



The Source You Trust

THE POWER OF PURPOSE

2023 Corporate Responsibility Report





A MESSAGE FROM BILL DONNELL



For over 100 years NCCI has been an industry leader and partner, striving to fulfill our mission of fostering a healthy workers compensation system. Our Corporate Responsibility endeavors are aligned with our mission, centering on employee well-being, ethical practices, risk management, and fortifying our workplace culture.

In the pages that follow, you'll discover the progress we've made in various facets of Corporate Responsibility. This report reflects NCCI's dedication and achievements to advancing these aims, including the realization of innovative ideas and purposeful initiatives. It's also a reminder of the responsibilities we carry as an organization to positively shape the world. Thank

you to our employees, and our industry and community partners who make these efforts impactful and possible.

Bill Donnell
President and CEO, NCCI

NCCI exists to serve the workers compensation industry as a licensed rating, advisory, and statistical organization. We are the nation's most comprehensive source of workers compensation data, insights, and solutions. As an industry leader and *The Source You Trust*, NCCI's mission is to foster a healthy workers compensation system. This mission extends to creating the most value for our stakeholders and communities, and creating an environment for our employees that embraces respect, integrity, inclusion, and diversity.



ABOUT THIS REPORT

We proactively embrace **accountability** by regularly monitoring and reporting our corporate responsibility progress.

At NCCI, we believe that our commitment to creating a positive impact in our community, industry, and the world begins with an endeavor of purpose. Our corporate sustainability efforts are aligned with the principles of accountability and continuous improvement. In our Corporate Responsibility report, we apply the Sustainability Accounting Standards Board (SASB)

standards where applicable, under the categories of Insurance and Professional & Commercial Services. The SASB standards provide comprehensive and industry-specific guidelines for organizational sustainability reporting. Learn more at [SASB.org](https://www.sasb.org).

We recognize there is always opportunity for **continuous improvement**, as we strive to enhance our corporate responsibility footprint.



ENVIRONMENTAL UPDATE

Our Environmental efforts have remained stable and consistent. Our numerous building efficiencies and sustainable practices remain in place, including our high-performance roof coating, LED lighting upgrades, electric car charging stations, and our state-of-the-art Data Center cooling plant. This steady continuity underscores our commitment and the enduring nature of our efforts.



“We continue our efforts to reduce our environmental impact whenever possible, including an ongoing focus on reducing our building’s electricity consumption, as well as a number of practices to reduce waste and limit our utilization of natural resources.”

Alfredo T. Guerra
Chief Financial Officer, NCCI

Sustainable Event Practices

We invest in sustainable supplies that can be re-purposed across our events and leverage digital signage and mobile apps to reduce the use of printed materials. Recycling bins are prominent at our event sites and, when possible, we utilize water dispensers to reduce the use of plastic water bottles.

Plastic Bottle Waste Reduction

Our use of single-use plastic bottles continues to decline due to our convenient water refilling stations throughout our headquarters building. We began tracking this activity in 2018; and to date, this practice has eliminated the use and disposal of 260,000 plastic bottles.

Hybrid Working Model

A highlight of our corporate culture is our Flex@NCCI work policy. It enables employees to work virtually, in person, or in a hybrid structure. Flex@NCCI promotes a reduction in daily on-the-road commuting, which can be a contributing factor to greenhouse gas and fossil fuel emissions.

Eco-Friendly Cafe Products

We continue to test new and innovative methods aimed at reducing the amount of waste generated from our building, including our on-site cafeteria. In 2023, we increased and encouraged the use of traditional dishes and flatware over plastic containers and utensils. Plastic can be a contributor to environmental pollution.

SOCIAL UPDATE



Being a strong corporate citizen is not only our responsibility, but also our commitment. We aim to be constant community partners, while fostering inclusion and diversity and investing in the well-being of our employees. In 2023, we made valuable progress towards these goals, while continuing the efforts our employees and community partners have come to rely on.

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“Our people are our greatest asset. We value inclusion and diversity and are proud to offer opportunities for growth and development, community and industry engagement and partnership, and a values-driven culture that propels our work and impact forward.”

Susan Lee
Chief Human Resources
Officer, NCCI

Inclusion & Diversity (I&D)

Framework (SASB SV-PS-330a.3)

Our three-pronged I&D framework centers on our company, our community, and our industry. These focus areas have been identified for achieving our objectives and furthering our priority of demonstrating social responsibility:

- Our company: This includes our talent programs and practices, which aim to incorporate a lens of inclusion and diversity throughout the employee experience. Employee training and education opportunities also serve as integral elements of our I&D strategy.

- Our community: We recognize that our role in advancing education equity is a crucial responsibility. We partner with local organizations dedicated to this cause as we work to enhance access to valuable educational resources for those who are underrepresented in our community.
- Our industry: We engage industry partners as we collaborate to advance opportunities for all across our industry.

For a comprehensive overview of our I&D program and activities, including real-time updates, visit ncci.com/InclusionandDiversity.

SOCIAL UPDATE *(Continued)*



2023 I&D HIGHLIGHTS

Activity	Impact
Launched NCCI's New Inclusion & Diversity Internal & External Microsites	Further cemented our commitment to I&D progress, and increased awareness of our I&D program with nearly 3,400 page visits combined.
Expanded Industry Collaboration	Partnered with the National African American Insurance Association (NAAIA) for an informational session held at NCCI's headquarters, with over 90 employees in attendance. Additionally, NCCI employees provided industry expertise at NAAIA events regionally and nationally, and NCCI participated in the NAAIA National Virtual Career Fair.
Strengthened Community Partnerships	In support of the Education Foundation, NCCI employees: <ul style="list-style-type: none"> • Packed 634 backpacks for two local Title 1 schools • Hosted a pop-up location and distributed more than \$29K in school supplies to 123 Title 1 teachers through the Education Foundation's Red Apple Store



Continued Growth of Our Employee Resource Group, Together As One (TAO)

- Hosted International Women's Day event with over **180** employees in attendance
- Organized NCCI's Global Diversity Celebration with over **170** employees in attendance
- Conducted activities in support of professional development, business networking education, Spanish language education, and autism awareness
- Conversated on over **60** topics to inspire cultural awareness



Best-in-Class Employer*

As a Best-in-Class Employer,* we're proud to offer our employees a variety of inclusive benefits, programs, and screenings that encompass a healthy and safe workplace. They include prevention screenings and a wide range of employee benefits including those that provide infertility support, adoption assistance, family time off, and a variety of benefits for domestic partners and dependents.



**NCCI has been recognized as a Best-in-Class Employer by Gallagher's 2021, 2022, and 2023 Benefits Strategy report. Additionally, our 401(k) program was designated Best-in-Class by PLAN-SPONSOR for three consecutive years.*

SOCIAL UPDATE *(Continued)*



97% of employees say they are proud to work for NCCI*



AVERAGE TENURE: 14.9 YEARS

Female: 51%

Male: 49%

- White/Caucasian: 57%
- Black/African American: 17%
- Hispanic/Latino: 16%
- Asian: 7%
- Two or more races: 2%
- Other or decline: 1%

Workforce demographic data as of 12/31/2023

*Source: NCCI 2023 Employee Engagement Survey

Giving Back

We believe that philanthropic giving is a hallmark of corporate responsibility. We support organizations that align with our mission and values. Additionally, our long-standing NCCI Cares program encompasses financial giving, volunteerism, in-kind donations, sponsorships, and employee matching. We provide up to 40 hours per year of paid time off to employees to use for volunteer activities. Our Acts of Kindness initiative encourages employees to take a personal approach to supporting their neighbors and communities.

View a full overview of our [NCCI Cares program](#), which has been recognized as a Top 10 Workplace Campaign by the United Way of Palm Beach County.

2023 NCCI Cares Highlights



Earth Day: Over 120 employees volunteered in our community in honor of NCCI's 100th Anniversary. Activities included:

-  Weeded, watered, and repotted more than **400** trees with the Community Greening organization
-  Removed **73** pounds and **1,565** pieces of trash from a local canal to support Save our Beaches
-  Collected **45** buckets of debris via the Sea Angels beach cleanup
-  Planted a magnolia tree at NCCI's headquarters



Manager Summit: **113** employees packaged over **3,500** bags of dry goods for Boca Helping Hands.



Day of Giving: **207** employees volunteered at **9** locations.



Spirit of Giving Holiday Campaign: Employees donated **2,436** diapers, **4,072** baby wipes, **110** pajamas, and **100** toys to three local charities.



Volunteer Time Off (VTO): **385** employees used their VTO to volunteer for more than **3,200** hours.

GOVERNANCE UPDATE



Effective governance is critical to NCCI's business operations and plays a central role in our corporate sustainability. NCCI maintains a comprehensive corporate governance program. Our established governance structure and governance documents adhere to best practice standards and are routinely reviewed and updated.



“Our business operations are guided by sound, ethical governance practices and conduct. It is through unwavering commitment to these principles that we build trust with our stakeholders and lay the foundation for a sustainable and responsible future.”

Steven J. Sibner
Chief Legal Officer, NCCI



By integrating environmental, social, and governance considerations into our business strategy and corporate responsibility program, we aim to create long-term value for our stakeholders. Stay up to date on our activities at ncci.com/CorporateResponsibility.

Professional Integrity (SV-PS-510a.1)

As part of its commitment to conducting business ethically, professionally, and lawfully, NCCI has implemented various compliance mechanisms that address the protection of company information, ensure consistency throughout the organization, and set forth parameters regarding appropriate employee behavior. Every year, employees must acknowledge they have read and agree to comply with NCCI's compliance materials.

Board Diversity

More than one-third of the Board of Directors consists of women and minorities.

Training

On an annual basis, employees receive compliance-related training. In 2023, the training focused on educating employees on the company's overall compliance program and information security.

Reporting Mechanisms

NCCI provides several avenues to report violations of policy, misconduct, or ethical concerns.

Data & Cybersecurity

NCCI maintains robust data and cybersecurity programs to ensure the integrity and confidentiality of our data and systems. In addition to continuous investment in the latest security technologies, programs include security awareness and training programs, continuous security testing, and information classification to ensure appropriate encryption and access.

Risk Management

(SASB FN-IN-550a.3)

NCCI's Enterprise Risk Management Committee identifies and oversees possible risks that could impact NCCI's operations. In 2023, the committee further standardized risk identification and increased risk awareness throughout the organization.

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