

27.5.5.2 clause 18.4; and

27.5.5.3 the Customer's Standards and Policies;

27.5.6 at no additional cost, provide full cooperation and assistance to the Customer as the Customer may require to allow the Customer to comply with its obligations as a data controller, including in relation to data security, data breach notification, data protection impact assessment, prior consultation with data protection authorities, any enquiry, notice or investigation received from a data protection authority, and the fulfilment of data subject's rights;

27.5.7 promptly and without delay (but in any event within 48 hours of becoming aware of it), notify the Customer in writing of any actual or alleged unauthorised disclosure, loss,

destruction, compromise, damage, alteration, or theft of Customer Personal Data (including unauthorised access to or use of the Customer Systems or data, improper handling or disposal of data, theft of information or technology assets, and/or the inadvertent or intentional disclosure of Customer Personal Data) or any incident which may give rise to a personal data breach (as such term is defined under the GDPR); and

27.5.8 subject to clause 20.4, permit physical inspections of the Service Provider's relevant premises dedicated to the Customer and/or the Services, by the Customer or its representatives to ensure compliance with this clause 27.

27.6 The Service Provider shall nominate a representative within its organisation who shall have responsibility to respond to Customer queries regarding the processing of Customer Personal Data and the Service Provider shall ensure that it responds to such queries promptly.

27.7 Save to the extent an alternative approach is agreed in relation to a COTS Vendor pursuant to clause 25.12.1, the Service Provider shall not authorise any third party or Sub-contractor to process Customer Personal Data other than with the prior written consent of the Customer (for the avoidance of doubt, written consent shall be deemed given for authorised Sub-contractors listed in this Agreement and Service Provider Affiliates).

27.8 Save to the extent an alternative approach is agreed in relation to a COTS Vendor pursuant to clause 25.12.1, where the Service Provider is a processor with respect to the Customer Personal Data, it shall impose obligations on its Sub-contractors and Affiliates that are the same as or equivalent to those set out in this clause 27 by way of written agreement, and shall remain fully liable to the Customer for any failure by a Sub-contractor to fulfil its obligations in relation to the Customer Personal Data.

27.9 Pursuant to clause 17, where the Service Provider is subject to an obligation in relation to Customer Personal Data or the Customer is granted a right in respect of the Service Provider, the Service Provider should procure that its Sub-contractors are subject to equivalent obligations and that the Customer is granted the same right against the Sub-contractors.

27.10 The Service Provider shall not process and/or transfer any Customer Personal Data in or to any country outside the UK, European Economic Area or Switzerland without the prior written consent of the Customer.

27.11 If, for the purposes of the performance of this Agreement, the Service Provider or any of its Sub-contractors wishes to process and/or transfer any Customer Personal Data in or to a country outside the UK, European Economic Area or Switzerland without prejudice to clause 27.10, the Service Provider shall comply with such other instructions and shall carry out such other actions as the Customer may notify in writing, including:

27.11.1 providing details of how the Service Provider will ensure an adequate level of protection for any such Customer Personal Data so as to ensure the Customer's compliance with Data Protection Legislation; and

27.11.2 implementing any data transfer mechanism provided by the applicable Data Protection Legislation, such as the Data Protection Model clauses as set out in Schedule 21 (Data Transfer and Processing), to allow for the lawful processing of Personal Data in a country outside the UK, European Economic Area or Switzerland pursuant to the applicable Data Protection Legislation.

28. PUBLICITY

28.1 The Service Provider shall not make any public announcement (whether written or oral) about the existence of the Agreement or that it is providing Services to the Customer without the Customer's prior written consent (which may be withheld in its complete discretion). For the purposes of clause 12.1, the Customer's consent to disclosure by the Service Provider is deemed to be given only to the extent that such disclosure is required for the Service Provider to comply with its obligations under clause 12.1.

28.2 In no circumstance shall either Party be authorised to use any of the other Party's logos, trademarks or any other representations related to the other Party's brand (including noting the other Party or its personnel as a referee) without the other Party's prior written consent (which may be withheld in its complete discretion).

PART G REPRESENTATIONS, WARRANTIES AND INDEMNITIES

29. REPRESENTATIONS AND WARRANTIES

29.1 Each Party represents, warrants and undertakes to the other, as at the date of this Agreement:

29.1.1 that it has the power and authority to enter into and perform its obligations under this Agreement;

29.1.2 that it has all necessary rights, licences, permissions and consents to provide (in the case of the Service Provider) or receive (in the case of the Customer) the Services; and

29.1.3 that the signing of this Agreement does not violate any law or constitute a default under any other agreement that that Party has entered into.

29.2 The Service Provider represents, warrants and undertakes to the Customer on a continuing basis throughout the term that:

29.2.1 it shall not conduct itself in a way so as to adversely affect the Customer's public image (except that this clause 29.2.1 shall not preclude the Service Provider from enforcing its right under this Agreement);

29.2.2 it is not insolvent or unable to pay its debts within the meaning of the insolvency legislation applicable to it;

29.2.3 it shall allocate sufficient resources to provide the Services in accordance with the contractual requirements and use Commercially Reasonable Efforts to use the resources efficiently and services necessary to provide the Services;

29.2.4 it shall not knowingly and/or negligently insert or include, or permit or cause any Service Provider personnel to insert or include, any known Virus into any items provided to the Customer or the Customer Systems;

29.2.5 it shall use the latest available versions of anti-virus software available from an industry accepted anti-virus software vendor to check for and delete malicious software and Viruses from the Service Provider's IT systems;

29.2.6 it shall co-operate with the Customer to reduce the effect of any virus found and assist the Customer to mitigate any losses (including without limitation, loss of operational efficiency and loss or corruption of the Customer's data) and to restore the system,

products, Deliverables and Services to their desired operating efficiency, such assistance to be at Service Provider's reasonable and demonstrable cost;

29.2.7 it has undertaken all diligence it requires in order to plan and perform the Services and that accordingly its prices and estimates are robust and may be relied upon by the Customer;

29.2.8 it is skilled and experienced in the provision of services akin to the Services and in using the tools, methodologies and procedures it is proposed that it will use in the delivery of Services hereunder;

29.2.9 all information it provides to the Customer during the Term shall, at the time it is supplied, be true and accurate in all material respects;

29.2.10 that the Services will be performed in accordance with all

29.2.10.1 Service Provider Applicable Regulations and

29.2.10.2 any provisions agreed between the Parties under clause 20.1 in relation to Customer Applicable Regulations;

29.2.11 Not used

29.2.12 it shall comply with any reasonable Customer request or instruction that enables the Customer to comply with its regulatory requirements (if any) in respect of the Services at mutually agreed terms. Any Customer requests or instructions which fall outside of the scope of the Services shall be agreed through the Contract Change Control Procedure.

29.3 The Customer warrants that, to the extent that Customer Personal Data is provided to the Service Provider for processing (as that term is defined in the Data Protection Legislation), the Customer or relevant Customer Affiliate providing such Customer Personal Data shall have a legal basis on which to do so in respect of such Customer Personal Data.

29.4 Except as expressly set out in this Agreement, all other warranties, express or implied, shall be excluded to the fullest extent permitted by law.

30. INDEMNITIES

30.1 IPR Indemnities

30.1.1 Subject to clauses 30.1.2 and 30.1.3, each Party will indemnify, defend and hold harmless the other Party and its Affiliates and their respective officials, employees, agents and assigns ("**Representatives**") against any claims, losses, damages, costs (including reasonable legal fees), expenses and liabilities agreed in a settlement or awarded against the other Party and/or its Representatives as a result of any infringement (or claim of infringement) of any third party IPR caused by or alleged to have occurred because of:

30.1.1.1 in the case of indemnification by the Service Provider to the Customer, Customer or its Affiliates possession of the Developed IPR in any Deliverables provided by the Service Provider to the Customer or its Affiliates; or otherwise in respect of the Service Provider's performance or provision of the Services; and

30.1.1.2 in the case of the Customer's indemnification of the Service Provider, the Customer's receipt or use of such Deliverables or Services other than in accordance with or as envisaged by this Agreement or such Deliverables' or Services' specifications, or the Service Provider's receipt or use of any Customer Indemnified Items made available to the Service Provider or a Service Provider Affiliate by or on behalf of the Customer or a Customer Affiliate for its use under this Agreement (provided always such receipt or use was in accordance with the terms of or as envisaged by this Agreement).

30.1.2 The Parties agree that the indemnifying party shall be relieved of its obligation to indemnify the indemnified party pursuant to clause 30.1.1 if and to the extent that the infringement claim arises due to (i) use of the material that is subject to the relevant indemnity claim other than in accordance with or as envisaged by this Agreement; or using infringing material after a fix or remedy has been provided (whether pursuant to clause 30.3 or otherwise); (ii) use of an allegedly infringing item or any part thereof in combination with any equipment, software or data not approved for use by the indemnifying party, or use in any manner by the indemnified party (or its Affiliates) for which the allegedly infringing item was not designed; or (iii) where the Service Provider is the indemnifying party, any modification or alteration of the allegedly infringing item by a person or entity other than Service Provider or its Affiliates or Sub-contractors unless such modification or alteration was made on the instructions of or in accordance with designs, specifications, information or materials provided by or on behalf of the Service Provider or its Affiliates or Sub-contractors.

30.1.3 The Parties recognise that each of them may make available certain Third Party Materials to the other and that such Third Party Materials may not benefit from IPR indemnification protection equivalent to that set out in clause 30.1.1 above. Where Third Party Materials are identified by a Party as requiring discussion between the Parties in respect of indemnification, the Parties will discuss the same and then may either agree in writing: (i) to continue to allow the other to benefit from the indemnity set out in clause 30.1.1 above; or (ii) agree that separate pass through indemnity protections from the third party should apply in the event of an IPR infringement claim arising in relation to a Party's use of Third Party Materials provided to it by the other Party. For the avoidance of doubt, if the Parties do not specifically agree to either (i) or (ii) in respect of any Third Party Materials then Third Party Materials shall nevertheless be excluded from the indemnity protection under clause 30.1.1 above except where the indemnifying party has provided or made available to the indemnified party any Third Party Material specifically for use under this Agreement in breach of the relevant third party licence terms and the relevant third party makes a claim against the indemnified party in respect of the same, in which case the indemnity at clause 30.1.1 shall cover such claims and clause 30.3 shall also apply.

30.2 In addition to the indemnities provided in clause 30.1.1 and Schedule 17 (Human Resources Provisions), the Service Provider will indemnify, defend and hold harmless the Customer and its Affiliates and their respective officials, employees, agents and assigns ("**Customer Indemnities**") against any claims, losses, damages, costs (including reasonable legal fees), expenses and liabilities agreed in a settlement or awarded against the Customer and/or the Customer Personnel as a result of any of the following:

30.2.1 breach by the Service Provider of any of the representations and warranties set out in clauses 29.1.1 and 29.1.3; and

30.2.2 any Employment Liabilities arising in relation to or employment claims of Service Provider Personnel made against the Customer Group not covered by the indemnities provided in

Schedule 17 (Human Resources Provisions) except to the extent such Employment Liabilities arise as a result of an act or omission of Customer or Customer's Group; and

30.2.3 breach by the Service Provider of clause 27.

30.3 Without prejudice to its obligations pursuant to clause 30.1.1, if any Deliverable or service other item or material provided by the Service Provider or the provision of the Services by the Service Provider is, or in the Service Provider's reasonable judgement is likely to become, the subject of a claim (an "**Infringing Item**"), the Service Provider, at its expense and discretion and in addition to the indemnity and defending the claim, will procure for the Customer the right to use and continue using the Infringing Item or replace it with a non-infringing equivalent or modify it to make its use non-infringing, provided that such replacement or modification does not result in a degradation of the performance or quality of the Infringing Item (other than minor or cosmetic defects).

30.4 The following procedures will apply with respect to any indemnification arising in connection with the Agreement:

30.4.1 as soon as reasonably practicable after receipt by an indemnified party of written notice of the assertion or the commencement of any claim, demand, action, cause of action or other proceeding by a third party, whether by legal process or otherwise (a "**Claim**"), but no later than fourteen (14) days following receipt of written notice from the indemnified party relating to any Claim, the indemnifying party will notify the indemnified party in writing that it will assume control of the defence and settlement of such Claim (the "**Notice**");

30.4.2 if the indemnifying party delivers the Notice relating to any claim within the required notice period, the indemnifying party will be entitled to have sole control over the defence and settlement of such Claim;

30.4.3 if the indemnifying party fails to assume the defence of any such Claim within the prescribed period of time, then the indemnified party may assume the defence of any such Claim at the cost and expense of the indemnifying party; and

30.4.4 subject to the payment of its reasonable costs, the indemnified party shall provide reasonable assistance to the indemnifying party, including reasonable assistance to the indemnifying party's employees, agents, independent contractors and Affiliates, as applicable. Notwithstanding any provision of this clause 30 to the contrary, the indemnifying party will not consent to the entry of any judgment or enter into any settlement that provides for injunctive or other non-monetary relief affecting the indemnified party without the prior written consent of the indemnified party, such consent not to be unreasonably withheld or delayed.

PART H IMPACT OF A FAILURE TO PERFORM

31. FORCE MAJEURE

31.1 Neither Party shall be liable for default or delay in the performance of its obligations under the Agreement:

31.1.1 if the default or delay is caused by a cause beyond the reasonable control of such Party (it being agreed that causes beyond the reasonable control of a Party shall not include strikes or lock outs of its own personnel); and

31.1.2 provided the non-performing Party is without fault in causing the default or delay and the default or delay could not have been prevented by reasonable precautions (which for these purposes shall include complying with that Party's Disaster Recovery Plan and/or Business Continuity Plan or, if of a higher standard, disaster recovery plans consistent with Good Industry Practice) or circumvented by workarounds.

31.2 The non-performing Party shall be excused from further performance or observance of the obligation(s) so affected for as long as:

31.2.1 the circumstances prevail; and

31.2.2 the Party continues to use its best efforts to recommence performance or observance whenever and to whatever extent possible without delay.

31.3 A Force Majeure Event shall not relieve the Service Provider of its obligations to supply the Services in conjunction with implementing its Disaster Recovery Plans or Business Continuity Plans, including requiring that essential personnel report to work during an emergency, and any or all personnel work at a contingency location.

31.4 In the event that a Force Majeure Event interrupts the provision of the Services for in excess of thirty (30) days the Customer may terminate the affected Services on the provision of written notice.

31.5 In the event that Services are disrupted by a Force Majeure Event with respect to which working from Remote Locations is deemed by the Parties to be the optimal business continuity measure then, if the assets on hand and capabilities exist for Cognizant personnel to perform the Services from Remote Locations, Cognizant shall have the right to perform the Services from the Remote Locations using networking, connectivity, security and data handler protocols established by Cognizant and provided to Customer (the "Remote Protocols") and the Remote Protocols shall supersede any and all applicable terms of this Agreement, each applicable SOW and all schedules, exhibits or attachments hereto and thereto that require any different measures.

32. STEP IN

32.1 If:

32.1.1 any material default or non-performance by the Service Provider occurs and as a result, the performance of any business critical service is prevented, hindered, degraded or delayed for more than two (2) consecutive days;

32.1.2 the Service Provider is excused from the performance of the Services pursuant to a Force Majeure Event;

32.1.3 a Regulator requires the Customer to do so; or

32.1.4 the circumstances in paragraph 13.1 of Schedule 15 (Exit Plan and Service Transfer Arrangements) occur,

then, without limiting any other rights it may have, the Customer may take control of the part of the Services affected by the Service Provider material default or non-performance, or the Force Majeure Event and in the case of clause 32.1.3, the Customer shall take control of the part of the Services affected by the regulatory direction (in each case, "**Step In**") for a maximum period of two (2) months after which the Customer shall either terminate this Agreement pursuant to any rights to do so hereunder it may have or allow the Service Provider to resume performance of the relevant Service. Notwithstanding the maximum period of two (2) months, a Step In caused by a

Force Majeure Event will end when the Service Provider demonstrates to Customer's reasonable satisfaction that the Service Provider is capable of providing the affected Service in accordance with the requirements of this Agreement and the affected SOW.

32.2 In exercising its rights of Step In the Customer may perform any act that the Customer deems reasonably necessary in order to restore the Services (including by engaging a third party service provider) or may direct the Service Provider to procure those Services from a Third Party Service Provider provided that the Customer: (i) complies with the Service Provider's reasonable security and confidentiality policies as notified to the Customer; (ii) procures that any third party that it engages signs an Agreed Form NDA, with an obligation to erect "ethical walls" within its own organisation to protect the Service Provider's confidentiality, if the third party stepping in is a competitor of the Service Provider; (iii) does not have unsupervised access to the Service Provider's facilities and shared computing environment; and (iv) does not require the Service Provider to disclose its commercially sensitive information to any third party.

32.3 Where a Third Party Service Provider is engaged in connection with a Step In, the Service Provider shall be liable for the payment of the difference between the sums that would have been paid to the Service Provider for the provision of those Services and the sums payable to the Third Party Service Provider for performing the same for as long as the failure to perform continues (save for where the Step In is a result of a Force Majeure Event), and the Customer shall not be charged for Services that are not provided to the Customer as a result of a Force Majeure Event or the Service Provider's default or non-performance. The Service Provider shall either pay directly or reimburse the Customer for any such third party costs incurred. Such payments made by the Service Provider may be credited against the Charges or paid by way of cheque or direct debit to the Customer, at the Customer's option.

32.4 In the event of the Customer exercising its right of Step In, the Service Provider shall co-operate with the Customer (and its agents or representatives, including any applicable Third Party Service Provider) and provide reasonable assistance at no charge to the Customer to restore such Customer function or the Services or any part of them as soon as reasonably possible, including giving the Customer (and its agents or representatives, including any applicable third party services provider) reasonable access to the Service Provider's premises, Equipment, Material and Software, to the extent reasonably necessary for the purpose of restoring such Customer function or the Services or any part of them to the level required under this Agreement.

32.5 As soon as reasonably practicable following the restoration of the affected Customer function or the affected part of the Services (meaning that its performance is no longer substantially prevented, hindered, degraded or delayed) to the Customer's reasonable satisfaction or a Regulator lifting its Step In requirement, the Service Provider shall resume the performance of the relevant Services.

32.6 Without prejudice to the caps set out in clause 34, nothing in this clause 32 limits the Service Provider's liability to the Customer with respect to any default or non-performance by the Service Provider under this Agreement provided always that the Service Provider shall be relieved of its obligations to deliver the Services affected by any Step In during the period the Customer or any Third Party Service Provider has taken over delivery of such Services.

33. ENHANCED CO-OPERATION

33.1 Where the Customer requires the right to do so in order to obtain an improved understanding of the Services or to assist the Service Provider to improve its performance (including in particular in the circumstances set out in clause below), the Parties agree that the Customer may nominate a certain number of its employees, agents or contractors (subject to clause 33.4), to be seconded to the Service Provider ("**Consultants**") provided that the Parties agree the role and

responsibilities of such Consultants and the desired outcomes of involvement. The number of Consultants shall be the minimum reasonably necessary (as determined by the Customer acting reasonably) for the limited purposes described in this clause 33.1 and the Customer agrees to appoint Consultants with a level of seniority appropriate to the tasks they shall be engaged in and to provide the Service Provider with at least five (5) Business Days' notice of its intention to exercise its rights under this clause 33.

33.2 The circumstances that the Parties agree shall entitle the Customer to invoke its rights under clause 33.1 include where:

33.2.1 the Customer is entitled to terminate the Agreement in whole or in part for cause;

33.2.2 the Service Provider is not performing any of the services in accordance with the Credit Baseline Service Levels (if any);

33.2.3 the Service Provider is in material breach of its obligations under the Agreement;

33.2.4 the Customer has reasonable grounds to suspect acts of fraud are being committed by the Service Provider, any Sub-contractor or any Service Provider Personnel;

33.2.5 the Service Provider causes the Customer to breach its legal or regulatory obligations; or

33.2.6 the Service Provider fails to provide the Services materially in accordance with the Agreement and that failure causes, or is in the Customer's opinion likely to cause:

33.2.6.1 delay in delivery of the Services that means that the Service Provider will not be able to meet any Key Milestone date;

33.2.6.2 the degradation or unavailability of the Services which, in the Customer's opinion, is unlikely to be resolved within a reasonable period of time; or

33.2.6.3 the Customer to incur a material loss, liability or cost whether direct or indirect.

33.3 No Consultant shall become an employee of the Service Provider, or have a legal entitlement to any benefits conferred by the Service Provider on its employees, as a result of his or her secondment under this clause 33.

33.4 A Consultant may not be an employee of any entity who competes with the Service Provider in the field of system integration services unless they are an employee of the Customer.

33.5 The Consultants shall be given full access to all information (other than commercially sensitive information or information related to the Charges) that is available to all relevant Service Provider Personnel and that is related to the performance of the Services that are relevant to the purposes described in clauses 33.1 and 33.2 and shall be able to make suggestions related to any element of the performance of the Services provided that the Consultant: (i) complies with the Service Provider's reasonable security and confidentiality policies as notified to the Consultant; (ii) signs an Agreed Form NDA; and (iii) does not have unsupervised access to the Service Provider's facilities and shared computing environment.

33.6 The Service Provider shall not be obliged to follow any suggestions given by the Consultants.

33.7 By exercising its right under this clause, the Customer shall not, and shall not be deemed to, assume any obligation to resolve any issue or problem with the Services or relieve the Service Provider of any obligation or liability in relation to that event. Without limiting the foregoing,

nothing in this clause 33.7 shall be construed to limit the Service Provider's obligation to continue to perform the Services in accordance with all applicable Service Levels or Milestone dates.

33.8 If the Customer exercises its rights under this clause 33, the Parties shall carry out a monthly review to agree on whether the secondment shall continue. In any case, a secondment under this clause may be terminated by the Customer at any time by giving written notice to the Service Provider, but shall in any event cease when the secondment has been effective for a continuous period of ninety (90) days (or such longer period as may be agreed between the Parties, such agreement may not be withheld by the Service Provider where clause 33.9 applies), when both of the following conditions are satisfied:

33.8.1 the event giving rise to the appointment of the Consultants under this clause has ceased and/or has been resolved or remedied; and

33.8.2 the Service Provider has demonstrated to the Customer's reasonable satisfaction that the Service Provider has taken all reasonable measures to ensure that the event giving rise to the appointment of the Consultants shall not reoccur.

33.9 Subject to clause 33.10, the Customer shall be responsible for paying the Consultants' reasonable and demonstrable fees for the duration of the secondment, plus any reasonable, actual and demonstrable travel and subsistence costs incurred by the Consultants in relation to their secondment under this clause provided that the salaries of the Consultants are reasonable given their level of seniority and experience and Good Industry Practice ("**Consultant Costs**").

33.10 Notwithstanding clause 33.9, the Parties agree that to the extent that the Customer exercises its rights due to an alleged Service Provider default and it transpires that the Service Provider was in default then the Service Provider shall be responsible for fifty percent (50%) of the Consultant Costs.

33.11 The exercise by the Customer of its rights in this clause 33 shall be without prejudice to any other rights or remedies of the Customer.

34. LIABILITY

34.1 Nothing in this Agreement shall limit a Party's liability in respect of:

34.1.1 death or personal injury caused by negligence;

34.1.2 fraud or fraudulent misrepresentation;

34.1.3 any employment related indemnities;

34.1.4 the breach by a Party, its Affiliates or sub-contractors (including, in the case of the Service Provider, its Sub-contractors) or personnel of the duties of confidentiality contained in the Agreement save:

34.1.4.1 where the breach is of the data protection obligations under this Agreement or any Local Agreement, SOW or Data Protection Model Clauses, in which case the liability caps in clause 34.2.1 (in the case of the Service Provider) or clause 34.3 (in the case of Customer) shall apply; or

34.1.4.2 where the breach is in relation to breach of any data security obligations under clause 18, in which case the liability caps in clause 34.6 (in the case of the Service Provider) or 34.7 (in the case of the Customer) shall apply (except to

the extent the data security breach is also a breach of clause 26 leading to a loss of Confidential Information).

34.1.5 any claim made under the IPR indemnities set out in clause 30.1.1;

34.1.6 Wilful Abandonment or Wilful Default by the Service Provider; and

34.1.7 any liability that cannot be excluded pursuant to applicable law.

34.2 Subject to clause 34.1, the maximum aggregate liability of the Service Provider (including all Service Provider Affiliates) to Customer (which includes, for the avoidance of doubt, the UK Customer, US Customer and Bermuda Customer and all other Customer Affiliates) arising under or in connection with this Agreement (including all SOWs and Local Agreements) for all causes of action, whether arising in contract, tort (including negligence), breach of statutory duty, misrepresentation, on indemnity basis or otherwise) for all losses whatsoever and howsoever caused:

34.2.1 for all liability related to personal data, including under the indemnity in clause 30.2.3 and/or arising any Data Protection Model Clauses, shall be limited to the greater of: (i) $10,000,000 (ten million USD); or (ii) 250% (two hundred and fifty per cent) of the total Charges paid or payable under the Agreement in the Contract Year immediately prior to the first claim giving rise to such liability, but subject to any variation or exception agreed pursuant to clause 25.12.1; and

34.2.2 for all claims for damage to tangible property caused by the Service Provider's (including its Affiliates or its Sub-contractors) negligence or Wilful Default shall be limited to $7,500,000 (seven million five hundred thousand USD).

34.3 Subject to clause 34.1, the maximum aggregate liability of the Customer (including Customer Affiliates) arising under or in connection with this Agreement (including all SOWs and Local Agreements) and/or any Data Protection Model Clauses for all liability related to personal data shall be limited to $10 million (ten million USD).

34.4 Provided that nothing in this clause 34.4 shall limit or exclude a Party's liability under clauses 34.1.1, 34.1.2 and 34.1.7, a Party nor its Affiliates shall have any liability under this Agreement or any SOW or Local Agreement or Data Protection Model Clauses for: (i) any indirect or consequential losses suffered by the other Party; or (ii) for any special or incidental damages, loss of profits, loss of business, loss of revenue, loss of goodwill, loss of anticipated savings or any loss of data (in each case howsoever arising and whether direct or indirect) other than as detailed in clause 34.5 below.

34.5 Subject to clauses 34.6 and 34.2, the exclusions in clause 34.4 shall not exclude liability for the following heads of losses which the Service Provider will accept to be deemed direct losses or damages suffered by the Customer:

34.5.1 subject always to the Customer's duty to mitigate, the costs of procuring and implementing an alternative to the Services provided (or not provided) by the Service Provider;

34.5.2 the cost of restoring lost or damaged data caused or materially contributed to by the Service Provider to the last machine readable backup taken by the Customer in accordance with Good Industry Practice unless otherwise agreed in writing in a Statement of Work;

34.5.3 the cost of restoring damage to physical property caused by the Service Provider, excluding any loss or damage resulting from fair wear and tear;

34.5.4 additional wages, overtime and expenses incurred by the Customer or its subcontractors or agents in performing or rectifying defective services and/or managing a third party's performance of the same;

34.5.5 the public relations costs of repairing any brand or reputational damage caused solely by the Service Provider's breach of this Agreement where the Customer can demonstrate that such breach causes these losses;

34.5.6 cost savings as agreed by the Parties (but which have not already been compensated either pursuant to clause 5.3 or 10.1 of this Agreement). Such cost savings shall be calculated as the difference between the baseline costs in the Pricebook (the "**Baseline Costs**") and the charges for equivalent volumes (calculated by reference to the original baseline volumes in the Pricebook). The following will be excluded from the charges for the purposes of this calculation: (i) any spend on Flex Services, (ii) any incremental charges arising as a result of a change to the Agreement, and (iii) any additional costs reimbursed pursuant to clause 21.3. For the avoidance of doubt, and subject always to clause 21, to the extent that a cost saving is enabled by the Service Provider but the Customer does not take the necessary action to realise those savings (having agreed such actions as a Customer Dependency with the Service Provider), then the Service Provider shall have no liability with respect to the failure of the Customer to achieve such cost saving; and

34.5.7 in the event that a breach of the Service Provider prevents the Customer from running its business in the normal way, the costs of the remedial action necessary so as to re-enable such normal running together with the costs of implementing any temporary work-around.

34.6 Subject to clause 34.1 and 34.2, the Service Provider's (including its Affiliates) total aggregate liability to the Customer (which includes, for the avoidance of doubt, the UK Customer, US Customer and Bermuda Customer and all other Customer Affiliates) arising under or in connection with the Agreement (including all SOWs and Local Agreements) for all causes of action, whether arising in contract, tort (including negligence), breach of statutory duty, misrepresentation, on indemnity basis or otherwise, for any losses whatsoever and howsoever caused shall not exceed, for all claims in each Contract Year:

34.6.1 not used

34.6.2 the greater of:

(i) a de minimis amount equal to 200% of the Charges paid by the Customer under the Agreement (including all SOWs and Local Agreements) in the previous Contract Year; and

(ii) two hundred percent (200%) of the total Charges paid or payable under the Agreement (including all SOWs and Local Agreements) in the relevant Contract Year prior to the date which the first claim in that Contract Year arises.

For the avoidance of doubt, the annual cap that applies to any one claim shall be that of the Contract Year in which the event (or first in a series of events) that gave rise to the claim in question occurs.

34.7 Subject to clause 34.1 and 34.3, the Customer's total aggregate liability in each Contract Year under or in connection with this Agreement (including all SOWs and Local Agreements) shall not

exceed the total amounts paid or payable under the Agreement (including all SOWs and Local Agreements) in the Contract Year in which the claim arises. For the avoidance of doubt, the annual cap that applies to any one claim shall be that of the Contract Year in which the event (or first in a series of events) that gave rise to the claim in question occurs.

34.8 For the avoidance of doubt, the Parties acknowledge that in accordance with Relevant Law, any claim for damages shall be reduced by the amount of Service Credits or Liquidated Damages already paid by the Service Provider to the Customer in respect of the relevant liability so as to avoid double recovery by the Customer.

34.9 The phrase “paid or payable” will mean the aggregate of:

34.9.1 all relevant amounts already paid by the Customer to the Service Provider; and

34.9.2 all relevant amounts invoiced but not yet paid by the Customer to the Service Provider.

34.10 In the event that any breach by the Service Provider or any Service Provider Group company of this Agreement, a Local Agreement, SOW and/or any Data Protection Model Clauses results in any losses being suffered by (i) any Customer that is a party to this Agreement (each of the UK Customer, US Customer and/or Bermuda Customer); and/or (ii) any Customer Group Company that is not a party to this Agreement, such losses will be treated as if they had been suffered by the UK Customer and the UK Customer (acting as agent for the US and Bermuda Customers and to the exclusion of any right of the US or Bermuda Customer to also bring any claim in respect of the same loss) may recover any such losses from the Service Provider in accordance with this clause 34. The US Customer and the Bermuda Customer and any

Customer Group Company that is not a party to this Agreement (including any Local Agreement, SOW or any Data Protection Model Clauses) may only recover its losses directly from the Service Provider if the UK Customer is prohibited by law from doing so. For the purposes of this clause 34.10, any losses suffered by any Customer Group Company that is not a party to this Agreement (including any Local Agreement, SOW or any Data Protection Model Clauses) will not be treated as being indirect or consequential in terms of this clause 34 simply because it has been suffered by that Customer Group company and not by a Customer directly.

34.11 Nothing in this clause 34 shall relieve the Customer of its obligation to pay all Charges which have been properly incurred under this Agreement.

35. INSURANCE

35.1 The Service Provider shall maintain at its own cost (and on request provide evidence to the Customer in the form of a certificate of insurance) the following insurance policies with an insurer of good standing for the term of this Agreement and six (6) years thereafter:

35.1.1 professional liability insurance for a minimum amount of £10,000,000 (ten million GBP) per claim and annual aggregate;

35.1.2 public and product liability insurance for a minimum amount of £10,000,000 (ten million GBP) per claim and annual aggregate; and

35.1.3 employer’s liability insurance for a minimum amount of £10,000,000 (ten million GBP).

35.2 The Service Provider shall not during the term of this Agreement and for a period of six (6) years thereafter act or refrain from acting in such a way as would entitle the underwriter(s) of the policies required by clause 35.1 above to avoid or negate their liability to deal with any claim(s) which would otherwise be covered.

35.3 The Service Provider shall, whenever reasonably requested by the Customer, provide evidence of such insurance and of its currency.

35.4 The inclusion of minimum limits of insurance herein shall not entitle Customer to insurance limits maintained by Service Provider which may exceed any limitation of liability or liability caps that may be in place in this Agreement. The minimum amount of insurance may be maintained through primary and umbrella or excess coverage. Except for any statutory required insurance, coverage and limits required herein may be met through the combination of primary, local admitted and global insurance policies maintained by Service Provider.

PART I TERMINATION

36. TERMINATION

Customer Termination Rights

36.1 The Customer may terminate for convenience this Agreement (in whole or in part) on ninety (90) days' notice.

36.2 Early Termination Payments

36.2.1 If the Customer terminates this Agreement pursuant to clause 36.1 or the Service Provider terminates this Agreement pursuant to clause 36.7, the Customer shall pay the Service Provider a sum equal to the Remaining Contract Committed Revenue.

36.2.2 If the Customer terminates this Agreement pursuant to clause 36.4.3 or clause 36.4.4, it shall pay the Service Provider a sum equal to 70% of the Remaining Contract Committed Revenue.

36.2.3 In addition to any sums that are due under clauses 36.2.1 or 36.2.2, the Customer shall also pay: (i) any additional applicable Early Termination Payments the parties may agree after the Effective Date in accordance with paragraph 20.1.2 of Schedule 10 (Pricebook, Charges and Invoicing); and (ii) any due and payable invoices for Services performed up to the date of such termination.

36.2.4 The Service Provider agrees that such payments shall be the Service Provider's sole and exclusive remedies in connection with any early termination itself and that beyond such payments mentioned above, no damages or compensation for early termination shall be payable; provided always that this shall be without prejudice to the rights and remedies of the Service Provider at law in respect of the recovery of any damages which arise due to breach of this Agreement by the Customer (whether connected with the event giving rise to the early termination or not).

36.3 The Customer may terminate the Agreement for material breach by the Service Provider, immediately if it is not capable of remedy, or after thirty (30) days from the Customer providing the Service Provider with written notice of the material breach if it is capable of remedy but remains unremedied.

36.4 The Customer may also terminate the Agreement:

36.4.1 immediately if an Insolvency Event occurs with respect to the Service Provider;

36.4.2 upon thirty (30) days' written notice where the Service Provider persistently breaches the Agreement;

36.4.3 immediately where a Material Adverse Change occurs in relation to the Service Provider and the process outlined in that definition has been exhausted;

36.4.4 on a no-fault basis, in the event there is a Change of Control of the Service Provider (other than an internal re-organisation within the Service Provider Group) which raises a legitimate concern for the Customer and: (a) immediately where termination is required or requested by a Regulator; or (b) on thirty (30) days' notice where the new controlling entity: (i) has significantly worse financial standing than the Service Provider; (ii) is a direct competitor of the Customer; or (iii) is involved in an industry for which association would be reasonably likely to bring the Customer into disrepute, provided that the Customer gives notice to terminate on this basis within ninety (90) days following the Customer becoming aware of the Change of Control, such notice to specify the date upon which termination shall become effective;

36.4.5 immediately for any breach of this Agreement by the Service Provider: (i) which causes a Regulator to require or request that the Agreement is terminated as a result of the breach; (ii) to the extent that the breach is the direct cause of a Regulator imposing a fine on the Customer or any member of the Customer Group; or (iii) to the extent the breach causes the Customer to breach a specific legal requirement which in turn is likely to cause regulatory problems for the Customer or any member of the Customer Group, and the nature of and impact on the Services of such a legal requirement have been set out in the applicable SOW or in this Agreement;

36.4.6 upon thirty (30) days' written notice in the event of a Material Service Failure;

36.4.7 upon thirty (30) days' written notice where there is repeated failure by the Service Provider to engage with the governance procedures set out in this Agreement, including but not limited to, Schedule 12 (Governance and Service Management) where, following formal notice from the Customer, the Service Provider either:

36.4.7.1 fails to address and propose a plan to solve the concerns identified by the Customer within thirty (30) days of a notice requiring it do so; or

36.4.7.2 fails to then deliver on the plan proposed by it pursuant to this clause by the dates specified in the plan;

36.4.8 upon thirty (30) days' written notice in the event any material breach of this Agreement by the Service Provider has a material adverse impact on the Customer's reputation (or that of the Customer Group) or leads to material adverse publicity; or

36.4.9 as set out in clause 31.4.

36.5 If the Customer terminates this Agreement in whole or in part and the Customer has paid any Charges in advance for Services it has not yet received, an amount equal to such Charges shall be repayable, subject to a pro-rated reduction.

36.6 If the Service Provider believes that any termination by the Customer constitutes a wrongful repudiation of the Agreement, then the Service Provider agrees that it will not affirm the Agreement provided that the termination by the Customer occurs at a time when the Customer is entitled to terminate the Agreement or relevant Statement of Work for convenience. Any wrongful repudiation made in those circumstances shall, if proven, be deemed to be termination for convenience by the Customer and the Customer shall be liable to pay to the Service Provider all amounts (including termination charges) payable on or in connection with termination for convenience (and within the timescales for payment of the same) as provided in this Agreement and/or the relevant Statement of Work.

Service Provider Termination Right

36.7 The Service Provider may only terminate this Agreement on written notice to the Customer due to:

36.7.1 the Customer's failure to pay undisputed Charges, for which properly submitted invoices have been delivered, by the due date for payment, provided that:

36.7.1.1 the Customer fails to remedy the failure to pay within fifteen (15) days of its receipt of the Service Provider's written notice of the failure to pay; and

36.7.1.2 the Service Provider provides the Customer a further notice of the failure to pay and the Customer fails to remedy the failure to pay within ninety (90) days of its receipt of such further notice in which case the Service Provider may terminate forthwith;

36.7.2 a material breach by the Customer of the licence conditions set out in clause 25.8 which the Customer fails to cure (if capable of cure) within thirty (30) days of a notice requiring it to do so;

36.7.3 a breach by the Customer (or any of its Affiliates) of its obligations under clause 26, provided the Customer fails to remedy the relevant breach (if capable of remedy) within sixty (60) days of its receipt of the Service Provider's written notice of the relevant breach in which case the Service Provider may terminate forthwith; or

36.7.4 the Customer's breach of its obligations under clause 27 where to continue to provide the Services would put the Service Provider in breach of Relevant Laws in which case the Service Provider may terminate forthwith unless such Relevant Laws allow a cure period and/or a notice period in which case the Customer shall have thirty (30) days to cure and/or be provided notice as applicable.

36.8 For the avoidance of doubt, and subject to clause 39.1, a change in Control of the Customer will not grant the Service Provider a right to terminate this Agreement.

37. TERMINATION ASSISTANCE/EXIT

37.1 Subject to clause 37.4, for up to a maximum period of nine (9) months following the effective date of termination or expiration of the Agreement or following the date of any notice of termination, at the Customer's election and request the Service Provider shall provide Termination Assistance to the Customer at the agreed day rates and in accordance with Schedule 15 (Exit Plan and Service Transfer Arrangement).

37.2 Actions by the Service Provider under this clause 37 shall be subject to the provisions of the Agreement.

37.3 Charges for Termination Assistance activities by the Service Provider shall be at the services rates set out in the Rate Card or such lower rates (if any) as specified in an Exit Plan.

37.4 The Service Provider represents and warrants that the Termination Assistance services shall be provided to facilitate the Customer to readily continue the provision of the services in-house or by a replacement supplier (working in accordance with Good Industry Practice) and eliminate or minimise any disruption or deterioration of the Service, including, but not limited to, the following:

37.4.1 efficient and comprehensive transition;

37.4.2 assistance in providing information required to prepare and execute any request for proposal process;

37.4.3 knowledge transfer;

37.4.4 enabling data migration; and

37.4.5 executing any document required for assignment of rights.

37.5 The Customer shall procure that any Successor Service Provider shall enter into a confidentiality agreement with the Service Provider on the terms of the Agreed Form NDA.

PART J MISCELLANEOUS PROVISIONS

38. COMPLIANCE WITH LAWS

Generally

38.1 The Service Provider shall perform its obligations in a manner that complies with all Service Provider Applicable Regulations. The Service Provider's obligations pursuant to this clause shall include identifying and procuring any required permits, certificates, approvals and inspections applicable to the Service Provider or otherwise required by Service Provider Applicable Regulations. If a charge of non-compliance with such Service Provider Applicable Regulation occurs, the Service Provider shall promptly notify the Customer in writing (unless prohibited from doing so under Relevant Law). Any actual failure to so comply with Service Provider Applicable Regulations applicable to the Services shall give the Customer the right to terminate this Agreement for irremediable material breach pursuant to clause 36.3.

38.2 The Customer shall notify the Service Provider of any material changes in any Relevant Laws affecting its business and of which it becomes aware in the ordinary course of its business (provided always that this shall not release the Service Provider from its own obligations to keep abreast of all Service Provider Applicable Regulations affecting its business and the ongoing provision of the Services).

38.3 Not used.

38.4 The Service Provider shall be responsible for any fines and penalties imposed on the Service Provider or the Customer arising from any non-compliance by the Service Provider, its personnel or agents with any Service Provider Applicable Regulations.

39. TRANSFER OF THIS AGREEMENT

39.1 The Customer may transfer or assign the Agreement: (i) within the Customer Group including in the event of a merger, acquisition, business combination or other change of control including an initial public offering of shares in Customer or a Customer Affiliate; (ii) to any entity that acquires it (provided the entity passes the Service Provider's reasonable ethics and compliance checks, including Service Provider reasonable international trade compliance checks); or (iii) with the Service Provider's consent (not to be unreasonably withheld) to any third party, provided in each case that if the Service Provider has bona fide concerns (in its sole discretion) in relation to the assignee's financial standing, the Parties shall meet to discuss those concerns and the Customer shall provide or obtain such financial assurances as the Service Provider may reasonably require. To be clear each of the UK Customer, US Customer and Bermuda Customer must jointly agree any such assignment of this Agreement in full. For the avoidance of doubt any change of Control

in respect of the Customer or a Customer Affiliate will not trigger the re-negotiation of this Agreement.

39.2 Apart from the specific rights to transfer, novate or assign specified in clause 39.1, neither Party may assign, novate or otherwise transfer any of its rights or obligations under this Agreement without the other Party's prior written consent (such consent not to be unreasonably withheld or delayed). For the avoidance of doubt, it is reasonable for the Customer to withhold its consent to any proposed assignment, novation or other transfer by the Service Provider to any person (the "**Transferee**"), if the Transferee is of lesser financial standing to the Service Provider or has a lesser ability to provide services of the quality required by this Agreement.

39.3 The Service Provider shall use its reasonable endeavours to notify the Customer in advance of any Change of Control and in any event shall notify the Customer within ten (10) days of any Change of Control occurring.

40. NO PARTNERSHIP, AGENCY ETC

40.1 Nothing in this Agreement is intended to create a partnership or the relationship of principal and agent or employer and employee between the Parties. Neither Party has the authority or power to bind, to contract in the name of or to create a liability for the other in any way or for any purpose.

41. NOTICES

41.1 All formal notices and communications between the Parties and/or to any Affiliate made in the course of this Agreement are to be in writing and shall be deemed to have been received by the addressee at the times stated below, provided that the notice of communication is addressed to the recipient at the address specified below, is marked for the urgent notification of the specified point of contact as notified in writing to the other Party from time to time in accordance with this clause 41 and is properly franked or otherwise sent postage prepaid:

41.1.1 by first class post, forty-eight (48) hours after dispatch;

41.1.2 by email with return receipt acknowledgement, on the next Business Day after the day of dispatch;

41.1.3 by hand delivery, immediately upon receipt by the recipient; or

41.1.4 if sent by a reputable overnight express mail service with a reliable tracking system, twenty four (24) hours after dispatch.

This clause 41.1, however, shall not apply to the service of any proceedings or documents in any legal action.

41.2 The addressees of the Parties for the purpose of this clause 41 and for the purpose of service of proceedings are set out below. Notices must be addressed to:

The Service Provider
For the attention of:
Head of UKI Insurance Practice
280 Bishopsgate
London
EC2M 4AG

With a copy to: Corporate Counsel –
UKI Insurance Practice
280 Bishopsgate
London
EC2M 4AG

The Customer
For the attention of:
General Counsel
30 Fenchurch Street
London
EC3M 3BD

With a copy to: Chief Technology Officer &
Group Head of Procurement
30 Fenchurch Street
London
EC3M 3BD

42. THIRD PARTY RIGHTS

42.1 A person who is not a Party to this Agreement may not enforce any of its terms under the Contracts (Rights of Third Parties) Act 1999, save that Affiliates of the Customer from time to time and Divested Affiliates as referred to below may enforce the benefits granted to them under this Agreement. For the avoidance of doubt however this Agreement may be amended or rescinded by agreement between the Parties (and the UK Customer acting on behalf of the US Customer and Bermuda Customer) without the consent of any third party.

42.2 At the Customer's discretion and upon notice to the Service Provider of the divestment, any Divested Affiliate shall be entitled (at no additional charge to it or the Customer other than in respect of any separation costs identified and agreed pursuant to the Contract Change Control Procedure) to continue to receive the Services, which it has been receiving pursuant to this Agreement (including the governance regime in Schedule 12 (Governance and Service Management) and the invoicing regime in Schedule 10 (Pricebook, Charges and Invoicing)), for a period of up to two (2) years from the date of completion of such divestment or the date of notice whichever is later, such period to co-terminate with the Term and provided that: (i) the overall liability of Service Provider under this Agreement, any Local Agreement or SOW to the Customer, the Divested Affiliate and any of the beneficiaries does not increase; and (ii) the Divested Affiliate passes the Service Provider's reasonable ethics and compliance checks. The Divested Affiliate shall enjoy the same unit charges for the Services save for the Core Services Charges. Changes to the Core Service Charges and any separation costs will be agreed pursuant to Contract Change Control Procedure. The Customer shall be responsible for compliance by such Divested Affiliate to the relevant terms and conditions of this Agreement, including the payment obligations in clause 22 for the Services received by the Divested Affiliate and shall be responsible for payment in the event the Divested Affiliate fails to pay the Service Provider. Any changes to the relevant Services or additional requirements (for example, separate invoices for the Customer and Divested Affiliate) or other commercial impact (including to Charges) resulting from the activities contemplated in this clause shall be agreed in accordance with the Contract Change Control Procedure.

43. SURVIVAL

43.1 Those clauses that by their nature are intended to survive the termination or expiry of this Agreement, shall so survive.

44. SEVERABILITY

44.1 If any provision of this Agreement or any part of any provision is determined to be partially void or unenforceable by any court or body of competent jurisdiction or by virtue of any legislation to which it is subject or by virtue of any other reason whatsoever, it shall be void or unenforceable to that extent only and the validity and enforceability of any of the other provisions or the remainder of any such provision shall not to be affected. If any clause is rendered void or unenforceable, whether wholly or in part, the Service Provider and the Customer shall endeavour, without delay and in good faith discussions, to attain the economic and/or other intended result in another legally permissible manner.

45. ENTIRE AGREEMENT

45.1 Subject to clause 45.4 , this Agreement constitutes the entire understanding between the Parties relating to the subject matter of this Agreement and, save as may be expressly referred to in this Agreement, supersedes all prior representations, writings, negotiations or understandings relating to the subject matter of this Agreement.

45.2 Except in respect of any fraudulent misrepresentation made by a Party, the Parties acknowledge that they have not relied on any representations, writings, negotiations or understandings, whether express or implied, (other than as set out in this Agreement) in entering into this Agreement.

45.3 Nothing in this clause 45 is intended to exclude a party's liability for fraud, fraudulent misrepresentation or any other liability which cannot, by law, be excluded.

45.4 The Parties agree that any Work Request or SOW issued under the Original Agreement shall continue to be governed by the terms and conditions of such Original Agreement.

46. WAIVER

46.1 No delay, neglect, or forbearance on the part of either Party in enforcing against the other Party any term or condition of this Agreement shall be or shall be deemed to be a waiver or in any way prejudice any right of that Party under this Agreement. Any waiver by either Party of any of its rights under this Agreement must be in writing and only applies to the transaction or series of transactions expressly referred to in such waiver.

47. CORPORATE SOCIAL RESPONSIBILITY, COMPLIANCE WITH LAWS AND LLOYDS CENTRE OF EXCELLENCE

Anti-Bribery

47.1 Each Party shall comply with all Relevant Laws relating to anti-bribery and anti-corruption including (but not limited to) the UK Bribery Act 2010 and all relevant US requirements.

Modern Slavery

47.2 Without prejudice to any other provisions in this Agreement, the Service Provider shall, and shall procure that all persons who will or may be used in performing or to support the performance of this Agreement in any part of the world ("**Supply Chain**") shall, at all relevant times:

47.2.1 comply with the provisions of the Modern Slavery Act 2015 and all Relevant Laws made under it or relating to it ("**MSA**"), and ensure that all relevant Service Provider Personnel have received appropriate training on the same;

47.2.2 comply with any Customer policy relating to modern slavery and/or human trafficking as is notified to the Service Provider by the Customer from time to time; and

47.2.3 immediately notify the Customer's Head of Procurement in writing if it has reason to believe that it or any member of its Supply Chain is in breach or is likely to breach any of the MSA or any provisions of these clauses 47.2 to 47.4 (or would do so if it were a party to this Agreement), or if it receives a communication from any person alleging breach of any of the MSA.

47.3 The Service Provider shall maintain detailed, accurate and up-to-date records setting out:

47.3.1 its staff hiring procedures;

47.3.2 its supplier selection processes; and

47.3.3 the steps it takes to ensure that it and each member of its Supply Chain is not engaged in the activities prohibited by the MSA, and shall promptly provide copies of such records to the Customer on the Customer's request.

47.4 On the Customer's reasonable request, the Service Provider shall make, and shall require any relevant member of its Supply Chain to make, such adjustments to its processes that relate to staff hiring and supplier selection as the Customer reasonably considers to be desirable to address any risk of non-compliance with the MSA.

Environment

47.5 The Service Provider shall ensure that its performance of the Services shall comply with all applicable environmental laws, statutes, regulations and relevant government issued guidance.

Health & Safety

47.6 The Service Provider shall at times throughout the Term comply with all Relevant Laws relating to health and safety including (but not limited to) the Health and Safety at Work etc. Act 1974 and shall maintain a written health & safety policy.

Equal Opportunities

47.7 The Service Provider shall at all times throughout the Term comply with all Relevant Law relating to equal opportunities, including, (but not limited to) the Equality Act 2010.

Compliance with Competition Laws

47.8 The Service Provider confirms that it has not colluded with any third parties in relation to the Charges and that it shall comply with all Relevant Laws relating to competition and anti-trust including (but not limited to) the UK Competition Act 1998 and all relevant US requirements.

Compliance with Import/Export Laws

47.9 The Customer agrees to notify Service Provider of (1) any requirements for Deliverables or (2) any other technology, technical data or information to which the Service Provider will have access as a result of the Services that, in either case, will subject the Deliverables or the other technology, technical data or information to control under applicable export regulations under any classification other than EAR99 (or its non-U.S. equivalent) and, in such event, will (i) identify to the Service Provider the applicable regulations (e.g. EAR or ITAR) and classifications (e.g. ECCN) and (ii) follow such guidelines as the Service Provider may communicate to the Customer

that reasonably are required to avoid violations. Subject to and except for the foregoing, the Service Provider agrees to notify the Customer of any technology, technical data or information that it will provide to the Customer pursuant to this Agreement that is subject to control under applicable export regulations under any classification other than EAR99 (or its non-U.S. equivalent) and, in such event, will (i) identify to the Customer the applicable regulations (e.g. EAR or ITAR) and classifications (e.g. ECCN) and (ii) follow such guidelines as the Customer may communicate to the Service Provider that reasonably are required to avoid violations. Subject to the foregoing the Service Provider shall comply with all Relevant Laws with respect to the Service Provider's export and/or import of systems, dual-use items, materials, data, information and technologies necessary for the provision of the Services to each Customer Site (including those comprising the Deliverables) and with applicable embargoes, sanctions, and similar restrictions in force from time to time (including by determining and obtaining all relevant import and/or export authorisations). Notwithstanding the foregoing, the Customer agrees that it will not provide the Service Provider with any technology, technical data or information that is subject to control under the International Traffic in Arms Regulations (ITAR). In the event that the Customer wishes to provide the Service Provider with ITAR-controlled technology, technical data or information, the Customer will notify the Service Provider in writing of such intent, and the Parties agree to cooperate to determine the appropriate agreements and controls, if any, required before the Customer makes such disclosure.

Lloyd's Centre of Excellence

47.10 The Customer expects the Service Provider to demonstrate a commitment to developing its knowledge of the London insurance market during the Term. Accordingly, the Service Provider shall commit to:

47.10.1 engaging with external consultants to develop training materials and to obtain a deeper understanding of Lloyd's of London performance standards and requirements;

47.10.2 developing and delivering training and certification programmes for Service Provider Personnel delivering the Services;

47.10.3 increasing the general pool of Service Provider staff who are familiar with Lloyd's of London operations;

47.10.4 promoting the sharing of experience across the Service Provider's and its Affiliate's clients in the Lloyd's of London market including by promoting opportunities for such clients to network and share experiences;

47.10.5 inviting Lloyd's of London staff to participate as a guest teachers / lecturers; and

47.10.6 identifying best practices across all the clients of the Service Provider and its Affiliates in the insurance sector and applying such best practice to services in areas regulated by Lloyd's of London including by recommending enhancements to processes.

48. CUMULATIVE REMEDIES

48.1 Except as otherwise expressly provided in this Agreement, remedies provided under this Agreement shall be cumulative and in addition to and not in lieu of any other remedies available to either Party at law, in equity or otherwise.

49. DISPUTE RESOLUTION

49.1 Any dispute between the Parties arising out of or relating to the Agreement, including with respect to the interpretation of any provision of the Agreement, shall be dealt with as follows:

49.1.1 by the respective Contract Managers appointed under the Agreement; and if the dispute is not resolved by the Contract Managers;

49.1.2 then by the Customer's Chief Technology Officer (or his or her designated nominee) and a person of equivalent standing in the Service Provider's organisation; and

49.1.3 then by the Customer's Chief Operating Officer (or his/her designated nominee) and a person of equivalent standing in the Service Provider's organisation.

49.2 Any dispute, controversy or claim arising under, out of, in connection with, or in relation to the Agreement which cannot be settled as provided for above may then be referred by the Parties to:

49.2.1 mediation by a neutral mediator accredited by the Centre for Dispute Resolution (CEDR); and

49.2.2 then, if the Parties fail to reach agreement during the mediation process within sixty (60) days of the mediator being appointed, Arbitration in London under the LCIA Rules,

in order for the Parties to attempt to resolve such dispute.

49.3 Notwithstanding clauses 49.1 and 49.2, the Parties shall be free at any time to commence legal proceedings in order to seek emergency or injunctive relief.

50. COUNTERPARTS

50.1 This Agreement may be executed in two or more counterparts, each of which will be deemed to be an original, but all of which together will constitute one Agreement binding on the Parties, notwithstanding that both Parties are not signatories to the original or the same counterpart.

51. GOVERNING LAW AND JURISDICTION

51.1 The Agreement and all matters arising out of or in connection with it (including any dispute or claim) shall be governed and construed in accordance with the Laws of England and Wales and made subject to the exclusive jurisdiction of the Courts of England.

AGREED by the Parties through their duly authorised representatives, it being acknowledged that Aspen Insurance U.S. Services Inc. and Aspen Bermuda Limited have appointed Aspen Insurance UK Services Limited to sign this Agreement on their behalf, on the date of signature set out below:

For and on behalf of)
ASPEN INSURANCE UK SERVICES LIMITED
)

/s/ Chris Jones

Name: Chris Jones

Title: Director of Aspen Insurance UK LTD

Date: 05-Nov-2024 | 09:15 GMT

For and on behalf of)
COGNIZANT WORLDWIDE LIMITED)

/s/ Cristina Hadjez

Name: Cristina Hadjez

Title: Senior Director

Date: 31-Oct-2024 | 12:28 GMT

For the purposes of acknowledging that Cognizant Technology Solutions US Corporation will be providing services on behalf of Cognizant Worldwide Limited in the United States only:

COGNIZANT TECHNOLOGY SOLUTIONS US CORPORATION

SIGNED: /s/ Christopher H. Privette

Name: Christopher H. Privette

Title: Associate General Counsel

Date: 31-Oct-2024 | 12:36 GMT

Exhibit 4.16

INVESTMENT MANAGEMENT AGREEMENT

This Investment Management Agreement (this "**Agreement**") is entered into by and between Apollo Asset Management Europe PC LLP, a limited liability partnership incorporated in England with registered number OC402344 ("**AAME**"), and Aspen American Insurance Company, a Texas corporation ("**Client**" and together with AAME, the "**Parties**"), on April 16, 2019.

WHEREAS:

(A) Apollo Global Management, LLC ("**Apollo**") has created a business segment, of which AAME, which is 100% indirectly controlled by Apollo, forms a part, to centralise resources and expertise and provide investment management services or advisory services set forth in Annex C (the "**Services**") to its clients;

(B) Client is interested in benefitting from the resources and expertise of AAME and wishes to appoint it as Manager (as defined below) in respect of the assets set forth in Annex A (the "**Assets**"), and AAME wishes to accept such appointment;

(C) AAME shall be the investment manager under this Agreement ("**Manager**"), and references herein to the "Manager" shall be construed to mean AAME in respect of all Services;

(D) The Parties understand that no personal data shall be processed or transferred under this Agreement;

(E) AAME is authorized and regulated by the UK Financial Conduct Authority ("**FCA**") with firm reference number 784373;

(F) The Client is a United States licensed property and casualty insurance company domiciled in the state of Texas and subject to the insurance laws of the Texas Insurance Code (the "**Insurance Code**") and the regulations promulgated thereunder by the Texas Commissioner of Insurance (the "**Commissioner**").

In consideration of the mutual covenants herein, the Client and the Manager agree as follows:

1. Appointment.

(a) Effective February 15, 2019 the Client hereby appoints the Manager as investment manager upon the terms and subject to the conditions of this Agreement. The Manager hereby accepts the appointment and agrees to act as investment manager with respect to the Assets in accordance with this Agreement.

(b) The Assets to be managed by the Manager pursuant to this Agreement shall be held at all times by the Client, as applicable, or its respective duly appointed custodian(s) or sub-custodian(s) (each, a "**Custodian**"). The Manager shall not be

responsible for the provision of any safe custody or settlement services in respect of the Assets or documents of title or certificates evidencing title thereto and the Manager will not hold client money (within the meaning of the FCA Rules (as defined below)) or Investments (as defined below) or other assets of the Client. Notwithstanding the foregoing, no power or authority granted to the Manager in this Section 1 shall authorize the Manager to obtain possession of any funds or securities of the Client and no investment advisory services provided by the Manager to the Client under this Agreement shall be deemed to authorize the Manager to obtain custody (as that term is defined in Securities and Exchange Commission ("**SEC**") Rule 206(4)-2 (i.e., 17 CFR 275.206(4)-2) under the Investment Advisers Act of 1940, as amended (the "**Advisers Act**") of any funds or securities of the Client. The selection and appointment of any Custodian shall be the sole responsibility of the Client. The Client shall be solely responsible for the selection and use of any bank or other entity with which cash is deposited. Notwithstanding anything in this Agreement to the contrary, neither the Manager nor any of its affiliates (other than the Client) shall have any liability to the Custodian.

(c) The Services (as set out in Section 2(b) below and Annex C) which the Manager provides to the Client pursuant to this Agreement do not constitute an exclusive arrangement. The Manager provides similar services to others (including unaffiliated third parties) and undertakes other business activities and retains any benefit received for such services.

(d) The Client agrees to provide (or cause to be provided) to the Manager all information required in order for the Manager to render the Services under this Agreement, and the Manager shall be entitled to assume that any information or instructions communicated to it by the persons identified by the Client in Annex F (as updated and communicated to the Manager from time to time) are accurate and complete and properly authorized by the Client, and that in making investment recommendations to, or dealing in investments and contracts on behalf of, the Client, the Manager shall be entitled to rely on such information.

(e) The Client has provided the Manager with its internal guidelines and the investment objectives and investment restrictions that are to be complied with by the Manager in accordance with Annex G, which guidelines may be updated from time to time as provided by the Client and agreed by the Manager (the "**Investment Guidelines**"). The Investment Guidelines may be amended from time to time without formal amendment of this Agreement as mutually agreed by the parties. It shall be the sole responsibility of the Client to ensure that the Investment Guidelines comply with any laws, rules, regulation or other restrictions binding upon the Client with respect to the Assets.

(f) In fulfilling its obligations under this Agreement, the Manager may delegate to third parties, which may or may not be affiliated with the Manager (each a "**Sub-Delegate**"), however, only to the extent that this is permissible under any relevant law, statute, regulation, rule, vote, order, injunction or approval of any government or political subdivision or any agency, bank or other instrumentality of either, or any court, tribunal, arbitrator or self-regulatory organization, in each case whether domestic, foreign or international ("**Applicable Law**") and, in particular, under Solvency II and published statements of the competent supervisory authorities as well as the applicable guidelines published by the European Insurance and Occupational Pensions Authority ("**EIOPA**"). The Manager shall provide the Client with advance written notice of any proposed sub-delegation of Services hereunder, which notice shall include the material terms and conditions of such proposed sub-delegation. The Services to be provided by the Manager under this Agreement may only be delegated to a Sub-Delegate with the Client's prior written consent (such consent not to be unreasonably withheld). The Manager shall ensure that any sub-delegation

shall be made in accordance with this Agreement and that the Sub-Delegate will have the same obligations with respect to the Client and the Manager as set out in this Agreement with regard to the delegated activities and that the adherence to these obligations by the Sub-Delegate is ensured. Such sub-delegation will not affect the Manager's contractual obligations and responsibilities under this Agreement.

(g) All costs and expenses of any such Sub-Delegate(s) for Services under this Agreement shall be included in the Management Fee set forth in Annex D hereto.

(h) For the purposes of and in accordance with the provisions of Section 1(f), the Client hereby consents to the appointment of each of (i) Apollo Capital Management, L.P. (ii) Athene Asset Management, L.P., and (iii) Apollo Management International LLP as a Sub-Delegate on terms identical to the provisions of this Agreement (as applicable).

2. Services.

(a) In performing the Services with respect to the Assets pursuant to this Agreement, the Manager shall comply with the Investment Guidelines.

(b) Subject to the Investment Guidelines, the Manager shall have full and sole discretionary authority, on the Client's behalf and at the Client's risk, to manage and control the Assets and to invest the Assets without any obligation to consult with or obtain the consent of the Client or any other person; *provided*, *however*, that the Client or Custodian(s) (as appropriate) will always retain custody of the Assets. Without limiting the generality of the foregoing, but subject to the Investment Guidelines, the Manager is authorized:

(i) to make all decisions relating to the manner, method and timing of investment transactions (the "**Investments**");

(ii) to purchase, sell, transfer or otherwise deal in financial instruments on the Client's behalf (the "**Trade Execution Services**") and exercise all rights, powers, privileges and other incidents of ownership or possession (including the power to vote all proxies) with respect to the Assets subject to the limitation that the Manager shall not engage in stock-lending in respect of the Assets at any time;

(iii) to exercise options, conversion privileges, rights to subscribe for additional shares or other rights acquired with respect to Investments and to consent to or participate in dissolutions, bankruptcies, reorganizations, consolidations, mergers, sales, leases, mortgages, transfers or other changes affecting Investments;

(iv) to select brokers, dealers or other intermediaries for the execution, clearance and settlement of any transactions, including derivatives transactions (which derivative transactions shall solely be for the purposes of reducing risks or facilitating efficient portfolio management); *provided* that in making any such selection, the Manager will follow its best execution policy as in effect from time to time as well as the Investment Guidelines;

(v) to settle, compromise or submit to arbitration any claims, debts, or damages, due or owing to or from the Client in relation to Investments, to participate in, commence or defend suits or legal proceedings and to represent the Client (all at the expense of the Client) in suits or legal proceedings (including any class actions) relating to Investments; and

(vi) to execute, in the name and on behalf of the Client, all such agreements and other documents (including settlement documents) and to take all such other actions which the Manager considers necessary or advisable to carry out its duties hereunder, and to make representations and covenants on behalf of the Client in connection therewith; *provided*, that the Manager shall not be required to take any action described in this Section 2(b) or Annex C if the Manager determines that such action may result in a violation of Applicable Law.

(c) To enable the Manager to exercise fully its discretion and authority as provided above, the Client hereby constitutes and appoints the Manager as the Client's agent and attorney-in-fact with full power and authority for the Client and on the Client's behalf to buy, sell and otherwise deal in Investments and contracts relating to the Assets during the term of this Agreement. The Client further grants to the Manager, as the Client's agent and attorney-in-fact, full power and authority to do and perform every act necessary and proper to be done in the exercise of the foregoing powers as fully as the Client might or could do if personally present and to execute and deliver all necessary or appropriate documents and instruments as agent for and on behalf of the Client with respect to the Investments and/or the Assets in order to carry out its Manager duties under this Agreement. This power of attorney is coupled with an interest and shall terminate only on termination of this Agreement and shall be utilised solely for the purposes of giving effect to the powers of the Manager in this Agreement and at all times in accordance with the Investment Guidelines.

(d) Notwithstanding anything in this Agreement to the contrary, the Manager shall not be deemed to assume any obligations of the Client under or in connection with the Assets, the Investments or any agreement to which the Client is a party.

(e) The Client agrees that it will be responsible for any profit and loss due to fluctuations in exchange rates arising from transactions which are effected in a foreign currency and that the Manager or its affiliates may use such rate of exchange as reasonably determined (taking into account the Client's interests) by the Manager or such affiliate in executing such transactions.

(f) For the avoidance of doubt, neither the Client nor the Manager will provide any personal data to the other party without agreeing beforehand suitable provisions for the protection of such personal data under Applicable Legislation.

(g) Notwithstanding anything contained in Sections 1(f)-(h), the Manager may delegate any or all of its discretionary investment, advisory and other rights, powers, functions and obligations hereunder to one or more investment advisers (each, a "**Sub-Advisor**"), including Manager's affiliates; *provided,* that (i) any such delegation shall be revocable by the Manager, (ii) that the Manager shall always remain responsible to the Client for the Manager's obligations hereunder and (iii) that the Manager shall be responsible for ensuring that any SubAdvisor complies with the Investment Guidelines.

3. Compensation of Manager.

(a) The Client shall pay to the Manager compensation in accordance with the fee schedule attached as Annex D hereto (the "**Fee Schedule**"). The relationship between the Client and the Manager shall be that of persons carrying on independent businesses and dealing with each other at arm's length. Such fees are exclusive of VAT and any VAT in respect of Services pursuant to this Agreement shall be payable by the Client, provided VAT is chargeable. For the avoidance of doubt, the Client shall not be obligated to advance any funds to the Manager except in order to pay for the Services rendered pursuant to this Agreement.

(b) For the avoidance of doubt, the Fee Schedule covers the Services to be generally rendered by the Manager in the framework of this Agreement but it does not include any extraordinary engagement or mission by reason of its nature, volume or other relevant circumstances that the Client may wish to entrust upon the Manager (or any of its affiliates). The Client and the Manager will reach a separate and specific agreement as to the terms and compensation for any such extraordinary engagement.

(c) If the parties disagree on the calculation of the Management Fee, the parties or their designated representatives shall meet and attempt in good faith to resolve the dispute through negotiation within thirty (30) days after the Client's receipt of the applicable Management Fee Estimate or True Up. If the parties are unable to resolve the dispute within such thirty (30) days, then the parties shall appoint a mutually acceptable independent third party accounting firm to review the issue(s), and the decision of such accounting firm shall be final and binding on both parties. Notwithstanding any such dispute, the Client shall timely pay any undisputed portion of any fees, whether such dispute results from differing valuation of assets, calculation of fees, or otherwise. If the final calculation of fees determined pursuant to this Agreement is greater than the undisputed portion of the fees, then the Client shall remit the difference to the Manager within ten (10) business days after such final decision.

(d) Expenses arising in connection with the establishment and operation of the Investment of the Assets shall be borne in accordance with the Expense Schedule attached as Annex E.

(e) Notwithstanding anything contained in Section 1(f), the Client agrees to pay each Sub-Advisor such asset-based fees and other remuneration (the "**Sub-Advisor Fees**") as may be agreed to by the Manager in its discretion. In the event that any such Sub-Advisor Fees are paid by the Manager, the Client agrees to reimburse the Manager for such Sub-Advisor Fees from time to time, as and when invoiced by the Manager.

4. Allocation of Investments and Orders; Other Conflicts of Interest; Risk Factors.

(a) The Client acknowledges and understands that the Manager and its affiliates engage in an investment management and advisory business and other businesses apart from providing the Services, including sponsoring, managing and/or advising certain investment funds, separate accounts and/or investment vehicles (the "**Apollo Clients**"). This may create potential conflicts of interest, including in relation to the Manager's time devoted to providing the Services and the allocation of investment opportunities among Apollo Clients (including the Client) that the Manager manages and/or advises (the "**AAME Clients**").

(b) Conflicts Policy. The Manager operates a conflicts of interest policy in relation to identifying, preventing and managing conflicts of interest that may adversely affect clients. In summary, the Manager's policy is to seek in the first instance to prevent conflicts from arising. Where conflicts are unavoidable, the Manager seeks to identify them in advance and to take steps to manage them so that no client is disadvantaged. The steps taken will depend on the nature of the conflict. As a last resort, where the Manager is not reasonably confident that it is able to manage conflicts to adequately protect the interests of a client, the Manager clearly discloses the conflict in advance so that the Client can decide how to proceed. Further details of the Manager's conflicts policy are available on request.

(c) Disclosure of Conflicts. Whilst the Manager seeks to prevent or manage conflicts of interest and recognizes that disclosure of conflicts is a measure of last resort, there may be certain situations where the organizational and administrative arrangements

established by the Manager will not be sufficient to ensure, with reasonable confidence, that risks of damage to the interests of the Client will be prevented. The Client hereby confirms and represents that it has received and understands: (i) the disclosures referenced in Annex B hereto relating to, among other things, certain potential conflicts of interest; and (ii) current Part 2A and Part 2B of Form ADV filed with the U.S. Securities and Exchange Commission by one or more of the Manager's affiliates (as updated by the Manager from time to time and notified to the Client) ("**Form ADV**"), and wishes to appoint the Manager pursuant to this Agreement notwithstanding the potential conflicts therein disclosed. Subject to the terms of this Agreement, the Client hereby consents to the Manager or any of its affiliates taking any action, or refraining to take any action, as described in Annex B or Form ADV. Certain affiliates of the Manager are subject to disclosure obligations arising from their regulatory status in the United States and other jurisdictions, and Annex B identifies certain conflicts that are managed by the Manager or its affiliates with a view to ensuring that the interests of clients are not adversely affected as well as those situations where the organizational and administrative arrangements established by the Manager will not be sufficient to ensure, with reasonable confidence, that risks of damage to the interests of the Client will be prevented.

(d) Without limiting the generality of the foregoing, the Manager is authorized to cause the Account to purchase Investments from or to sell Investments to any other Apollo Client (including AAME Clients) without seeking the consent of the Client, unless (i) the transaction is being effected at a price determined on a basis other than in accordance with the Manager's policies and procedures then in effect (as amended from time to time) or (ii) such consent is required by applicable law.

(e) The duties of the Manager shall not be considered to be breached as a result of any events or circumstances outside the reasonable control of the Manager including, but not limited to, changes in the price or value of the Assets brought about through movements in the market, the reduction in and/or lack of availability of the Assets which were envisaged to be the subject matter of the advice, an inflow to, or outflow from, the assets of the Client or a benchmark, or caused by following an instruction given by the Client, however, if the Investment Guidelines are exceeded or breached, the Manager will adopt as a priority, the objective of remedying that situation, taking into account the interests of the Client.

(f) The Client understands and acknowledges that all investment programs carry the risk of loss and there is no guarantee that any investment strategy will meet its objective. The value of the Assets may go down as well as up. The Client hereby represents that it has received and understands the disclosures set forth in Annex B hereto and Form ADV.

(g) Notwithstanding any other provision in this Agreement, no warranty, assurance or undertaking is given by the Manager as to the performance, returns, increase in or retention of value or profitability of the Assets (or any part of it) or that any investment objectives or targets will be successfully achieved, whether in whole or in part.

5. Statements, Reporting and Information.

(a) The Client shall maintain oversight for the Services provided by Manager hereunder and monitor such Services for quality assurance on an ongoing basis and in no event less than annually. The Manager shall provide reports to the Client as detailed in Annex H hereto (the "**Reports**") and Annex H shall also set out details of the information to be provided by the Client to the Manager.

(b) The Client may retain any firm or other person of its choice to perform certain accounting and book-keeping or other services. The Manager assumes no responsibility for acts or omissions of such firm or person in its performance of such services. Except as contemplated elsewhere in this Agreement or as otherwise required by Applicable Law, the Manager shall have no responsibility to provide any statements or information or to perform any other accounting, valuation or reporting functions or services to any such firm or person. However, where appropriate, the Manager will use best efforts to facilitate the Client's access to third party valuations or the Client's commissioning of valuations from any third party (at the Client's cost and expense). This Section does not affect the Manager's obligation to provide the Reports or other information relating to the Services to the Client in accordance with the terms of this Agreement.

(c) Subject to the terms of Section 11; (i) the Client consents to the Manager providing it with any statements or information via electronic means including email and internet; (ii) the Client agrees that the Manager may transmit to the Client any such statement or other information through non-encrypted electronic mail and other electronic means, and; (iii) the Client assumes all responsibility for such transmission and acknowledges the risks involved.

6. Termination.

(a) Subject to Section 9(h) herein, this Agreement may be lawfully terminated as follows:

(i) by either party with or without cause as of the close of any calendar quarter upon not less than 60 days' prior written notice to the other party or at such other times as the parties may mutually agree, provided that the Manager will be entitled to receive the Management Fee, until the date of the actual termination of this Agreement.

(ii) by any party as to itself when required by such party's regulator or by Applicable Law, upon providing written notice of such termination.

(iii) by the Manager immediately by giving written notice if the implementation of any amendments to the Investment Guidelines with respect to the Services is impossible for, or cannot reasonably be expected of, the Manager, however, the Manager and the Client will co-operate and negotiate in good faith to attempt to find an acceptable position in respect of any amendments to Investment Guidelines prior to such notice of termination being served.

(b) Following notice of termination, the Manager shall:

(i) not enter into any commitments to make new Investments, but notice of termination shall not otherwise affect the Manager's authority hereunder until all remaining Investment positions have been sold or withdrawn;

(ii) use commercially reasonable efforts to dispose of all Investment positions in an orderly manner, provided, however, that the Manager shall have no obligation to effect transactions that, in its good faith determination, may have an adverse impact on other Apollo Clients and shall be entitled to consider its fiduciary and other duties to investors in other Apollo Clients; and

(iii) have the right (but not the obligation) to cause one or more other Apollo Clients to purchase from the Client at fair value, determined on the basis of the

Manager's valuation policies and procedures, as amended from time to time, such Investments as the Manager notifies in writing to the Client.

(c) Any termination of this Agreement shall not affect the rights or liabilities of any party accrued prior to and including the date of termination, nor the continuing existence and validity of any terms intended expressly or by implication to survive termination. The provisions of Sections 3, 6(b), 7, 8, 9, 10, 11, 12, 16 and 21, without limitation, shall survive any termination of this Agreement.

7. Standard of Liability; Indemnification.

(a) To the maximum extent permitted by Applicable Law, the Client agrees that (i) the Manager will not be liable (whether directly or indirectly, in contract or in tort or otherwise) to the Client for any losses, claims, damages, expenses or liabilities (collectively, "**Losses**") incurred by the Client that arise out of or are in any way connected with this Agreement, including but not limited to, any recommendation or other act or failure to act of the Manager or any such other persons under this Agreement, including, but not limited to, any error in judgment, except in the case of Losses arising as a result of the intentional misconduct, gross negligence or bad faith by the Manager in respect of its obligations and duties under this Agreement (in each case, as determined by a court of competent jurisdiction in a final non-appealable judgment), in which case the Manager shall indemnify the Client for such Losses, and (ii) none of the Manager's affiliates nor any of each of the Manager's or its affiliates' respective clients, partners, shareholders, members, managers, advisors, directors, officers, employees, consultants or agents will be liable (whether directly or indirectly, in contract or in tort or otherwise) to the Client for any Losses incurred by the Client or any other person that arise out of or are in any way connected with this Agreement (including, but not limited to, any recommendation or other act or failure to act of the Manager or any such other persons under this Agreement, including, but not limited to, any error in judgment); except that the Manager shall be liable to the Client with respect to a Sub-Delegate or a Sub-Advisor, and the Manager shall indemnify the Client for such Losses incurred as a result of such Sub-Delegate's or such Sub-Advisor's intentional misconduct, gross negligence or bad faith in respect of its obligations and duties owed to the Manager in accordance with Section 1(f) (as determined by a court of competent jurisdiction in a final non-appealable judgment). Under no circumstances shall the Manager be liable for any special, incidental, exemplary, consequential, punitive, lost profits or indirect damages, even if the Manager is advised of the possibility or likelihood of the same.

(b) The Manager will be entitled to rely upon, and will not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing believed by it to be genuine and to have been signed or sent by any person from time to time notified by the Client to the Manager as being authorized to give instructions to the Manager for the purposes of this Agreement (and the Manager shall be entitled to treat such authority as continuing until such time as the Manager is notified by the Client to the contrary). The Manager may also rely upon any statement made to it orally or by telephone and believed by it in good faith to be made by the proper person and will not incur any liability for relying thereon.

(c) The Manager may consult with legal counsel, auditors and other experts selected by it in good faith, and will not be liable for any action taken or not taken by it in good faith in accordance with the advice of any such legal counsel, auditors or experts. The Manager shall not be responsible for the loss of, or damage to, any investments or for any failure to fulfil its duties hereunder if such loss, damage or failure shall be caused by or be directly or indirectly due to war damage, enemy action, the act of any government or other competent authority, investment exchange or brokerage house, or of any riot, civil

commotion, rebellion, fire, lock-out, strike, power failure, computer error or failure (beyond the reasonable control of the Manager), delay, breakdown, failure or malfunction of any external telecommunication or computer service or electronic transmission systems, unavailability of market prices or suspension of dealing on relevant exchanges, or other cause beyond the control of the Manager.

(d) The Client shall indemnify and hold harmless each of the Manager and its affiliates and each of their respective clients, partners, shareholders, members, managers, advisors, directors, officers, employees, consultants and agents (each an "**Indemnified Person**") from and against any and all Losses resulting from the Client's intentional misconduct, gross negligence or bad faith incurred in connection with this Agreement (in each case, as determined by a court of competent jurisdiction in a final non-appealable judgment). Client shall pay all such amounts (including reasonable attorneys' fees and other costs of investigating and defending any claim) to the extent that such amounts have been finally determined to be due and payable in connection with the indemnification provided hereunder. The right to indemnification granted by this provision shall be in addition to any rights to which the Indemnified Person may otherwise be entitled and shall inure to the benefit of the successors or assigns of such Indemnified Person.

(e) To the extent that, at law or in equity, any Indemnified Person has duties (including fiduciary duties) and liabilities relating thereto to the Client, the Indemnified Person acting under this Agreement shall not be liable to the Client for its good faith reliance on the provisions of this Agreement. The provisions of this Agreement, to the extent that they restrict or eliminate the duties and liabilities of an Indemnified Person otherwise existing at law or in equity to the Client, are agreed by the Client to restrict or eliminate to that extent such duties and liabilities of such Indemnified Person.

(f) Any indemnity provided in this Section 7 shall continue to afford protection to each Indemnified Person regardless of whether such Indemnified Person remains in the position or capacity pursuant to which such Indemnified Person became entitled to exculpation or indemnification under this Section 7.

(g) The term "gross negligence" shall have the meaning ascribed to such term under the laws of the State of New York.

8. Certain Regulatory Matters (FCA Rules).

(a) This Section 8 covers certain matters as required by the FCA Handbook of Rules and Guidance (the "**FCA Rules**") and Commission Delegated Regulation (EU) 2017/565 (the "**MiFID II Organisational Regulation**"). Terms and expressions used in this Section 8 but not defined herein shall have the same meaning given to them in the FCA Rules.

(b) Contact Details. Contact details for the Manager are set out in Section 17 below.

(c) Communications. All communications made under or in connection with this Agreement shall be made in English.

(d) Regulatory Status.

Apollo Asset Management Europe PC LLP is authorised and regulated by:
Financial Conduct Authority

(e) Compensation. As an overseas financial services institution (as that term is defined in the FCA Rules), the Client is not eligible to claim compensation under the Financial Services Compensation Scheme.

(f) Financial Instruments. The financial instruments invested in by the Manager on behalf of the Client will typically be those for which the identified target market is professional clients. The Manager may, if it thinks fit, also invest in financial instruments for which the identified target market is retail clients, if the Manager otherwise considers those financial instruments suitable having regard to the Client's investment objectives.

(g) Client Categorisation. Based on the information obtained in respect of the Client, the Manager has categorized the Client as a per se professional client in relation to the Services provided under this Agreement. The Client agrees and acknowledges that it is responsible for keeping the Manager informed about any change to the Client's circumstances that could affect the Client's categorization as a professional client. The Client is entitled, pursuant to the FCA Rules, to request that it be categorized as a retail client. However, the Client acknowledges that if the Client requests to be categorized as a retail client in order to benefit from a higher level of protection under the FCA Rules, the Manager will no longer be able to provide the Services to the Client under this Agreement as it is not authorized by the FCA to provide investment services to retail clients.

(h) Order Execution.

(i) Where the Manager receives and transmits or places orders on behalf of the Client with other entities for execution, it will comply with its execution policy as may be amended by Manager from time to time (the "**Order Execution Policy**"), a summary of which has been provided to the Client separately or is hereafter provided to the Client from time to time, and a complete version of which will be made available to the Client upon request. The Client agrees to the terms of the Order Execution Policy and further agrees that the Manager may execute the Client's orders outside of a Regulated Market or Regulated Trading Venue (each as defined under the FCA Rules). Where specific instructions are given by the Client, the Manager need not comply with its Order Execution Policy to the extent of those instructions and will instead execute orders in compliance with the Client's instructions. The Client instructs the Manager not to make public client limit orders (as defined in the FCA Rules) in respect of shares admitted to trading on a Regulated Market or Regulated Trading Venue which are not immediately executed under prevailing market conditions.

(ii) Subject to the Order Execution Policy and instructions from the Client, where applicable, the Manager may effect transactions with such counterparties and on such trading venues or facilities as it considers appropriate. If any counterparty fails to deliver any necessary documents or to complete any transaction, the Manager shall take reasonable steps on behalf of the Client to rectify such failure or obtain compensation in lieu thereof provided that the Manager shall not be required to commence any litigation. All resulting reasonable costs and expenses properly incurred by the Manager shall be paid by the Client.

(iii) The Client acknowledges that certain of its transactions may be subject to the provisions of MiFID, which applies certain transaction reporting

obligations directly on the Client in respect of the Assets, including, but without limitation, the procurement of a valid Legal Entity Identifier (being the code made up of 20 alphanumerical digits which is used to uniquely identify every legal entity or structure, in any jurisdiction, that is party to a financial transaction). The Client undertakes to provide in a timely fashion all such information (including, but not limited to, the Client's Legal Entity Identifier) and documentation and to promptly take all such action as the Manager may from time to time reasonably require (including, if requested, information as to the overall position in a certain security for purposes of identifying whether there is an overall short position) in relation to the MiFID transaction reporting obligations.

(iv) Notwithstanding any other provision of this Agreement, the Manager may disclose any confidential information relating to transactions undertaken pursuant to this Agreement to a regulatory authority as may be required in order to satisfy MiFID transaction reporting obligations.

(i) Aggregation of Orders. The Manager or its affiliates may aggregate orders on behalf of the Client with those of its or its affiliates' other clients (e.g., the Apollo Clients and the AAME Clients). The Manager and its affiliates will allocate such orders on a fair and reasonable basis, but the Client acknowledges and agrees that aggregation may operate to the advantage or disadvantage of the Client.

(j) Third Party Benefits.

The Manager may, from time to time, accept minor non-monetary benefits from third parties in connection with the Services it provides to the Client where the Manager considers that these are capable of enhancing the quality of service provided to the Client and are of a scale and nature such that they could not be judged to impair compliance with the Manager's duty to act in the best interest of the Client.
Such benefits may include:

- Publicly Available Research
  Research that is generally available to the public or to any person who wants to receive it.

- Non-Substantive Commentary
  For example, short term market commentary on the latest economic statistics or company results, or information on upcoming releases or events.

- Issuer-Sponsored Research
  Written material from a third party that has been commissioned and paid for by a corporate issuer or potential issuer to promote a new issuance by the company or on an ongoing basis.

- Connected Research
  Research relating to a new issue of shares, debentures, warrants or certificates representing certain securities which is produced by the underwriter or placement agent prior to the issue being completed and made available to prospective investors in the issue.

- Research Trials
  Research received on a short term basis so that the Manager or its affiliates can evaluate the research provider's research service.

- *De Minimis* Hospitality
  Hospitality of a reasonable *de minimis* value received in the course of business meetings, conferences or other business-related events.

- Conference Attendance
  Participation in conferences, seminars and other training events on the benefits and features of specific financial instruments or investment services.

The Manager may from time to time offer to third parties ordinary course business hospitality or entertainment where it considers the relationships developed through such interactions will result in an enhanced quality of service being provided by Manager to its clients.

(k) Suitability. Based on information provided by the Client, in carrying out the Services under this Agreement the Manager shall be responsible for assessing the suitability of investments for the Client as required by the FCA Rules. The reason for assessing suitability is to enable the Manager to act in the Client's best interest. For these purposes, the Manager is entitled to assume that the Client has the necessary level of experience and knowledge in order to understand the risks involved in the transaction or in the investment of the Assets. The Client is responsible for ensuring that the information provided to the Manager is kept up to date so as to enable the Manager to make the relevant suitability assessment for the Client. The level of risk to be reflected in the Manager's exercise of discretion, including the Client's ability to bear losses and its risk tolerance, are set out in the Investment Guidelines and the Manager shall be entitled to assume that the Investment Guidelines are comprehensive in this regard.

(l) Reporting of Costs and Charges Information. Where the Manager is required to provide annual *ex post* information about costs and charges to the Client, the Client agrees and acknowledges that such information shall be provided in respect of an annual period ending on 31 December each year, and the first such information shall be provided for a partial period commencing on the effective date of this Agreement and ending on the next following 31 December.

(m) Recording of Telephone Conversations. Subject to compliance with applicable law, either Party may record telephone conversations with the other. The Manager may record or monitor telephone conversations and other communications with or by the Client (including mails, emails or documentation of client orders made at meetings). The Client agrees that the Manager may deliver copies or transcripts of such recordings to any court or competent regulatory authority. A copy of any such conversations with the Client and communications with the Client will be available on request for a period of five years (or, if requested by the FCA or otherwise determined by the Manager, seven years) from the date when the record is made.

(n) Complaints. If the Client has any complaint about the performance of the Manager under this Agreement, that complaint should be directed, in the first instance, to AAME Legal and Compliance at AAMElegalcompliance@apollo.com. A copy of the

Manager's complaints management policy is available on request. The Client acknowledges that it is not eligible to complain to the Financial Ombudsman Service.

(o) Liability under the Regulatory System. Nothing in this Agreement shall exclude or restrict any liability of the Manager to the Client under the UK regulatory system (as defined in the FCA Rules).

9. Special Regulatory Matters

(a) For purposes of complying with regulatory duties and only to the extent relating to the Manager's obligations under this Agreement, the Manager will:

(i) enable the Client and the internal and independent auditors of the Client and its subsidiaries, as well as the representatives of or, as the case may be, the Commissioner, auditors instructed by the Commissioner or any legal successor, or any other competent supervisory authority (hereinafter referred to as "**Supervisory Authority**"), to carry out on-site inspections and access its business premises for this purpose as well as its data processing systems and data, and it will grant access to all company books and other files, business records and business materials (hereinafter jointly referred to as the "**Books**"), and it will enable the copying of the Books, to the extent these relate to the Manager's duties under this Agreement, if this is required by the Client, the Commissioner, or any person entrusted with the audit or Supervisory Authority, in particular the Commissioner, as part of any regular audit or ad hoc audit of the Books, or in connection with the audit of the Client's financial statements in accordance with its bye-laws, or any special audit within the meaning of or any other applicable provisions including, without limitation, the Insurance Code. Unless required otherwise by Applicable Law or the respective Supervisory Authorities, tax or any other competent authorities, (i) the Client will provide the Manager with reasonable prior written notice of an audit, (ii) audits shall be conducted no more frequently than annually, except where more frequent controls are mandatory from the Client's perspective, or where the Commissioner requests the same and (iii) the Client and its auditors will conduct such audits only during normal business hours;

(ii) assist in the performance of the above audits at any time and refrain from interfering with such audits in any way. In connection with the above-mentioned audits, the Manager is obliged to reply within a reasonable period of time to any questions which are addressed to the Manager directly by the Supervisory Authority if appropriate and necessary for the purposes of supervision. Any audits performed by the Client must be co-ordinated with the Manager, unless co-ordinating such audits with the Manager is prohibited by any statutory requirements or requirements imposed by any authority including the Commissioner;

(iii) cooperate with the Commissioner in respect of the Services and for the purposes of supervision of the Client by the Commissioner, and reply to any questions the Commissioner directs to the Manager;

(iv) undertake measures that are appropriate from organizational, human resources, technical and structural points of view to ensure that the provision of access to the processing systems used by the Manager for the purpose of performing its contractual duties is in accordance with any and all applicable provisions and conditions imposed by any Supervisory Authority or person entrusted with the audit. Further, the Manager will grant access to data related to this Agreement exclusively to duly authorized persons (also of group companies) who are subject to the aforesaid data protection obligations with regard to the performance of this Agreement. The obligations

of the Manager in this sub-clause are subject to the further provisions of Section 11 hereof;

(v) take appropriate precautions to ensure that it has adequate contingency plans in place to deal with emergency situations or business disruptions and periodically tests backup facilities where necessary, taking into account the Services;

(vi) promptly disclose to the Client any development which may have a material impact on the Manager's ability to carry out the Services and activities effectively and in compliance with Applicable Laws and regulatory requirements, including, but not limited to the revocation of the Manager's license;

(vii) undertake to maintain adequate internal risk management and control systems and to adequately take account of the Services under this Agreement in its internal risk management and control systems;

(viii) undertake to ensure that any member of the Manager's personnel who will be involved in providing the Services and activities under this Agreement is sufficiently qualified and reliable and suitably experienced and competent to perform the tasks falling within their respective responsibilities. The Client is entitled to request reasonable evidence regarding the level of experience of the Manager's personnel involved in providing the Services under this Agreement at any time during the term of this Agreement; and

(ix) undertake to provide the Client with information in relation to the Services and their performance upon reasonable and written request and to act in accordance with the reasonable instructions of the Client in relation to the Services.

(b) The Manager will release its auditors ((internal or otherwise) and all other persons required by law or by any Supervisory Authority, respectively, to perform any external audit) from their confidentiality obligations vis-à-vis the Client, the Client's internal auditors, the group auditors or any auditors instructed by the Client or any Supervisory Authority, respectively, to the extent this is necessary for the performance of the Manager's obligations as provided for in this Agreement, or for the performance of any legal, regulatory, or intra-group obligations of the Client, and provided that this will not breach any other contractual or statutory confidentiality obligations or regulatory or legal requirements of the Manager. Contractual confidentiality obligations do not conflict with the provision of information for the purpose of complying with any regulatory duties.

(c) All of the above rights to audit and inspect will continue to exist and be in effect after the termination of this Agreement, for a period of three (3) years from the end of the calendar year in which this Agreement is terminated. During this period, all documents, including the Books, must continue to be available. To the extent that any documents, including the Books, due to any statutory or regulatory period applicable to the Client, must be retained for any longer period, such statutory or regulatory period shall be complied with by the Manager. The Manager must ensure that the Client will continue to hold all rights to the Books and all relevant documents, even after the expiry of the retention period, and must return such Books and other documents to the Client upon being requested to do so. The provisions of this Section relate to any and all documents prepared and used as part of the performance of Services under this Agreement, regardless of whether these are available in hard copy or in electronic form.

(d) The Client shall inform the Manager of any developments that may impair the performance of the outsourced activities and processes by the Manager. This applies to

any circumstances that cannot be discerned by the Manager and which may affect its ability to provide the Services agreed hereunder.

(e) All costs and expenses incurred by the Manager associated with, or related to, the Manager's compliance with the requirements of this Section 9 shall (unless otherwise agreed in writing by the Manager) be the sole responsibility of the Client.

(f) The Manager hereby agrees with and undertakes to the Client (in each case, in order that the Commissioner can properly carry out its supervisory functions):

(i) to co-operate with the Commissioner in connection with the provision by the Manager of the Services to the Client;

(ii) to provide to the Client and the Commissioner effective access to data related to the Services; and

(iii) to provide to the Commissioner effective access to the Manager's business premises and to enable the Commissioner to exercise such right of access.

(g) In the event that the Client is placed in receivership or seized by the Commissioner:

(i) all of the rights of the Client under this Agreement shall extend to the receiver or the Commissioner;

(ii) all Books hereunder will immediately be made available to the receiver or Commissioner and shall be turned over to the receiver or the Commissioner immediately upon the receiver or the Commissioner's request; provided that the Manager shall be entitled to keep copies of such Books; and

(iii) the Manager will continue to maintain any systems, programs, or other infrastructure notwithstanding a seizure of the Client by the Commissioner, and will make them available to the receiver or the Commissioner, for so long as the Manager continues to receive timely payment for Services rendered.

(h) Notwithstanding anything to the contrary contained herein, Manager shall have no right to terminate this Agreement as a result of the Client being placed in receivership or seized by the Commissioner.

(i) For the avoidance of doubt, the Manager and the Client agree that all Assets are the exclusive property of the Client, shall be held for the benefit of the Client and shall be subject to the control of the Client.

(j) If any aspect of this Section 9 ceases to be required by the Insurance Code as interpreted by the competent authorities, the parties shall amend this Section 9 accordingly.

10. Representations and Warranties.

(a) The Client represents and warrants to the Manager and agrees with the Manager as follows:

(i) the Client has the requisite legal capacity and authority to execute, deliver and perform its obligations under this Agreement including the granting of a

power of attorney to the Manager. This Agreement has been duly authorized, executed and delivered by the Client and is the legal, valid and binding agreement of the Client, enforceable against the Client in accordance with its terms. The Client's execution of this Agreement and the performance of its obligations hereunder do not conflict with or violate any provisions of the governing documents of the Client, the terms of its insurance license issued pursuant to the Insurance Code, any requirement under the regulations, rules or any direction or supervisory order issued by the Commissioner pursuant thereto (if any), or any obligations by which the Client is bound, whether arising by contract, operation of law or otherwise. The Client will deliver to the Manager evidence of the Client's authority and compliance with its governing documents on the Manager's request;

(ii) Client is and will remain the sole beneficial owner of all Assets and there are no restrictions on the pledge, hypothecation, transfer, sale or public distribution of such Assets;

(iii) the Client is a U.S. person within the meaning of Section 7701(a)(30) of the Internal Revenue Code of 1986, as amended;

(iv) the Client is experienced in the engagement of investment advisers and is aware of the risks associated with such engagements, including the risks described in Annex B hereto;

(v) the Client is an insurance company within the meaning of Section 203(b)(2) of the Advisers Act;

(vi) (ix) the Company is NOT a bank holding company (or affiliated with a bank holding company) as defined in Section 2(a) of the U.S. Bank Holding Company Act of 1956, as amended (the "**BHC Act**"), a non-bank subsidiary of such a bank holding company or an entity that is subject to the restrictions of the BHC Act pursuant to the International Banking Act of 1978;

(vii) the Client is a "qualified institutional buyer" as defined in Rule 144A under the Securities Act of 1933 ("**Securities Act**");

(viii) the Client, to the best of its knowledge, confirms that it is not a "U.S. Person" as defined in Rule 902 of Regulation S under the Securities Act;

(ix) the Client, to the best of its knowledge, confirms that it is not an "employee benefit plan" within the meaning of, and subject to, the Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), and none of the assets constitute or will constitute "plan assets" for purposes of ERISA, as determined under Section 3(42) of ERISA;

(x) Client is not a commodity pool and neither Client nor any person with trading authority over Client's accounts is required to be registered as a commodity pool operator under the Commodity Exchange Act, as amended (the "**CEA**");

(xi) Client is a "qualified eligible person" as defined in Regulation 4.7 issued by the Commodity Futures Trading Commission (the "**CFTC**") under the CEA and acknowledges that it has not been furnished with a disclosure document prepared in accordance with CFTC Regulation 4.31 because no such document is required pursuant to CFTC Regulation 4.7;

(xii) Client is not an "investment company" under the Investment Company Act of 1940, as amended (the "**Investment Company Act**"), nor does Client rely on Section 3(c)(1) or Section 3(c)(7) of the Investment Company Act to avoid being an "investment company";

(xiii) the Client has received a copy of the Apollo Capital Management, L.P.'s Form ADV as required by Rule 204-3(b) of the Advisers Act, it being understood that the Manager is registered as an investment adviser relying on Apollo Capital Management, L.P.'s investment adviser registration with the SEC;

(xiv) none of the Assets were obtained from any person listed in the HM Treasury's consolidated sanctions list or on the website of the U.S. Treasury Department's Office of Foreign Assets Control, nor is the Client a person with whom dealings are prohibited under any sanctions laws or regulations applicable to the Manager, and none of such assets is derived from illegal activities; and

(xv) the Client will notify the Manager, in writing, of (1) any termination, merger or consolidation of the Client, or transfer of the Assets to any employee benefit plan (as described under Section 10(a)(ix) above), and (2) any amendment to the organizing documents of the Client or any related instrument that would reasonably be expected to materially affect the activities of the Manager contemplated hereunder.

(b) The Manager represents and warrants to the Client and agrees with the Client as follows:

(i) the Manager has the requisite legal capacity and authority and regulatory authorizations to execute, deliver and perform its obligations under this Agreement. This Agreement has been duly authorized, executed and delivered by the Manager and is the legal, valid and binding agreement of the Manager, enforceable against the Manager in accordance with its terms. The Manager will deliver to the Client evidence of the Manager's authority and compliance with its governing documents on the Client's request;

(ii) the Manager is registered as an investment adviser under the Advisers Act and is included as a "relying adviser" in the Form ADV filed by Apollo Capital Management, L.P.;

(iii) AAME is authorized and regulated by the UK FCA with firm reference number 784373 and shall remain so authorized and regulated at all times during the term of this Agreement; and

(iv) the Manager will notify the Client, in writing, of (1) any termination, merger or consolidation of the Manager, or transfer of its assets to any employee benefit plan (as described under Section 10(a)(ix) above), and (2) any amendment to the organizing documents of the Manager or any related instrument, in each case to the extent that it would reasonably be expected to have a material adverse effect on the ability of the Manager to perform the Services.

(c) Each of the foregoing representations shall be continuing during the term of this Agreement. If at any time any event has occurred that would cause any such representation no longer to be true, the affected party shall give prompt written notice of such change to the other party.

11. Data Protection.

(a) The Client hereby acknowledges and confirms that it shall not transfer personal data to the Manager for the purposes of permitting the Manager to provide the Services or for any other reason and the Manager will not be a data processor under this Agreement.

(b) The Client hereby further acknowledges and confirms that should it transfer personal data to the Manager at any stage, it shall notify the Manager of the proposed transfer within a reasonable period in advance of the proposed transfer (or if the Client becomes aware of a transfer of personal data having been made to the Manager without the said prior notice, the Client shall inform the Manager as soon as possible upon it becoming aware of the transfer having occurred).

(c) In the event that the Client provides reasonable advance notice of its intention to transfer personal data to the Manager pursuant to the terms of this Agreement (or if the Client becomes aware of a transfer of personal data having been made to the Manager without the said prior notice and the Client informs the Manager that this has occurred in accordance with the terms of Section11(b) above), the Client and the Manager shall engage in good faith and conclude an agreement ("**Data Agreement**") between them which meets the requirements of European Regulation (EU) 2016/679 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data ("**GDPR**") or requirements of other Applicable Law and includes all mandatory clauses set out in GDPR or such other Applicable Law. The Data Agreement will set out the terms and conditions upon which the said personal data to be transferred will be processed.

(d) In the event that any personal data is transferred by the Client to the Manager without the Manager having been provided with prior written notice, the Client shall indemnify and hold harmless the Indemnified Persons in respect of any liability arising as a result of the transfer of the said personal data to the Manager under GDPR or other Applicable Law. The indemnity provided in this sub-clause in favour of the Manager is supplemental to the provisions of Section 7(d) of this Agreement and the provisions of Section 7(e) of the Agreement shall apply to this Section *mutatis mutandis*.

12. Confidentiality.

(a) The parties agree that the confidentiality agreement entered into (or expected to be entered into) among the parties hereto and/or certain of their affiliates shall apply to the handling of non-public, confidential information between the parties, as such terms apply to the Manager and the Client as the disclosing or recipient party, as the context requires. Until the date on which such confidentiality agreement comes into force and effect (if not already in force and effect), the Client and the Manager will co-operate in good faith in respect of any confidential information exchanged between the parties and/or disclosed to any third party.

(b) Subject to the provisions of Section 11 of this Agreement, neither the Manager nor the Client shall seek to receive any of the other party's customer personal data (including, with respect to the Client, policyholders, insured persons and beneficiaries of life insurance policies issued by the Client). In case either party should unintentionally receive the other party's customer personal data, the respective party shall, without undue delay, protect any confidential information relating to such data and use reasonable efforts to make the other party aware of this fact, refrain from passing on to any third party the other party's customer personal data received and destroy and/or delete this data.

13. Independent Contractor.

The Manager is and will hereafter act as an independent contractor of the Client, and nothing in this Agreement may be interpreted or construed to create any employment, partnership, joint venture or other relationship between the Manager and the Client.

14. Assignment.

(a) Without limiting Section 14(b) in any respect, this Agreement and the rights and obligations of each party hereunder shall not be assignable (and any attempted assignment thereof shall be void) without the prior written consent of each other party hereto. This Agreement shall bind and inure to the benefit of and be enforceable by the parties and their respective successors and assigns.

(b) For the avoidance of doubt, the Manager may assign its rights and obligations hereunder with the prior written consent of the Client to an entity that controls, is controlled by or is under common control with the Manager; provided, that such entity shall assume the obligations of the Manager hereunder and provided, that the Manager provides the Client with not less than 3 months' prior notice in writing of any proposed assignment of rights and obligations hereunder (or such longer period as may be agreed in writing by the Manager and the Client) which shall include the terms and conditions of such proposed assignment.

15. Amendment.

(a) If and to the extent the Manager considers modification of this Agreement necessary to comply with any requirement of the FCA or any other applicable regulatory authority or any modification to Applicable Laws as well as rules or regulations (including, without limitation, the FCA Rules), the Manager may modify this Agreement accordingly by prior written notice to the Client, together with evidence of the required change, prior to such change becoming effective.

(b) If and to the extent the Client considers modification of this Agreement necessary to comply with Applicable Laws or any modification to Applicable Laws as well as rules or regulations of any applicable regulatory authority, the Client may modify this Agreement accordingly by prior written notice to the Manager, together with evidence of the required change, prior to such change becoming effective.

(c) Without prejudice to Section 15(a) or (b), if an amendment would adversely affect the other party, the parties will negotiate in good faith to amend this Agreement in line with the parties' economic interests under this Agreement prior to such amendment; provided that the adversely affected party shall have no obligation to agree to such amendment, if the parties fail to agree on such amendment, the Client and the Manager shall each have the ability to terminate the Agreement by providing thirty (30) days' written notice to the other party, and such purported amendment shall have no force or effect.

(d) Subject to the foregoing, any amendment to this Agreement (including any of the annexes) will be effective only if it is in writing and signed by the Manager and the Client.

16. Governing Law and Jurisdiction.

(a) Contractual and non-contractual obligations arising out of or in connection with this Agreement are governed by and shall be construed in accordance with the laws of England and Wales. The parties irrevocably agree that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this Agreement (including a dispute relating to any non-contractual obligation arising out of or in connection with it). The Client irrevocably appoints Aspen Insurance UK Limited ("**Process Agent**") as its agent to receive on its behalf in England or Wales service of any proceedings. Such service shall be deemed completed on delivery to such agent (whether or not it is forwarded to and received by the Client) and shall be valid until such time as the Manager has received prior written notice that such agent has ceased to act as agent. If for any reason such agent ceases to be able to act as agent or no longer has an address in England or Wales, the Client shall forthwith appoint a substitute acceptable to the Manager and deliver to the Manager the new agent's name and address within England and Wales.

17. Notices.

(a) Except to the extent otherwise permitted by Annex H, all communications under this Agreement, including all investment proposals, orders, instructions or communications to transmit and execute orders, must be in writing and will be deemed duly given and received when delivered personally, when sent by facsimile transmission or by e-mail, three days after being sent by first class mail, or one business day after being deposited for next-day delivery with a nationally recognized overnight delivery service, all charges or postage prepaid, properly addressed to the party to receive such notice at the party's address indicated below, or at any other address that either party may designate by notice to the other.

(b) Notices shall be served as set out below.

If to the Manager:

Apollo Asset Management Europe PC LLP

Address: 25 St. George Street, London, W1S 1FS

Attention: [***]

Email: [***]

With a copy to: [***] and [***], and to any other email address (in addition to, or as a replacement for, any one or more of the foregoing) of which the Manager advises the Client from time to time.

If to the Client:

Aspen American Insurance Company

Address: 211 East 7th Street, Suite 620, Austin, Texas 78701

Attention: General Counsel

With copies to: Aspen Insurance Holdings Limited, 141 Front Street, Hamilton, Bermuda HM 19, Attention: Chief Investment Officer, and to any other email address (in addition to, or as a replacement for, any one or more of the foregoing) of which the Client advises the Manager from time to time.

If to the Process Agent:

Aspen Insurance UK Limited

Address: 30 Fenchurch Street, London, EC3M 3BD, United Kingdom

Attention: General Counsel

And to any other email address (in addition to, or as a replacement for, any one or more of the foregoing) of which the Process Agent advises the Manager and the Client from time to time.

18. Severability.

The invalidity or unenforceability of any provision hereof shall in no way affect the validity or enforceability of any and all other provisions hereof.

19. Entire Agreement.

This Agreement (including the Annexes) is the entire agreement of the parties and supersedes all prior or contemporaneous written or oral negotiations, correspondence, agreements and understandings (including any and all pre-existing agreements (including investment management or advisory agreements) regarding the subject matter hereof.

20. Counterparts.

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

21. No Third-Party Beneficiaries.

(a) Except as expressly stated in this Agreement, this Agreement does not confer any rights on any person other than the parties whether under the Contracts (Rights of Third Parties) Act 1999 or otherwise.

(b) To the extent permitted under Applicable Law, but subject to Section 22 below, each Indemnified Person shall be entitled to enforce all the rights and benefits accorded to Indemnified Persons, respectively, by Section 7 at all times as if such person were a party to this Agreement.

(c) The parties may rescind, vary or terminate this Agreement in accordance with its terms without the consent of any Indemnified Person.

(d) No Indemnified Person may assign in whole or in part, its rights under this Agreement without the prior written consent of the Manager, which may be withheld at the sole discretion of the Manager.

22. Interpretation.

(a) References to this Agreement shall include its recitals and Annexes.

(b) Headings are for convenience only and are to be ignored in construing this Agreement.

(c) References to statutory provisions, regulations, notices, Solvency II, the MiFID Organisational Regulation or the FCA Rules are to be construed as a reference to the same as it may have been, or may from time to time be, amended, modified, superseded or re-enacted, and include references to all by-laws, instruments, orders and regulations for the time being made thereunder or deriving validity therefrom.

(d) References to "including" in this Agreement shall mean "including, without limitation."

(e) References to "affiliates" of the Manager shall not include "the Client" or any of the Client's related entities that are controlled by funds managed or advised by affiliates of Apollo, unless expressly stated otherwise.

(f) References to a "party" or "parties" shall mean a party to, or the parties to, this Agreement if the context does not otherwise require.

(g) References to any agreement or other document are to that agreement or other document as has been, or may be hereafter, amended, restated, supplemented or otherwise modified from time to time in accordance with the terms thereof (and not prohibited by the terms hereof).

Signature Page Follows

IN WITNESS WHEREOF, this Agreement has been duly executed as a deed by or on behalf of the parties hereto on the date first set forth above.

Executed as a deed by **Aspen American Insurance Company** acting:

By: /s/ [***]

Name: [***]
Title: [***]

Executed as a deed by **Apollo Asset Management Europe PC LLP** acting:

By: /s/ [***]
Name: [***]
Title: [***]

By: [***]
Name: [***]
Title: [***]

ANNEX A

ASSETS

ANNEX B

CERTAIN RISK FACTORS, CONFLICTS OF INTEREST AND RELATED CONSIDERATIONS

ANNEX C

SERVICES

ANNEX D

FEE SCHEDULE

ANNEX E

EXPENSE SCHEDULE

ANNEX F

CLIENT REPRESENTATIVES

ANNEX G

INVESTMENT GUIDELINES

ANNEX H

REPORTS

Schedule of Material Differences to Exhibit 4.14

Aspen Insurance Holdings Limited and certain of its subsidiaries are each parties to an Investment Management Agreement with Apollo Asset Management Europe PC LLP. The following table lists each Investment Management Agreement, other than the Investment Management Agreement filed herewith as Exhibit 4.14, each of which is substantially identical in all material respects to the Investment Management Agreement filed herewith as Exhibit 4.14 except as noted below. Each Investment Management Agreement listed below is omitted pursuant to Instruction 2 to Item 601 of Regulation S-K.

Parties to Investment Management Agreement	**Date**
1. Apollo Asset Management Europe PC LLP and Aspen Bermuda Limited	April 3, 2019
1. Apollo Asset Management Europe PC LLP and Aspen Insurance Holdings Limited	December 17, 2019
1. Apollo Asset Management Europe PC LLP and Aspen Insurance UK Limited	June 25, 2019
1. Apollo Asset Management Europe PC LLP and Aspen Specialty Insurance Company	April 16, 2019
1. Apollo Asset Management Europe PC LLP and Aspen Managing Agency Limited	September 30, 2019

EV

Exhibit 14.17

Dated 24 January 2025

(1) APOLLO ASSET MANAGEMENT EUROPE PC LLP

(2) APOLLO ASSET MANAGEMENT EUROPE LLP

(3) ASPEN AMERICAN INSURANCE COMPANY

DEED OF NOVATION

CONTENTS

Clause Page

2. RELEASE AND DISCHARGE OF THE OUTGOING PARTY 2

3. COUNTERPARTS 2

4. GOVERNING LAW AND DISPUTES 2

ANNEX A 5

THIS DEED OF NOVATION is made on 24 January 2025

BETWEEN:

(1) Apollo Asset Management Europe PC LLP (registered in England with number OC402344) whose registered office is at 1 Soho Place, London, England, W1D 3BG (the "**Outgoing Party**");

(2) Apollo Asset Management Europe LLP (registered in England with number OC399402 whose registered office is at 1 Soho Place, London, England, W1D 3BG (the "**Incoming Party**"); and

(3) Aspen American Insurance Company (a Texas corporation with Texas Department of Insurance license #07-05522) (the "**Remaining Party**").

WHEREAS:

(A) This deed of novation ("**Novation Agreement**") is supplemental to an agreement entered into on 16 April 2019] between the Outgoing Party and the Remaining Party a copy of which is annexed to this deed of novation (the "**Contract**").

(B) As part of an internal reorganisation to rationalise the holding structure of the direct and indirect subsidiaries and affiliates of Apollo Global Management Inc, the Outgoing Party wishes to transfer its rights and obligations under the Contract to the Incoming Party.

(C) The Remaining Party agrees to the transfer on the terms set out in this Novation Agreement.

IT IS AGREED as follows:

1. NOVATION

1.1 The Outgoing Party shall, with effect on and from 1 January 2025 (the **Effective Date**), transfer its rights under the Contract to the Incoming Party.

1.2 The Incoming Party shall, with effect from the Effective Date, have all of the Outgoing Party's rights under the Contract and, to the extent not performed or discharged as at the Effective Date, observe, perform and discharge the obligations and assume the liabilities of the Outgoing Party under the Contract and be bound by the terms of the Contract in all respects as if the Incoming Party had originally been named in the Contract as a party to the same instead of the Outgoing Party.

1.3 The Incoming Party shall accept responsibility for any claims, damages, or liabilities in connection with matters arising or events occurring under the Contract in respect of the period prior to, on or after the Effective Date.

1.4 For the avoidance of doubt nothing in this Novation Agreement shall affect the rights of the Outgoing Party in respect of work undertaken under the Contract prior to the Effective Date (including, but not limited to, the right of the Outgoing Party to raise

invoices in respect of the Management Fee for billing periods ending prior to the Effective Date pursuant to Annex D of the Contract).

2. RELEASE AND DISCHARGE OF THE OUTGOING PARTY

2.1 The Remaining Party:

2.1.1 releases and discharges the Outgoing Party from further performance of the Contract and from all claims and demands (actual or potential) which it may have against the Outgoing Party arising out of or in connection with the Contract, howsoever arising; and

2.1.2 accepts the liability of the Incoming Party under the Contract in place of the liability of the Outgoing Party and agrees to be bound by the terms of the Contract in every way as if the Incoming Party were named in the Contract as a party to the same in place of the Outgoing Party.

3. COUNTERPARTS

3.1 This Novation Agreement may be executed in one or more counterparts each signed by one or more of the parties, and such counterparts shall together constitute one Novation Agreement.

4. GOVERNING LAW AND DISPUTES

4.1 This Novation Agreement shall be governed by and construed in accordance with English law and the parties submit to the exclusive jurisdiction of the English Courts.

IN WITNESS whereof this Novation Agreement has been duly executed and delivered as a deed on the date set out above.

EXECUTED as a **DEED**)
by **APOLLO ASSET MANAGEMENT EUROPE PC LLP**)
acting by:)

/s/ [***]
Name: [***]
Title: [***]

in the presence of:

Witness' signature: /s/ [***]

Name: [***]

Address: [***]

Occupation: [***]

EXECUTED as a **DEED**)
by **APOLLO ASSET MANAGEMENT EUROPE LLP**)

by **APOLLO INTERNATIONAL MANAGEMENT**)
HOLDINGS, LLC, its member

acting by:)

/s/ [***]
Name: [***]
Title: [***]

in the presence of:

Witness' signature: /s/ [***]

Name: [***]

Address: [***]

Occupation: [***]

EXECUTED as a **DEED**)
by **ASPEN AMERICAN INSURANCE COMPANY**)
acting by:)

/s/ [***]
Name: [***]
Title: [***]

in the presence of:

Witness' signature: /s/ [***]

Name: [***]

Address: [***]

Occupation: [***]

ANNEX A

The Contract

[Investment Management Agreement]

Schedule of Material Differences to Exhibit 4.15

Aspen Insurance Holdings Limited and certain of its subsidiaries are each parties to a Deed of Novation with Apollo Asset Management Europe PC LLP and Apollo Asset Management Europe LLP. The following table lists each Deed of Novation, other than the Deed of Novation filed herewith as Exhibit 4.15, each of which is substantially identical in all material respects to the Deed of Novation filed herewith as Exhibit 4.15 except as noted below. Each Deed of Novation listed below is omitted pursuant to Instruction 2 to Item 601 of Regulation S-K.

Parties to Deed of Novation	Date
1. Apollo Asset Management Europe PC LLP, Apollo Asset Management Europe LLP and Aspen Bermuda Limited	January 24, 2025
1. Apollo Asset Management Europe PC LLP, Apollo Asset Management Europe LLP and Aspen Insurance Holdings Limited	January 24, 2025
1. Apollo Asset Management Europe PC LLP, Apollo Asset Management Europe LLP and Aspen Insurance UK Limited	January 24, 2025
1. Apollo Asset Management Europe PC LLP, Apollo Asset Management Europe LLP and Aspen Specialty Insurance Company	January 24, 2025
1. Apollo Asset Management Europe PC LLP, Apollo Asset Management Europe LLP and Aspen Managing Agency Limited	January 24, 2025

Exhibit 8.1

SUBSIDIARIES OF THE COMPANY

NAME OF SUBSIDIARY	JURISDICTION OF INCORPORATION
Acorn Limited	Bermuda
Aspen (UK) Holdings Limited	United Kingdom
Aspen American Insurance Company	Texas
Aspen Australia Service Company Pty Ltd	Australia
Aspen Bermuda Limited	Bermuda
Aspen Capital Management, Ltd	Bermuda
Aspen Cat Fund Limited	Bermuda
Aspen European Holdings Limited	United Kingdom
Aspen Insurance U.S. Services Inc.	Delaware
Aspen Insurance UK Limited	United Kingdom
Aspen Insurance UK Services Limited	United Kingdom
Aspen Managing Agency Limited	United Kingdom
Aspen Re America, Inc.	Delaware
Aspen Singapore Pte. Ltd.	Singapore
Aspen Specialty Insurance Company	North Dakota
Aspen Specialty Insurance Management, Inc.	Massachusetts
Aspen Specialty Insurance Solutions LLC	California
Aspen U.S. Holdings, Inc.	Delaware
Aspen UK Syndicate Services Limited	United Kingdom
Aspen Underwriting Limited	United Kingdom
Blue Waters Insurers, Corp.	Puerto Rico
Peregrine Reinsurance Ltd	Bermuda
Silverton Re Ltd.	Bermuda

Exhibit 11.1

Aspen Insurance Holdings Limited

Insider Trading & Misuse of Inside Information Policy

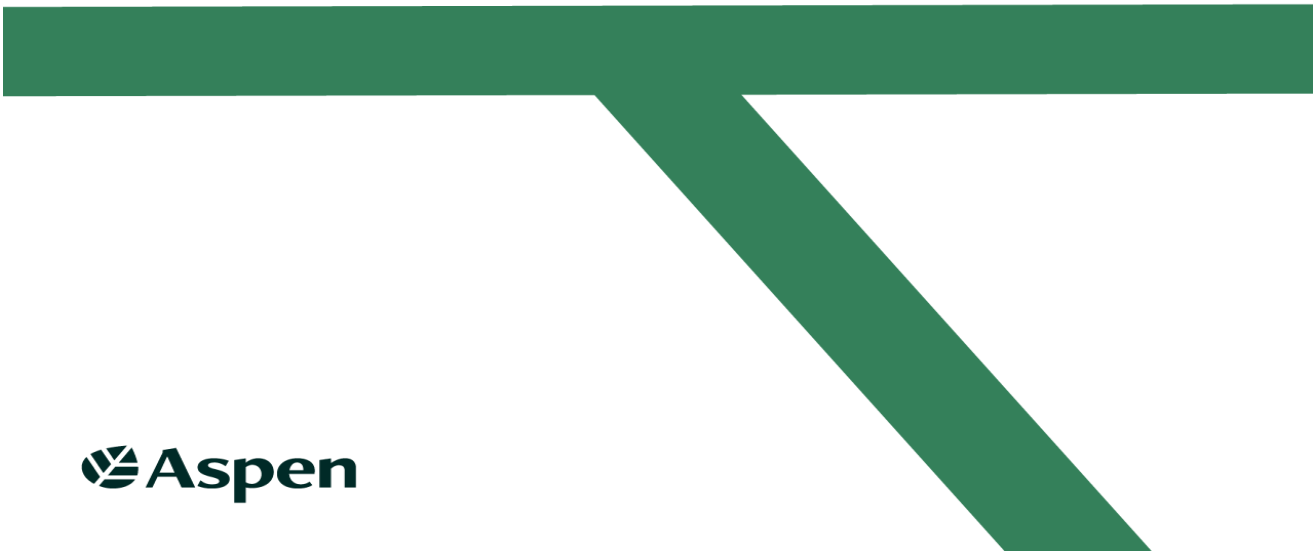

TABLE OF CONTENTS

1. INTRODUCTION 3
   1.1. Ownership, Approval and Periodic Review 3
2. BACKGROUND AND SCOPE 3
   2.1. Material Information 4
   2.2. Non-Public Information 5
   2.3. Hindsight 5
   2.4. Transactions by Immediate Family Members 6
3. POLICY & PRINCIPLES 6
   3.1. Prohibitions on Trading Securities 6
      3.1.1. Prohibited Transactions in Aspen Securities 6
      3.1.2. Close Periods 8
      3.1.3. Hardship Cases 10
      3.1.4. Rule 10b5-1 Trading Plans 10
      3.1.5. Exceptions 11
   3.2. Procedures for Submitting Trades by Designated Individuals 11
4. VIOLATIONS & REPORTING 12
   4.1. Consequences of Violations 12
   4.2. Reporting of Violations 13
5. ASSISTANCE & CERTIFICATIONS 13
   5.1. Company Assistance 13
   5.2. Certifications 14

APPENDIX A – ACKNOWLEDGMENT 15
APPENDIX B – TRADING APPLICATION FORM 16
APPLICATION FORM FOR TRADING 16
APPENDIX C - CERTIFICATION 18

1. INTRODUCTION

The purpose of the Insider Trading and Misuse of Inside Information Policy (the “Policy”) is to articulate the policy and framework for the safe-keeping of any proprietary, material, or price sensitive non-public information of Aspen Insurance Holdings Limited (“AIHL”) and/or any of its subsidiaries (collectively, "Aspen" or the “Group”).

If any director, officer, employee, contractor or consultant of Aspen (each, a “Covered Individual”) has material non-public information relating to Aspen or its securities (referred to as “Inside Information”), it is a serious violation of U.S. federal and state securities laws, and this Policy, for that Covered Individual or any immediate family member (as described in Clause 2.4 below) of that Covered Individual to (i) buy or, sell, or gift Aspen securities, or cause the same, (ii) engage in any other action to take advantage of such Inside Information or (iii) disclose the Inside Information to others so that they may trade in Aspen securities. Such activities may also violate the laws of Bermuda, the United Kingdom or any other relevant jurisdiction, to the extent applicable to Covered Individuals.

This Policy sets forth restrictions and other principles applicable to all Covered Individuals, as well as additional trading restrictions applicable to Designated Individuals (*defined below*).

This Policy also applies to Inside Information relating to any other company with publicly listed securities with which Aspen does business or is connected, such as Aspen’s insureds or shareholders.

Transactions that may be necessary or justifiable for independent reasons are no exception. Covered Individuals must avoid even the appearance of any improper transactions to preserve Aspen’s reputation for adhering to the highest standards of conduct.

1.1. Ownership, Approval and Periodic Review

This Policy is owned by the Group General Counsel and will be reviewed periodically and updated as necessary. Proposed material changes to the Policy shall be approved by the Board of Directors of AIHL.

This Policy is applicable to the Group.

2. BACKGROUND AND SCOPE

2.1.Material Information

Material information is any information that a *reasonable* investor would consider important, as part of the total mix of available information, in a decision to buy, hold or sell shares -- in short, *any information which could reasonably affect the price of the shares*, whether positive or negative.

The following types of information ordinarily would be considered "material." This list is intended to be illustrative only and is not an exhaustive list of material information.

1. Corporate acquisitions, dispositions, or other business combinations;
2. Financial performance, especially quarterly and year-end earnings (and projections of future earnings or losses), and significant changes in financial performance or liquidity;
3. Changes in corporate strategy or objectives;
4. Take-over bids or bids to buy back the common shares of Aspen (including tender offers);
5. Changes in share ownership that may affect control of Aspen;
6. Changes in management;
7. New material insurance or reinsurance contracts or the loss thereof;
8. Changes in reserve levels or practices;
9. Ability of our retrocessionaires to pay receivables to us;
10. Public or private issue of additional securities/debt offerings;
11. Changes in capital structure (including share splits);
12. Additional borrowings of funds;
13. Events of default under financings or other agreements;
14. Development of circumstances affecting Aspen's insurance or reinsurance market;
15. Actual or threatened major litigation or the resolution of such litigation;
16. Significant changes in operating or financial circumstances, such as cash-flow changes, liquidity changes or investment asset impairments;
17. The declaration of dividends or a change in the dividend policy of Aspen;
18. Aspen projections;
19. Significant pricing changes; or
20. Significant new ventures with other insurance or reinsurance companies;
21. Significant cybersecurity incidents; or
22. The gain or loss of a major customer or counterparty

Material information is not to limited to historical facts but may also include projections and forecasts and future events, even if the possibility of that projection, forecast or event occurring is small.

When in doubt about whether particular nonpublic information is material, you should presume it is material. If you are unsure whether information is material, you should consult the Group General Counsel.

2.2. Non-Public Information

Non-public information is any information that has not been disclosed to, and assimilated by, the market. Information about Aspen that is not yet in general circulation should be considered non-public. All information that you learn about Aspen, as a result of, or in connection with, your position or employment is potentially Inside Information until publicly disclosed by Aspen. Information is considered to be assimilated by the market after at least one full Trading Day (as defined below) has passed since the information was generally disclosed.

All non-public information should be treated as confidential and proprietary to Aspen, and may not be disclosed to others except for legitimate business reasons. Covered Individuals in possession of non-public information that is also material, as discussed in Clause 2.1 above, are required by law and this Policy not to trade in Aspen securities and not to disclose the information to others.

Note that the fact that information has been disclosed to a few members of the public (for example, banking partners under a non-disclosure agreement) does not make it public for insider trading purposes. Non-public information may include, by way of illustration only:

(i) Information available to a select group of analysts or brokers or institutional investors;
(ii) undisclosed facts that are the subject of rumors, even if the rumors are widely circulated; and
(iii) information that has been entrusted to the Company on a confidential basis until a public announcement of the information has been made and enough time has elapsed for the market to respond to a public announcement of the information.

As with questions of materiality, if you are not sure whether information is considered public, you should either consult with the Group General Counsel or assume that the information is nonpublic and treat it as confidential.

2.3. Hindsight

If a Covered Individual's transaction in Aspen securities becomes the subject of scrutiny, it will be viewed after-the-fact with the benefit of hindsight. As a result, before engaging in any transaction involving Aspen securities, Covered

Individuals should carefully consider how others might view such transaction in hindsight.

2.4. Transactions by Immediate Family Members

The restrictions on trading with Inside Information also apply to the immediate family members of Covered Individuals, which includes the person's spouse, parents, siblings, mothers and fathers-in-law, sons and daughters-in-law, brothers and sisters-in-law, children (including those who are minors or dependents), any other persons who live in the Covered Individual's household, any persons who normally share the Covered Individual's household but have temporarily moved away, and any family members who do not live in their household but whose transactions in company securities are directed by Covered Individuals or are subject to their influence or control (such as parents or children who consult with Covered Individuals before they transact in company securities). In addition, these restrictions apply to any entity over which the Covered Individual or any immediate family member exercises or shares investment control (such as a partnership or family trust).

Covered Individuals are responsible for their immediate family members' compliance with this Policy.

3. POLICY & PRINCIPLES

3.1. Prohibitions on Trading Securities

3.1.1. Prohibited Transactions in Aspen Securities

Aspen has preference shares and may have, following completion of one or more initial public offerings thereof from time to time, ordinary shares listed on the New York Stock Exchange (together with any other securities issued by Aspen, the "Securities") which may be purchased or sold in accordance with this Policy. Covered Individuals are prohibited from engaging in any of the listed activities with respect to the Securities. For the avoidance of doubt, note that the term "Securities" includes options, warrants and other securities that Aspen may issue (including, without limitation and by way of illustration only, notes, debt and convertible securities, and derivative securities relating to the Company's securities whether or not issue issued by Aspen).

3.1.1.1 No Trading While in Possession of Inside Information

No Covered Individual in possession of Inside Information concerning Aspen may trade in Aspen securities, even if such trades occur outside any Special Close Periods (as defined in Clause 3.1.2 below), other than pursuant to a properly qualified, adopted and submitted Rule 10b5-1 trading plan or similar trading plan. Once such information becomes publicly available, a Covered Individual may only trade in Aspen securities after one full Trading Day. For purposes of this Policy, a "Trading Day" shall mean any day on which the New York Stock Exchange is open for trading. In the case of Designated Individuals (as defined in Clause 3.1.2 below), trades may likewise not occur during the Quarterly Close Period (as defined in Clause 3.1.2 below). Additionally, Aspen will not trade in Aspen securities in violation of applicable securities laws or stock exchange listing standards.

3.1.1.2 Tipping Aspen Inside Information to Others

Regardless of whether or not the information is proprietary information about Aspen or Inside Information with respect to Aspen, Covered Individuals shall not disclose such information to others, including family members and relatives, (either explicitly, implicitly or by way of generally advising others to buy or sell Aspen securities while in possession of such information) unless required as part of that Covered Individual's regular duties for Aspen, and authorized by at least one of the Chief Executive Officer, Chief Financial Officer or Group General Counsel. The penalties discussed below apply whether or not the Covered Individual derives any benefit from another's actions after receiving such information.

Simply put, you should never trade, tip or recommend securities (or otherwise cause the purchase or sale of securities) while in possession of information that you have reason to believe is material and nonpublic unless you first consult with, and obtain the advance approval of, the Group General Counsel.

3.1.1.3 Hedging Transactions – Buying or Selling Puts or Calls

Covered Individuals may not enter into hedging or monetization transactions or similar arrangements with respect to Aspen Securities. Accordingly, the purchase or sale of options for Aspen's Securities of any kind, whether puts or calls[1], shall not be permitted.

3.1.1.4 Hedging Transactions – Short Sales

[1] A put is a right to sell at a specified price a specific number of shares by a certain date and is utilized in anticipation of a decline in the share price. A call is a right to buy at a specific price a specified number of shares by a certain date and is utilized in anticipation of a rise in the share price.

No Covered Individual make engage in short sales[2].

3.1.1.5 Trading in Securities on a Short-Term Basis

In relation to any Aspen director or executive officer or the principal accounting officer (each, a "Designated Individual")[3], any Aspen Securities purchased in the open market should be held for a minimum of six (6) months and may not be sold in violation of the prohibition on short-swing trading[4]. While the requirement against trading in securities on a short-term basis applies to Aspen in all circumstances, the short-swing trading rule does not apply to transactions during such time as Aspen is a foreign private issuer under the U.S. securities laws.

3.1.1.6 Trading on margin or pledging

Covered Individuals may not hold Aspen Securities in a margin account or pledge Company securities as collateral.

3.1.1.7 Trading in Other Securities

No Covered Individual may (a) trade or gift in securities of any public company while in possession of Inside Information concerning that company, unless such trade or gift is made pursuant to a properly qualified, adopted and submitted Rule 10b5-1 trading plan, (b) "tip" or disclose Inside Information concerning any public company to any other person, including family members and relatives, so that they may trade in the securities of that company or (c) give trading advice to anyone, including family members and relatives, concerning any public company if such Covered Individual possesses Inside Information about that company.

3.1.2. Close Periods

3.1.2.1 General

Covered Individuals are permitted to trade in the Company's securities when no close period, as described in this Clause 3.1.2, is in effect.

However, even during this trading window, a Covered Individual who is in possession of any material nonpublic information should not trade in the

[2] Selling short is the practice of selling more shares than one owns to speculate on a decline in the share price.
[3] The Group General Counsel maintains a list of current executive officers
[4] See Section 16(b) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") See Section 16(b) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), which establishes mechanisms for a company to recover "short swing" profits, or profits an insider realizes from a purchase and sale of the company's security that occur within a six-month period

Company's Securities until the information has been made publicly available or is no longer material. In addition, the Company may close this trading window if a special close period, as described in this Clause 3.1.2, is imposed and will re-open the trading window once the special close period has ended.

3.1.2.2 Quarterly Close Periods

Covered Individuals and their immediate family members shall be subject to quarterly close periods during which they are prohibited from conducting any transactions involving Aspen's securities. Each quarterly close period shall commence on the 14th day of the month in which a quarter ends (i.e. March 14, June 14, September 14 and December 14), and shall end one (1) full trading day after the date that Aspen publicly announces its quarterly and/or annual earnings (the "Quarterly Close Period")[5]. It is improper for a Covered Individual to enter into a securities trade immediately after Aspen has publicly announced its quarterly and/or annual earnings because Aspen's shareholders and the public should be afforded sufficient time to receive the information and act upon it.

During these quarterly close periods, Covered Individuals are presumed to possess material non-public information about the Company's financial results.

Notwithstanding the foregoing, a transaction may be exempt from the Quarterly Close Period if it is made pursuant to a written trading plan that has been approved by the Group General Counsel in writing in advance of a Quarterly Close Period while the Covered Individual was not in possession of material non-public information and that meets all of the requirements of the rules and regulations of the U.S. Securities and Exchange Commission ("SEC"), including Rule 10b5-1 of the Exchange Act. See Clause 3.1.4 below for more information on Rule 10b5-1 trading plans.

3.1.2.3 Special Close Periods

In addition to the Quarterly Close Period, a special close period may be implemented at other times, such as during the pendency of certain Aspen transactions or when some other extraordinary Aspen event is pending ("Special Close Period"). Transactions in Aspen's securities are prohibited for Designated Individuals.

A Designated Individual shall receive written notice when a Special Close Period applies to them. A Special Close Period will remain in effect until such Covered Individual shall receive a written notice that the Special Close Period has ended. Covered Individuals subject to the Special Close Period shall be prohibited from

[5] For example, if Aspen issues a quarterly set of financial results on a Tuesday (after the US trading market closes), then the Covered Individuals shall not be permitted in Aspen securities until the market opens on Thursday (as Wednesday would be the first full trading day following the release)

disclosing to any person the existence of any such Special Close Period and shall be required to sign a confidentiality agreement.

3.1.3. Hardship Cases

Aspen will not grant any exceptions to the restriction against trading in Aspen securities during any Quarterly Close Period or Special Close Period even if the Covered Individuals subject to such close periods may find it necessary or justifiable for independent reasons (such as the need to raise money for an emergency expenditure) to trade in Aspen securities at impermissible times.

3.1.4. Rule 10b5-1 Trading Plans

Rule 10b5-1 under the Exchange Act provides an affirmative defense against a claim of insider trading if an insider's trades are made pursuant to a written plan that was adopted in good faith at a time when the insider was not aware of material nonpublic information (an "Approved 10b5-1 Plan"). A Covered Individual may make trades or gifts pursuant to an Approved 10b5-1 Plan provided that (i) such plan meets the requirements of Rule 10b5-1, (ii) such plan was adopted at a time when the Covered Individual would otherwise have been able to trade under this Policy; (iii) adoption of the plan was expressly authorized in writing in advance by the Group General Counsel and (iv) the plan was adopted in good faith and not as part of a scheme or plan to evade the prohibitions of Rule 10b5-1.

Once the plan is adopted, the insider must not exercise any influence over the amount of securities to be traded, the price at which they are to be traded or the date of the trade. Note that trades made pursuant to Rule 10b5-1 plans by executive officers and directors must still be reported to the Group General Counsel pursuant to the second paragraph of Section 4 below. Additionally, plan modifications are only permitted at a time when the Covered Individual would otherwise have been able to trade under this Policy and must comply with the requirements of Rule 10b5-1, including any new cooling off periods that may apply as a result of such modifications. All plan modifications must be expressly authorized in writing in advance by the Group General Counsel. Insiders must also report any termination of a Rule 10b5-1 plan to the Group General Counsel within one business day of such termination. A Rule 10b5-1 plan should not be terminated during a quarterly close window or a special close window.

No 10b5-1 Plan or other pre-established trading arrangement may be adopted during a quarterly or special close period.

If you are considering entering into, modifying or terminating an Approved 10b5-1 Plan or other pre-established trading arrangement or have any questions

regarding Approved Rule 10b5-1 Plans or other pre-established trading arrangements, please contact the Group General Counsel. You should consult your own legal and tax advisors before entering into, or modifying or terminating, an Approved 10b5-1 Plan or other pre-established trading arrangement. A trading plan, contract, instruction or arrangement will not qualify as an Approved 10b5-1 Plan and will not be permitted under this Policy without the prior review and approval of the Group General Counsel as described above.

Please refer to "FAQ" guidance on Rule 10b5-1 trading plans, as maintained by the Group General Counsel.

3.1.5. Exceptions

3.1.4.1 401(k) Plan

Investing 401(k) plan contributions in Securities in accordance with the terms of the Company's 401(k) plan, where applicable, is permitted. However, any changes in your investment election regarding the Company's stock are subject to trading restrictions under this Policy.

3.1.4.2 Employee Stock Purchase Plan

Purchasing Securities through Company equity programs, both initially and when making changes thereto, is subject to the trading restrictions under this Policy.

3.1.4.3 Options

Exercising stock options granted under Aspen's Equity Incentive Plan for cash or the delivery by the Company of Securities is permitted. However, the sale of any shares issued on the exercise of Company-granted stock options and any cashless exercise of Company-granted stock options are subject to trading restrictions under this Policy.

3.2. Procedures for Submitting Trades by Designated Individuals

No Designated Individual shall trade in Aspen Securities without first submitting the following signed appendices to (i) the Group General Counsel and (ii) the Group Head of Reward at least two (2) business days prior to the proposed trade(s):

- Appendix A attached hereto, whereby the Designated Individual acknowledges and agrees that they have read and understood this Policy and will comply with its terms;

- Appendix B attached hereto, whereby the Designated Individual lists the details of the proposed trade(s), including the type and amount of securities such Designated Individual proposes to trade; and

- Appendix C attached hereto, whereby the Designated Individual certifies that (i) he or she is not in possession of Inside Information concerning Aspen and (ii) the proposed trade(s) does not violate the trading restrictions of Rule 10b-5 of the Exchange Act or Rule 144 of the Securities Act of 1933, as amended (the "Securities Act"). If the Designated Individual has any doubt as to whether they have material non-public information, they shall consult with the Group General Counsel prior to signing the appendices described above.

The Designated Individual must complete the trade within five (5) business days of the proposed trade date, subject to any Special Close Period, if applicable, as detailed in Clause 3.1.2. The proposed trade date must likewise not fall within a Quarterly Close Period as detailed in Clause 3.1.2. If the Designated Individual has not completed the trade within five (5) business days of the proposed trade date, such Designated Individual shall resubmit all of the appendices above prior to executing such trade. Aspen requires that all Designated Individuals submit to the Group General Counsel a copy of any trade order or confirmation relating to the purchase, sale or gift of Aspen securities within two business days of any such transaction[6]. This information is necessary to enable us to monitor trading by executive officers and directors and ensure that all such trades are properly reported.

For the avoidance of doubt, if the Designated Individual obtains material non-public information about Aspen subsequent to signing the appendices described above, the Designated Individual shall not engage in the proposed trade(s) as doing so would violate U.S. federal and state securities laws and this Policy.

The Group General Counsel shall record the date each request is received and the date and time each request is approved or disapproved.

4. VIOLATIONS & REPORTING

4.1. Consequences of Violations

The consequences of insider trading violations under U.S. securities laws can be severe.

[6] Note that Form 144 relating to transactions using the Rule 144 safe harbor must be filed on or before the trade date. It's an obligation of the individual and is typically handled by brokers. Where assistance is required, please contact the Group General Counsel.

Individuals who trade on the basis of inside information (or tip inside information to others) may be subject to the following:

- a civil penalty of up to three times the profit gained or loss avoided;
- ban from serving as an officer or director of a public company;
- a criminal fine (no matter how small the profit); and
- imprisonment.

For a company (as well as any supervisory person) that fails to take appropriate steps to prevent illegal trading, the following consequences may arise:

- a civil penalty; and
- a criminal penalty.

Moreover, if a Covered Individual violates this Policy, company-imposed sanctions, including dismissal for cause, could result from failing to comply with the policy or procedures. Any of the above consequences, including an SEC investigation that does not result in prosecution, can tarnish one's reputation and irreparably damage a career.

Sanctions under the laws of the United Kingdom and/or Bermuda may also apply

4.2. Reporting of Violations

Any Covered Individual who violates this Policy or any U.S. federal or state laws governing insider trading or tipping, or knows of any violation(s) by other Covered Individuals, must immediately report such violation(s) to the Group General Counsel. The Group General Counsel then will consult with the Chair of AIHL's Audit Committee to determine Aspen's actions in response to any such violation(s), which may include reporting to the SEC or other appropriate authority (such as the New York Stock Exchange).

5. ASSISTANCE & CERTIFICATIONS

5.1. Company Assistance

Any person who has any questions about specific transactions may obtain additional guidance from the Group General Counsel. However, the ultimate responsibility for adhering to this Policy and avoiding improper transactions rests with each Covered Individual. As a result, it is imperative that Covered Individuals use their best judgment when complying with this Policy.

5.2. Certifications

Covered Individuals will be required to certify their understanding of and intent to comply with this Policy by executing the attached Acknowledgment and Agreement, and may be required to certify compliance on an annual basis, where determined by the Group General Counsel.

APPENDIX A – ACKNOWLEDGMENT

Acknowledgment & Agreement

I hereby acknowledge and agree that I (i) have read Aspen's Insider Trading and Misuse of Inside Information Policy (the "Policy") and (ii) understand the requirements contained therein and shall comply with its terms. I understand that violation of insider trading or tipping laws or regulations, or reporting obligations for Section 16 Insiders (as applicable and as defined in the Policy), may subject me to severe civil and/or criminal penalties, and that violation of the terms of the Policy may subject me to discipline by Aspen, including termination for cause.

Signature: _____

Printed Name: _____

Dated: _____

APPENDIX B – TRADING APPLICATION FORM

APPLICATION FORM FOR TRADING

Name: _____

Title: _____

Proposed Trade Date: _____

Type of Security to be Traded:

Shares
Options
Other

Further details here:

_____

Type of Trade:

Purchase
Sale
Transfer

Further details here:

_____

Number of Securities to be Traded: _____

Securities held in these accounts:

Aspen shares are held in following account(s) (check all that apply):

c/o Computershare
Other account (please specify): _____

Notes:

- You must inform (i) the Group General Counsel and (ii) the Group Head of Reward of your proposed trade(s) at least one (2) business days prior to the proposed trade.

- You must complete the trade within five (5) business days of the proposed trade date, provided that it does not fall within a Special Close Period, if applicable. In the case of Designated Individuals, the proposed trade date must likewise not fall within a Quarterly Close Period. If you have not completed the trade within five (5) business days of this date you must resubmit another Application Form for Trading.

APPENDIX C - CERTIFICATION

Certification

I, _____, hereby certify that (i) I and all of my immediate family members are not in possession of any Inside Information concerning Aspen (as defined in Aspen's Insider Trading and Misuse of Inside Information Policy) or its securities, (ii) to the best of my knowledge, the proposed trade(s) listed in the Trading Application Form do not violate the trading restrictions of Rule 10b-5 of the Securities Exchange Act of 1934, as amended, or Rule 144 under the Securities Act of 1933, as amended, or any other applicable laws or regulations, including in the jurisdictions in which I reside and (iii) if I am a Section 16 Insider (if applicable, as defined in Aspen's Insider Trading and Misuse of Inside Information Policy), I acknowledge and agree that I must complete and file a Form 4 within two (2) business days of the trade. I understand that if I trade in Aspen securities while possessing Inside Information or in violation of such trading restrictions, I may be subject to severe civil and/or criminal penalties, and may be subject to discipline by Aspen, including termination for cause.

Signature: _____

Printed Name: _____

Dated: _____

Exhibit 12.1

CERTIFICATION

I, Mark Cloutier, certify that:

1. I have reviewed this annual report on Form 20-F of Aspen Insurance Holdings Limited;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:

    a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and

5. The company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):

    a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and

    b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By: /s/ Mark Cloutier

Name: Mark Cloutier

Title: Chief Executive Officer

Date: March 19, 2025

Exhibit 12.2

CERTIFICATION

I, Mark Pickering, certify that:

1. I have reviewed this annual report on Form 20-F of Aspen Insurance Holdings Limited;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:

    a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and

5. The company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):

    a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and

    b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By: /s/ Mark Pickering
Name: Mark Pickering
Title: Chief Financial Officer

Date: March 19, 2025

Exhibit 13.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with this Annual Report on Form 20-F of Aspen Insurance Holdings Limited (the "Company") for the twelve months ended December 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Mark Cloutier as Chief Executive Officer of the Company and Mark Pickering as Chief Financial Officer of the Company each hereby certifies, pursuant to and for the purposes of complying with, Rule 13a-14(b) or Rule 15d-14(b) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") and 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Exchange Act; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 19, 2025

By: /s/ Mark Cloutier
Name: Mark Cloutier
Title: Chief Executive Officer

Date: March 19, 2025

By: /s/ Mark Pickering
Name: Mark Pickering
Title: Chief Financial Officer

Exhibit 15.1

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the Registration Statement (Form F-3 No. 333-272650) of Aspen Insurance Holdings Limited and in the related Prospectus of our report dated March 19, 2025, with respect to the consolidated financial statements of Aspen Insurance Holdings Limited, included in this Annual Report (Form 20-F) for the year ended December 31, 2024.

/s/ Ernst & Young Ltd. Hamilton, Bermuda March 19, 2025

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the Registration Statement (Form F-3 No. 333-272650) of Aspen Insurance Holdings Limited and in the related Prospectus of our report dated April 1, 2024, with respect to the consolidated financial statements of Aspen Insurance Holdings Limited for the year ended December 31, 2023, included in this Annual Report (Form 20-F).

/s/ Ernst & Young LLP

London, United Kingdom

March 19, 2025