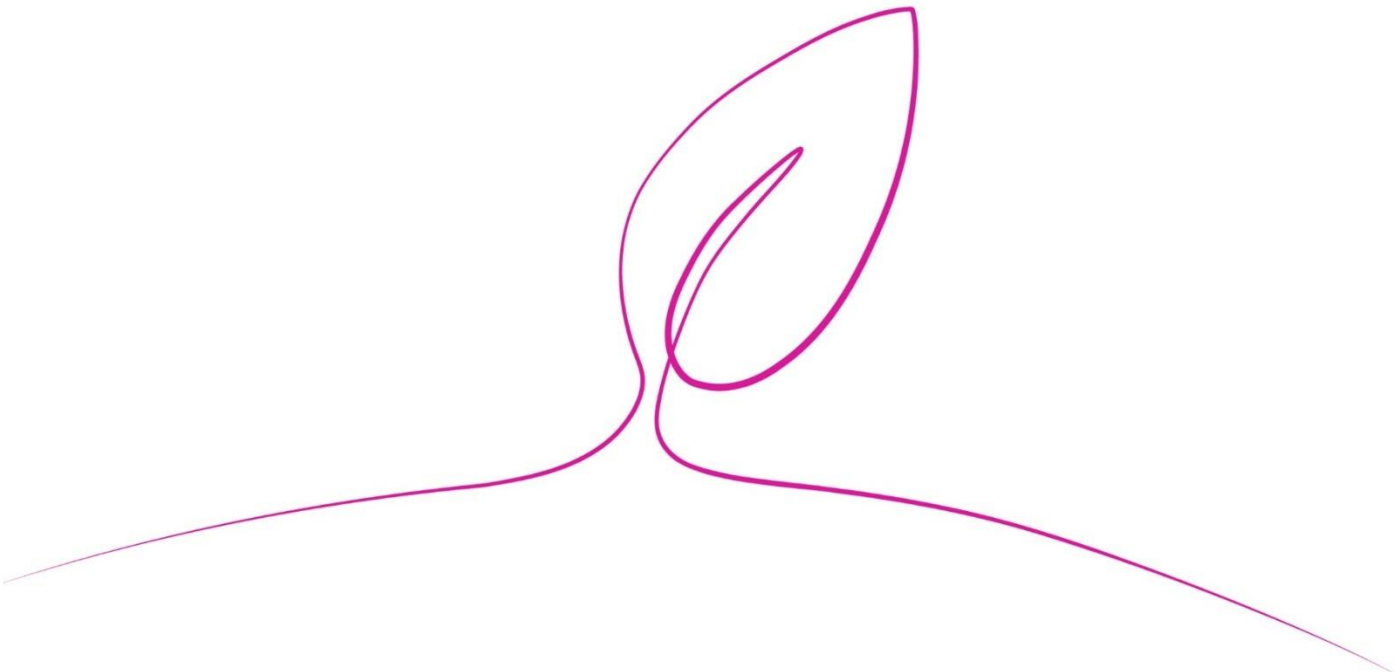
Beazley Greenhouse Gas Methodology for 2024 Greenhouse Gas Emissions

March 2025



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1. Overview

1.1 Objective

This document details Beazley Group's (hereafter Beazley) approach to the calculation of operational greenhouse gas emissions (GHG) for corporate reporting. The method applies to the calculation of 2024 GHG emissions, as disclosed in the 2024 TCFD report, which is presented as part of Beazley's 2024 Annual Report and Accounts, for the period covering 1st January to 31st December 2024. The reported emissions figures are presented in the Operations Metrics section of the TCFD report, under the Scope 1, 2 and 3 reporting convention.

The data generated is also used to support the disclosure of corporate energy consumption and GHG emissions for compliance with the Streamlined Energy and Carbon Reporting Framework (SECR), which is found in Beazley's 2024 Director's report.

1.2 Summary of changes to 2023 methodology

Some revisions and methodological changes have been applied to the 2024 GHG emissions methodology compared to 2024. These are:

- The scope of offices reported against has increased to include Hamburg and Zurich;
- There have been office moves in 5 locations.

1.3 Metrics calculated

The table below shows the key GHG emission metrics calculated and reported against using the methodology outlined in this document. For Scope 2, emissions are reported and broken down by the relevant regions: USA and Canada, Europe, UK, and RoW. For Scope 3, emissions are reported and broken down by category of activity. This is consistent with the approach in 2023.

Scope	Metric Calculated	Unit	Definition
Scope 1	GHG emissions occurring from sources that are controlled or owned by Beazley	tCO_2e	GHG emissions arising from company owned or leased vehicles used for business purposes; refrigerant leakage or top-up of air conditioning system; and any use of back-up generators.
Scope 2	GHG emissions of office electricity and heating energy use	tCO_2e	GHG emissions from Beazley leased office electricity and heating energy use (gas and steam); and electrical vehicle charging.
Scope 3	Indirect GHG emissions (not included in scope 2) that occur in Beazley's value chain	tCO_2e	GHG emissions arising from business travel including hotel stays and all travel modes (air, rail, car hire, taxi hire and personal car use); use of external data centres; and emissions arising from fuel and energy related activities not included in scope 1&2 which include T&D emissions associated with office electricity and steam energy use and electrical vehicle use.
Overall	GHG emissions per FTE employee	tCO_2e	Normalised GHG scope 1, 2 & 3 combined emissions by fulltime equivalent employee headcount, incl. temporary headcount.
Overall	Office energy consumption	kWh	Total office electricity consumption in kWh (included in the SECR disclosures).
Overall	Renewable energy percentage	%	Percentage of electricity procured from certified renewable energy sources.

1.4 Methodology

GHG emissions are calculated in accordance with the Greenhouse Gas Protocol, Corporate Reporting and Accounting Standard including the amended GHG Protocol Scope 2 Guidance, and HM Government, Environmental Reporting Guidelines. Applicable UK Government's (DESNZ/ DEFRA) GHG Conversion Factors for Company Reporting are used unless otherwise indicated. Beazley's GHG emissions are, where possible, calculated using emission factors for '$kgCO_2e$' (i.e. the sum of emission factors for carbon dioxide, methane and nitrous oxide). The exceptions to this are:

- GHG emissions associated with refrigerants, which are reported as GHG carbon dioxide equivalent (tCO_2e) emissions based on their global warming potential;
- GHG emissions associated with the US, Canada, European (excl. Ireland) and Singapore office electricity use are calculated using emission factors provided by Carbonfootprint.com (hereafter referred to as Carbonfootprint), who have collated these emission factors from a number of recognised sources;
- GHG emissions associated with the Dublin office electricity use are calculated using information reported by SEAI and reported as gCO_2/kWh. To calculate $kgCO_2e$ emissions, DESNZ/ DEFRA NO_2 and CH_4 emission factors were added to the SEAI figure;
- US office gas use (Scope 2) where the US Environment Protection Agency (EPA) state emission factors are used;
- US office business travel (where such travel is booked via Beazley's US travel provider) by rental car, personal car, air and rail (Scope 3) where the US EPA emission factors are used. The exception to this rule is for flights to/from/ within the UK, even if this has been booked via the US booking process. In this instance, the DESNZ/ DEFRA emission factors are used;
- Where emissions factors are not listed by DESNZ/ DEFRA for the country of hotel stay, then data from the Cornell Hotel Sustainability Benchmarking (CHSB) index is applied; and
- Emissions factors for US steam use, which is sourced from ENERGY STAR Portfolio Manager.

It should be noted that Eurostar train travel has used the DESNZ/ DEFRA international rail emission factor.

2. Scope of Reporting

Reporting is based on operational control. Beazley Group does not have operational control over the building infrastructure and plant at its offices due to the presence of facility management companies and shared tenancy; as a result, emissions primarily fall within Scopes 2 and 3 of the Greenhouse Gas Protocol.

The parameter of Scope 1 and Scope 2 reporting in 2024 includes the following 25 office locations:

London (UK)
Birmingham (UK)
Barcelona (Spain)
Dublin (Ireland)
Hamburg (Germany)
Munich (Germany)
Paris (France)
Zurich (Switzerland)
Singapore (Asia)
Atlanta (US)
Boston (US)
Chicago (US)
Dallas (US)
Farmington (US)
New York (US)
San Francisco (US)
Philadelphia (US)
Denver (US)
Houston (US)
Los Angeles (US)
Miami (US)
West Hartford (US)
Vancouver (Canada)
Toronto (Canada)
Montreal (Canada)

Of the 25 locations, during 2024 there have been office moves in 5 locations (Farmington -> West Hartford, Houston, Los Angeles, San Francisco and Zurich). As a result, reporting on office emissions covers 28 sites. For the first time, Hamburg is in scope for reporting, as is Zurich, following the office move in that location.

Overall normalisation of reported emissions is based on a total FTE headcount number of 2618.86. This headcount figure is the total number of employees at Beazley as of 31st December 2024, whether in a permanent or temporary capacity. The 25 sites listed above equates to 95.5% of Beazley employees including contractors. The remaining 4.5% is primarily comprised of home-based workers. However, business travel (Scope 3) is included for the all FTE's; all of whom can book business related travel via Beazley's travel providers.

As in prior years, Beazley's two US subsidiaries, Beazley Security (based in Lewisville) & BHI Digital, LLC (based in Miami), are excluded from any GHG emissions reporting.

Energy consumption for the charging of electrical vehicles in Scope 2 is included and calculated based on maximum distance specified in terms of car lease agreements for the year of reporting, and for the proportion of the year the car is in use.

It is noted that our Atlanta office hosts a data server room, and the London, Dublin, Chicago, Farmington, New York and West Hartford offices also have significant IT infrastructure and associated cooling demand. In the case of the Dublin office we also have control over air conditioning systems for the areas of the building we occupy. This increase in energy consumption is reflected in the billing data Beazley receives, which forms the basis of the GHG calculations.

A summary of the three scopes of GHG reporting is outlined in the table below. This is for the 2024 year of reporting. The same scope is used for the reporting of the 2019 to 2023 data to ensure direct comparisons can be made.

	Scope 1			***Scope 2***		***Scope 3***								
	Company Cars	*Refrigerant*	*Diesel use for backup generators*	*Office Energy Consumption*	*Energy Consumption from charging EV Cars*	*Energy Consumption from Heating*	*Air Travel*	*T & D from Energy Consumption*	*Rail Travel*	*Taxis*	*Hotels*	*Hire Cars*	*Personal Car Use*	*External Data Centres*
2024	*Y*	*Y*	*Y*	*Y*	*Y*	*Y*	*Y*	*Y*	*Y*	*Y*	*Y*	*Y*	*Y*	*Y*

3. Data

3.1 Data Limitations

The tables below describe some limitations of the use of data and methods for calculating GHG emissions by scope and reporting category.

Scope 1

Metric Calculated	Data limitations
GHG emissions arising from Company Cars	Mileage is estimated based on contract agreements, and for the proportion of the year the car is in use. Use of estimates is considered not material to the results.
Refrigerant from A/C systems	Refrigerant data is based on top up values documented in maintenance schedules. Any maintenance is undertaken by the landlord/ landlord's agent. Beazley, therefore, is reliant on information provided by the landlord/ landlord's agent to facilitate the reporting of any emissions.
Diesel use in generators	Usage figures are based on figures provided by the landlord/ landlord's agent. Some generators may be used for emergencies, and some may be used as back up energy supply. Beazley is reliant on information being provided by the landlord/ landlord's agent regarding the usage of any emergency/ back-up generators to facilitate the reporting of these emissions.

Scope 2

Metric Calculated	Data limitations
GHG emissions arising from office energy use	For offices where energy data is not available, the energy consumption has been estimated. These estimates are based on either data from the same period in a previous year, or average building energy consumption pro-rated for the floor area Beazley occupies. Where either of these pieces of data are unavailable, typical energy consumption figures, as set out in CIBSE guidance, have been used to provide energy consumption per m^2. This factor has then been multiplied by the total floor area Beazley occupies to give an overall energy consumption figure.

Scope 3

Metric Calculated	Data limitations
GHG emissions arising from business travel – from travel providers	Average emission factors for flights, rail, car travel, and hotel stays are sourced from DESNZ/ DEFRA and US EPA. The specific emission factors for the type of plane, train, car etc, are not available. This does mean that the calculations may not reflect actual emissions. The use of average emissions factors is in line with standard practice. Results are considered to be not materially impacted. Raw data is sourced from Beazley's travel providers, who in turn source this data from the transportation companies i.e. airlines. The assumption is that the information provided by the travel providers is a reflection of the travel made.
GHG arising from External Data centres	Only energy consumption arising from two of Beazley's four data centres is included in reported figures, due to data limitations. This has been the case for all prior years including the baseline year of 2019, however estimates are included in the TCFD report, based on approximations. For the two data centres which are included, whilst the energy consumption of data racks are directly metered, total building mechanical and electrical overhead energy use is apportioned to Beazley's rented racks. The average apportionment of total building energy use to data racks may not reflect actual energy use, and therefore, overall carbon emissions. Results are considered to be not materially impacted.
GHG emissions arising from fuel and energy related activities not included in Scope 1 or 2	Data limitation related to company car use and office energy consumption will propagate into related T&D calculations. N.B. T&D figures are only calculated for electricity and steam, not gas.
GHG emissions arising from steam consumption - actuals	There is not an energy star emission factor for the T&D emissions associated with the consumption of steam. Instead, the DESNZ/ DEFRA emission factor has been used.

Normalised Metrics

Metric Calculated	Data limitations
Total GHG/ total FTE (including contractors)	Normalisation by FTE headcount may skew performance and not reflect the actual reduction of emissions.

3.2 Data Sources

The table below summarises the sources of data being used to enable the calculation of the in-scope GHG scope 1, 2 & 3 GHG emissions.

Scope and metric calculated	Source/raw data collected to facilitate GHG emissions calculation
Scope 1	
GHG emissions arising from Company Cars	GHG emissions are calculated based on the details i.e. fuel type, engine size etc of the cars, mileage allowance outlined in the car lease agreements. Where the car's lease either begins or ends in the year, then the total mileage allowance is calculated on a pro-rata basis.
Refrigerant from A/C systems	Refrigerant top up sheets from landlords/ facilities management companies acting on their behalf.
Diesel use for backup generators	The diesel consumption data is sourced from either invoices supplied by the landlord, or directly from the energy meters measuring consumption arising from the office space Beazley rents.
Scope 2	
GHG emissions arising from electricity consumption - actuals	The electricity consumption data is sourced from either invoices supplied by the landlord, or directly from the energy meters measuring consumption arising from the office space Beazley rents. If obtaining the electricity consumption of the office space Beazley rents is not possible, the metered electricity data for the whole building is obtained from landlords. Beazley then apportions the electricity consumed by Beazley based on floor area.
GHG emissions arising from electricity consumption - estimate	Floor area is obtained from landlord to enable electricity consumption to be estimated using industry averages.
GHG emissions arising from renewable energy	The sources of data required to calculate the proportion of emissions coming from renewable energy are described above. The determination of whether the energy comes from renewable sources is based on a copy of the REGO certificates.
GHG emissions arising from gas consumption - actuals	The gas consumption data is sourced from either invoices supplied by the landlord, or directly from the energy meters measuring consumption arising from the office space Beazley rents. If obtaining the gas consumption of the office space Beazley rents is not possible, the metered gas data for the whole building is obtained from landlords. Beazley then apportions the gas consumed by Beazley based on floor area.
GHG emissions arising from gas consumption - estimate	Floor area is obtained from landlord to enable gas consumption to be estimated using industry averages.
GHG emissions arising from steam consumption - actuals	The steam consumption data is sourced from either bills supplied by the landlord, or directly from the energy meters measuring consumption arising from the office space Beazley rents. If obtaining the steam consumption arising from the office space Beazley rents is not possible, the metered steam data for the whole building is obtained from landlords. Beazley then apportions the steam consumed by Beazley based on floor area.
GHG emissions arising from steam consumption - estimate	Floor area is obtained from landlord to enable steam consumption to be estimated using industry averages.
Scope 3	
GHG emissions arising from business travel – from Travel Providers	Travel data is provided Beazley's travel partners – Frosch and Reed & Mackay (R&M). Beazley books business travel via these providers, and this is considered to be a complete record of corporate travel activity (for flights, hotel stays, rail journeys and car hire bookings).
GHG emissions arising from business travel – from Expenses	Additional travel data (taxi use and company cars) may be booked internally or expensed from company credit cards. This data is sourced from internal expense records.
GHG arising from External Data centres	Energy consumption for power used by Beazley in two of our data centres is sourced from supplier reports. At present, energy consumption from other data centres is not included in reported figures, due to data limitations. This has been the case for all prior years including the baseline year of 2019, however estimates have been disclosed in the TCFD based on approximations of energy use.

4. Outline of Methodology

4.1 Scope 1 - Detailed summary of data collection, calculation methods, assumptions, and exclusions

Fire Suppression/ AC units

Office fire suppression and air conditioning units in serviced offices are generally the responsibility of our landlord, and therefore, out of scope for Beazley's reporting. Beazley has management control over small refrigerant systems associated with IT server cooling at our London, Dublin, Atlanta, Chicago, Farmington, New York and West Hartford offices. Refrigerant losses are reported on the basis of 'top-up' values and/ or any office fit outs, hence, are reported after the event. Beyond refilling refrigerants, any products used for maintenance or repair of AC units are out of scope. In 2024, "top up" of refrigerant was reported for the new office in West Hartford as part of the office fit out.

Company Cars

Data is provided by Beazley's Facilities team, based on lease hire agreements. To calculate GHG emissions, it has been assumed that the driver has used the maximum annual distance allowance allowed under the terms of the lease agreement. Any apportionment of distance travelled is calculated and used for any lease beginning throughout the year. If a lease starts/ ends mid-year, estimated maximum mileage is calculated for proportion of the year the car is in use. Company cars are only held by UK employees.

GHG emissions have been calculated using the DESNZ/ DEFRA emission factors, with the emission factor selected on the basis of the car market segment. It has been assumed that all hybrid cars have petrol/hybrid combination.

Backup Generators

Beazley's Birmingham office has a backup diesel generator for power supply. The generator is managed on behalf of Beazley by the landlord and was not used in 2024. Beazley's London office also has a backup diesel generator, but this is purely used in the event of a power cut or an emergency event, neither of which occurred in 2024. Beazley's Boston office has a backup diesel generator, which was used in January of 2024.

4.2 Scope 2 - Detailed summary of data collection, calculation methods, assumptions, and exclusions

Electricity Consumption and Heating Energy

The reported electricity consumption, steam, and gas use for heating has been calculated using one of four methods (as listed below). The method is determined by the availability of data, with method 1 preferred to methods 2, 3 and 4.

Method	Description
Method 1	The preferred method is the use of utility bills provided by either the utility provider or the landlord for the floor space which Beazley rents. This method is considered the most accurate for determining carbon emissions.
Method 2	Where direct and verifiable metered readings for our rented space/floor are not available, but the metered total building energy use is (via utility bill or metered data from the landlord), the average kWh/square meter/year for the building is calculated and applied to the space Beazley rents.
Method 3	If metered data as set out in methods 1 and 2 are not available, or are considered unreliable, the CIBSE 2021 office energy benchmarking for average electricity and/or gas use is used. The CIBSE factor for air conditioned, prestige offices, with good energy practice are used. This emission factor is believed to best reflect the office space we lease, given many have LEED/ BREEAM certification.
Method 4	Where current year figures are unavailable - take prior year figures instead.

The table below summarises the methods of data collection and GHG emissions calculations across our offices. For US steam T&D losses, DESNZ/ DEFRA emission factor district heat and steam has been used as a proxy to fill the data gap. For UK gas use, the emissions factor for the gross calorific value of gas use has been applied. For our London office, the DESNZ/ DEFRA emissions factor for biogas has been applied for the procurement of green gas, and this is gross of CV. No other location is procuring biogas, and the use of biogas is only reflected in the reporting of market-based emissions (not location). The emission factor for natural gas has been used for the reporting of location-based emissions for London.

Location	Office Locations	Use renewable electricity tariff?	Electricity	Gas	Steam	Source of GHG emissions factors
UK	2	2	2 offices (M1)	1 office (M1) 1 offices (M2)	2 offices (-)	DESNZ/ DEFRA GHG conversion factors applied for electricity and gas. DESNZ/ DEFRA emissions factor for biogas has been applied for the procurement of green gas in London.
Europe	7 (office move in 1 location)	2	4 offices (M1) 1 office (M2) 1 office (M3) 1 office (M4)	1 office (M2) 6 offices (-)	1 office (M4)	Emissions factors sourced from carbonfootprint.com for electricity and gas (excl. Dublin, which uses SEIA factors). DESNZ/ DEFRA GHG conversion factors applied for steam. CIBSE method applied for one office.
Canada	3	0	1 offices (M1) 2 offices (M2)	2 offices (M2) 1 office (-)	3 offices (-)	Emissions factors sourced from carbonfootprint.com for electricity. US EPA emissions factors for gas.
US	13 (office moves in 4 locations)	0	2 offices (M1) 9 offices (M2) 2 office (M3)	1 office (M1) 3 offices (M2) 2 offices (M3)	2 offices (M2)	Emissions factors sourced from carbonfootprint.com for electricity. US EPA emissions factors for gas. ENERGY STAR for steam use. DESNZ/ DEFRA GHG Conversion Factors for Company Reporting for heating T&D loss. CIBSE method applied for two offices.

M1 – Method 1

M2 - Method 2

(-) – No use of this type of energy.

M3 – Method 3

M4 - Method 4

Estimates

Actual data for the final months of the year was unavailable at the time of compiling the end of year figures for a number of office locations. This has resulted in the use of estimated values. As indicated in the table on the prior page, in 3 offices, Method 3 (using the CIBSE approach) has been used, whereby figures are based on floorspace. In the case of 4 offices, Method 4 (prior year figures) has been used for electricity figures in Q4 or December.

Data coverage

GHG emissions are based on billing data provided by the landlords or utility companies. The data is provided on a monthly basis. This means that billing at the beginning and end of the year may cover small periods in either 2023 or 2025. Owing to the fact 2024 was a leap year, billing does cover 366 days' worth of energy consumption.

Energy from Charging of EV Cars

It has been assumed that all cars are charged at the owner's residence. Emissions from EV charging is estimated based on distance travelled, using the methodology set out for the calculation of Scope 2 emissions. The DESNZ/ DEFRA emissions factors have been used.

4.3 Scope 3 - Detailed summary of data collection, calculation methods, assumptions, and exclusions

Beazley Group's activities include business travel which is recognised as a significant source of GHG emissions. Scope 3 emissions compromise the following activities:

- Air travel;
- Rail travel;
- Taxi use;
- Hotel stays;
- Car hire;
- Personal car use;
- External data centres; and
- T&D losses associated with office energy consumption (electricity and steam) and electrical vehicle use.

Air Travel

DESNZ/ DEFRA emission factors are used for all flights booked through Beazley's UK and Europe booking partner and flights to/from the UK, booked via our US travel partner. For the remaining flights booked via the US travel booking system, the US EPA emission factors for 'Short', 'Medium' and 'Long Haul' flights have been used, as detailed in US EPA Centre for Corporate Climate Leadership, Emission Factors for GHG Inventories. Emission factors relevant to the reporting years are used. The table below shows the defined distances for flight types used per the emission factor database.

Emission factor source	Flight distances		
	Long haul	**Medium haul**	**Short haul**
US EPA	>2300 miles/ 3,701.5 km	>300 miles to <2300 miles >482.80km to <3,701.5 km	<300 miles / 482.80km
UK DESNZ/ DEFRA	>2300 miles/ 3,701.5 km	n/a	<2300 miles/ 3,701.5 km

Rail Travel

DESNZ/ DEFRA emission factors for rail travel ('National Rail' and 'International Rail') are used for all UK and European Rail travel, including Eurostar. The calculations exclude travel recorded in the booking process for the London Underground (defined as travel on TFL services which do not use mainline railways). This is because we are unable to ascertain an accurate distance travelled for those journeys.

For rail travel in Canada and the USA, emissions factors provided by US EPA are used ('Inter city rail -other routes and 'Northeast Corridor', where applicable.

Taxi Use

The distance travelled by taxi has been estimated from cost data and currency of spend. The below table summarises the taxi rates per mile of travel applied based on publicly reported average taxi costs in UK, Paris, New York, and Singapore.

Currency	Rate/mile	Source
GBP	9.80	Median value between £7.60-12 used for 1 mile travel
USD	6.50	Includes $3 initial charge and $0.7 charge per 1/5 mile
EUR	3.00	Paris rate used for Europe. Used Paris CDG airport to left bank = 65 EUR for 21.6 miles
CAD	6.50	Assumed same as New York City
SGD	4.53	Includes 3.9SGD initial charge and 1SGD per km charge

The DESNZ/ DEFRA 'Regular taxi' emission factor has been used globally, as region-specific emission factors for taxi use are not available.

Data is based on the date the taxi use was claimed back via Beazley's expenses process, with data sourced from internal finance systems. Data in reports does not capture travel date, only invoice date. As a result, invoice dates for 2024 are used for calculating emissions, which means there could be some taxi use from 2023 included in the 2024 calculations. This is considered negligible from a GHG emissions perspective.

The limitations associated with the approach to estimation of distance travelled are recognised, but are not considered to be significant for overall emissions given the relatively minor contribution of taxi travel to Beazley Group's reported GHG emissions. Work will be undertaken in subsequent years to refine the use of taxi rates for estimating distances.

Hire Cars

Emissions for hire cars are based on an assumption that an average distance of 100 miles is travelled per day of hire. US EPA emission factors for 'Passenger Car' have been applied to car hires in the USA and Canada, and DESNZ/ DEFRA emissions factors for UK and all other locations.

Personal Car Use

Beazley employees use their personal cars for business travel and recover the cost through expenses at rates based on region of travel (see table below). GHG emissions are calculated using the DESNZ/ DEFRA and US EPA emission factors. DESNZ/ DEFRA factors have been used for car use in the UK and Europe, and US EPA factors (passenger car emission factor) have been used for car use in the USA and Canada. For UK/ European personal car use, where the details of the car engine size and fuel type have been provided, the appropriate DESNZ/ DEFRA emission factor has been used. Where this information has not been provided, the DESNZ/ DEFRA factor for 'average car' and 'unknown fuel type' has been used. In 2024, no distances were estimated based on claimed costs as all employees self-reported distances travelled as part of the expense claim process. It has been assumed that the distance data has been inputted correctly by the Beazley employee. Data is based on the date the car use was claimed back via Beazley's expenses process. This does mean that there could be some personal car use from 2023 included in the 2024 calculations. This is considered negligible from a GHG emissions perspective.

Region	Currency	Rate/mile	Rate mileage thresholds
UK	GBP	0.45	0.45: 1 – 10,000 miles 0.25: >10,000
Canada	CAD	0.68	0.68: 1 – 5,000 miles 0.25: >5,000
France	EUR	0.613	0.613 (median): 1 – 5,000 miles 0.355 (median): 5,001-20,000 0.42 (median): >20,000
Germany	EUR	0.3	n/a
Ireland	EUR	0.4681	0.4681 (median): 1 – 1,500 miles 0.81635 (median): 1,501-5,000 0.355 (median): 5,001 – 25,000 0.23215: >25,000
Spain	EUR	0.26	n/a

Hotel Stays

GHG Emissions for hotel stays are based on the number of nights stay, using DESNZ/ DEFRA emission factors for the relevant country.

Where emissions factors are not listed by DESNZ/ DEFRA for the country of stay, then data from the Cornell Hotel Sustainability Benchmarking (CHSB) index for the relevant year has been used. Where metro emission factors exist in the CHSB data base, these have been used for any city-based stays. If a Cornell factor does not exist for a city/ metro area, but one exists for another city/metro area in that particular country, then that factor is used instead as a substitute. As an example, the Cornell factor for Stockholm, Sweden is used for Gothenburg, Sweden. This data is the data used by DESNZ/ DEFRA to inform their emission factors.

Where the country is not listed, the appropriate climate has been selected as detailed below, with the mean value for all hotels used. This selection has been based on a review of country climate characteristics, as set out on the Climate Change Knowledge Portal (in the CHSB).

2023 Cornell Hotel Climates		
Definition in CHSB	**Countries applies to**	**kgCO_2e per night**
Western European broadleaf forests	Luxembourg	7.1
Cold, dry summer, cold summer	Iceland	18.5
Temperate, dry summer, hot summer	Monaco	14.4
Balkan mixed forests	Serbia	53.8
Tropical, rainforest	Bolivia	43.9
Bahamian-Antillean mangroves	Bermuda	153.9
Mesoamerican Gulf-Caribbean mangroves	Puerto Rico	45.0

Transmission & Distribution (T&D) Losses

GHG emissions associated with electricity T&D losses have been calculated on the same basis of the Scope 2 emissions. For US offices which use steam, in the absence of an emission factor from Energy Star, the DESNZ/ DEFRA emission factor has been used. T&D losses for gas are not included in the calculations.

External data centres

Beazley uses external data centre service providers in order to support our operational activities. At present, due to data limitations, we only report on emissions for two of our data centres (as has been the case in prior years, including our baseline year of 2019). However, efforts are underway to bring all data centres into scope.

The data centres included are located in London and Dublin. We use externally verified GHG emissions and energy reports provided by the data centre operator for energy and GHG reporting, and these are provided annually in March. For this reason, 2023 data is used as an estimate for 2024 and will be updated in future reporting when data is available.

2024 emissions for additional data centre sites (both US based) have been estimated as approximately 89 tCo2e. This is the first time we have been able to calculate an estimate, however, to ensure consistency with prior years, figures for these additional data centres have not been included in the reported emissions for 2024.

5. Calculation of Energy Consumption Values and SECR metrics

Outline of methodology – reporting of electricity consumption from offices

The methodology to calculate the energy consumption arising from Beazley's operations mirrors that being used to calculate the GHG emissions. The energy consumption (kWh) figures are used as a source of raw data, from which the GHG emissions are calculated.

Two metrics are reported for energy consumption:

- Total office electricity consumption in kWh – this is the sum total of electricity consumption for 2024 for each of the in scope offices. Data is obtained via the calculation methods set out in section 2 of this report.

- Percentage of electricity procured from certified renewable energy sources – this is the percentage of the total electricity consumption which comes from renewable source. It is calculated by dividing the electricity consumption from in scope offices which has been documented as coming from renewables, by the total electricity consumption for the in scope offices.

Outline of methodology – reporting to meet Streamlined Energy and Carbon Reporting (SECR) requirements

Energy consumption is calculated to report the following:

- Energy for small power (noting there was no direct purchase of gas or heat/ steam by Beazley)
- The energy use from both global and UK car hire
- The energy use from company cars

The methodology for each is as follows:

Energy for small power
The calculation methodology mirrors that previously outlined for the reporting of electricity consumption from offices. For SECR, consumption is reported for the UK and then globally for all offices in scope.

The energy use from both global and UK car hire
Energy use arising from all car hire is calculated using the appropriate DESNZ/ DEFRA factors outlined in the latest UK Government GHG Emission Factors database. DESNZ/ DEFRA factors have been used regardless of the global location of the car hire. It has been assumed that all cars are of average size and fuel economy. The data input parameters to enable the calculation of the energy use is the same as that outlined for the calculation of GHG emissions arising from car hire i.e. distance travelled. The emission factor used is kWh (net CV).

The energy use from company cars
Energy use arising from all company cars is calculated using the appropriate DESNZ/ DEFRA factors outlined in the latest UK Government GHG Emission Factors database. The data input parameters to enable the calculation of the energy use is the same as that outlined for the calculation of GHG emissions arising from company cars. The emission factor used is kWh (net CV).